



City of Prince Albert

RPT 2026-100

TITLE: 2026 Property Tax Bylaws

DATE: April 7, 2026

TO: City Council

PUBLIC: **INCAMERA:**

RECOMMENDATIONS:

1. That the following Bylaws receive three readings:
 - Property Tax Bylaw - Bylaw No. 8 of 2026
 - Snow Management Special Tax Bylaw - Bylaw No. 9 of 2026
 - Roadways Special Tax Bylaw - Bylaw No. 10 of 2026
 - Business Improvement District (BID) Levy Bylaw - Bylaw No. 12 of 2026
2. That prior to the 2027 Budget Deliberations, Administration prepare a comprehensive report outlining the City's current taxation model including tax classes, mill rate strategies, and base tax structures, and present suitable options for potential refinement moving forward.

EXECUTIVE SUMMARY:

This report is recommending a tax plan which will finalize how the tax rate will impact different properties. Administration reviewed options including minimum tax rates, base tax rates and the mill rate. The proposed tax plan addresses the additional \$3,489,069 needed to balance the City's approved operating and capital budgets and reserve allocations.

The proposed tax plan underscores Council's commitment to supporting its growing population and addressing the rising costs of goods and services. The recommendation includes increasing the base tax to reflect the philosophy that all properties benefit equally from essential services (such as fire, police, roads, etc.) regardless of the assessed value of the property.

The City is managing a growing list of aging facilities and core infrastructure that require ongoing maintenance, alongside capital needs for new or modernized spaces. At the same time, residents' expectations continue to rise in areas such as bylaw response, policing, snow management, parks, playgrounds, and open spaces. The City also recognizes the financial pressures households are facing after several years of sustained inflation. With that in mind, we have worked carefully to limit the impact on residents while ensuring the organization remains financially stable and able to meet future service demands.

To support this balance, the City will continue its efficiency audits in 2026. These reviews examine spending across all departments to ensure that the investments residents make in their municipal government are delivering clear value and measurable results.

BACKGROUND:

The methodology utilized to review revenue from property taxation consists of the following processes.

Note that the steps must be considered in conjunction with one another as changing one item can impact another (ex. changing the base tax will impact municipal levy).

1. Assessed and taxable values for all properties in the City are updated, including all taxable, provincial, federal, and exempt properties.
2. The mill rate required to generate necessary tax dollars from the approved 2026 budget is reviewed.

General Municipal Levy

The following are property tax tools available to the City:

1. **Mill Rate** (Ad Valorem): basic tax rate applicable to all assessed properties in the City.
2. **Mill Rate Factor**: applies a ratio to increase or decrease the effective mill rate in each of the property classes or sub-classes.
3. **Minimum Tax**: guarantees that a property will pay a minimum amount for the General Municipal Levy, currently set at \$900, and Vacant Residential Land at \$1,600.
4. **Base Tax**: a specific amount of money applied to each property that effectively reduces the difference in property taxes between the lower and higher assessed properties.

This base tax is for the general operations of the City.

5. **Special Tax**: a specific amount of money raised by a special tax to be used for a specific service or purpose. The service or purpose must be completed within the taxation year.

A municipality may pass a special tax bylaw as per Subsection 278(1) of the *Cities Act* which allows for the use of the revenue raised by a special tax to be used for that specific service or purpose stated in the bylaw. Subsection 278(2) of the *Cities Act* then states that when there is excess revenue generated from the special tax (i.e. actual expenses are less than the actual revenue from the special tax), the City shall give public notice of the use to which it proposes to put the excess revenue. This requirement in subsection 278(2) will allow for transparency between the City and residents as to what their tax dollars are being used for.

PROPOSED APPROACH AND RATIONALE:

The approved 2026 Operating and Capital Budgets, along with reserve allocations, require an additional **\$3,489,069** in taxation revenue. This report outlines the proposed approach to raising this revenue through adjustments to the General Municipal Levy and the City's available tax tools. Below is a summary of budget changes:

Name	2026 Budget	2025 Budget	Increase / (Decrease)
General Municipal Levy	\$42,597,435	\$44,348,690	(\$1,751,255)
Base Tax	\$5,697,000	\$720,000	\$4,977,000
Federal Government Grant in Lieu	\$282,000	\$200,000	\$82,000
Provincial Government Grant in Lieu	\$2,042,000	\$1,980,000	\$62,000
First Nations Reserve Land	\$787,000	\$540,000	\$247,000
Library Levy	\$2,570,671	\$2,429,396	\$141,275
Capital Projects Levy	\$1,550,000	\$1,550,000	\$0
Snow Management Special Tax	\$1,800,434	\$1,764,785	\$35,649
Roadways Special Tax	\$4,650,000	\$4,400,000	\$250,000
Police Special Tax	\$0	\$554,600	(\$554,600)
Total Increase	\$61,976,540	\$58,487,471	\$3,489,069

Note:

The increase in the Roadways Special Tax results from the approved motion:

“That the 6th Avenue Viaduct - Bridge Reconstruction be approved at a cost of \$1,000,000 with \$750,000 out of taxation and \$250,000 out of the Roadways Paving and Concrete Levy.”

Budget Committee, at its meeting of November 21, 2025 approved the following motion regarding the Police Special Tax:

“That The City eliminate the collection of the Proactive Policing Levy as an additional taxation source.”

As such, for the 2026 Property Tax Tools, the Police Special Tax has been eliminated. This results in a reduction of \$35.00 per property.

General Municipal Levy

The General Municipal Levy is the primary source of municipal taxation and is calculated using the ad valorem method:

Taxable Assessment x Mill Rate x Mill Rate Factor = Levy Amount

Below is the proposed General Municipal Levy for 2026 based on the Ad Valorem Method of Tax Calculation:

Tax Revenue Required	\$45,708,435 (includes Grants in Lieu)
Total Taxable Assessment	3,819,632,670
Remove exempt	(606,666,350)
	<u>3,212,966,320</u>
Mill Rate	14.226 mills

The **2026 General Municipal Levy** represents a **2.03% increase** over 2025.

Tax Tools Overview

Tax tools are a mechanism allowing council to redistribute the cost of public services within its tax base. Tax tools may only be applied to municipal property taxes.

Municipalities have three tax tools that can be used individually or in combination: mill rate factors, minimum tax and base tax.

A **mill rate factor** shifts some of the cost of public services from one property classification to another - agricultural, residential or commercial. By adjusting the factor, the effective tax rate for one class can be made higher or lower than another. This helps Council decide how much each group of properties contributes to the overall cost of services.

A **minimum tax** sets a floor on how little a property can pay in municipal taxes. The minimum can be a fixed dollar amount or a formula. It ensures that all properties contribute at least a basic amount toward municipal services.

A **base tax** is a flat fee added to every municipal tax bill. It reflects the idea that all properties benefit equally from certain services—like fire protection, policing, and roads - regardless of their assessed value.

For example:

2025 Base Taxes

- \$365.00 for Residential
- \$140.00 for Multi-Residential
- Sliding Scale for Commercial

2026 Property Tax Tools Plan

Administration has reviewed all available tax tools and is recommending a set of targeted adjustments to generate the revenue required to balance the approved 2026 Budget. In addition to the **2.03% General Municipal Levy increase**, the recommended changes involve the following areas:

- Library Levy
- Snow Management Special Tax
- Roadways Special Tax
- Base Tax
- Minimum Tax
- Elimination of the Police Special Tax

	<u>2025 Rates</u>	<u>2026 Proposed</u>	<u>Increase</u>	<u>% Increase</u>
Library Levy	0.814	0.819	0.005	0.61%
Snow Management Special Tax	<u>2025 Rates</u>	<u>2026 Proposed</u>	<u>Increase</u>	<u>% Increase</u>
Residential **	\$75	\$76	\$1	1.33%
Multi-Residential	\$24	\$25	\$1	4.17%
Commercial - Tiers				1.00%
Roadways Special Tax	<u>2025 Rates</u>	<u>2026 Proposed</u>	<u>Increase</u>	<u>% Increase</u>
Residential **	\$204	\$215	\$11	5.39%
Multi-Residential	\$67	\$70	\$3	4.48%
Commercial - Tiers				5.00%
Base Tax	<u>2025 Rates</u>	<u>2026 Proposed</u>	<u>Increase</u>	<u>% Increase</u>
Residential **	\$365	\$400	\$35	9.59%
Multi-Residential	\$140	\$149	\$9	6.43%
Commercial - Tiers				5.00%
Minimum Tax	<u>2025 Rates</u>	<u>2026 Proposed</u>	<u>Increase</u>	<u>% Increase</u>
Residential	\$900	\$975	\$75	8.33%
Minimum Tax	<u>2025 Rates</u>	<u>2026 Proposed</u>	<u>Increase</u>	<u>% Increase</u>
Vacant Residential Land	\$1,600	\$1,600	\$0	0.00%

** Residential also includes Vacant Residential, Condominiums, Agricultural and Care Homes.

Impact on a residential property

The impact to a Residential property owner is an increase of \$12.00 as follows:

Special Levies & Base Tax - RESIDENTIAL	2025 Tax Rates	2026 Tax Rates	Change
Snow Management	\$75	\$76	\$1
Roadways	\$204	\$215	\$11
Proactive Policing	\$35	\$0	(\$35)
Base Tax	\$365	\$400	\$35
TOTAL	\$679	\$691	\$12

Distribution of Residential Impacts

Residential Class (TRES)	Recommended Tax Plan - # of Properties
Increase greater than \$1,500	16
Increase \$1,000 to \$1,500	8
Increase \$500 to \$1,000	100
Increase \$0 to \$500	9,861
Decrease \$0 to \$35	9
Decrease greater than \$35	13
New Properties	9
	10,016
Total Increase \$0 to \$1,000	9,961
	99.45%

Tax Rates for 2026

Tax Rate calculated as (Mill Rate/1,000) x Mill Rate Factor.

It is important to note that the Tax Rate is **not** the same as the Mill Rate.

	2025 Tax Rates		2026 Tax Rates		
General Municipal Levy	13.943		14.226		
					Tax Rates
	Mill Rate Factors	2025 Tax Rate	Mill Rate Factors	2026 Tax Rate	% Change from 2025
Residential	0.802	11.1823	0.832	11.8360	5.85%
Multi-Residential	0.740	10.3178	0.762	10.8402	5.06%
Condominium	0.740	10.3178	0.762	10.8402	5.06%
Care Home	0.802	11.1823	0.832	11.8360	5.85%
Commercial - Tier 1	1.265	17.6379	1.325	18.8495	6.87%
Commercial - Tier 2	1.265	17.6379	1.325	18.8495	6.87%
Commercial - Tier 3	1.500	20.9145	1.572	22.3633	6.93%
Commercial - Tier 4	1.510	21.0539	1.583	22.5198	6.96%
Commercial - Tier 5	1.510	21.0539	1.583	22.5198	6.96%
Hotels	1.100	15.3373	1.148	16.3314	6.48%

Agriculture	0.800	11.1544	0.830	11.8076	5.86%
Railway	3.000	41.8290	3.120	44.3851	6.11%
Vacant Commercial	2.050	28.5832	2.150	30.5859	7.01%

Commercial to Residential Property Tax Ratio

In 2025, the Property Tax Plan addressed the imbalance between commercial and residential taxation by adjusting the commercial tax rate to reduce the overall impact of reassessment on commercial properties. This change was to support Prince Albert's competitiveness as a place to invest and operate a business by ensuring commercial properties do not carry an excessive share of the municipal tax burden. It also helps moderate the significant fluctuations in commercial property taxes that can occur during revaluation cycles.

Below is the proposed Commercial to Residential Property Tax Ratio for 2026:

	2025 Ratio to Residential	2026 Ratio to Residential
Commercial Tier 1	1.58	1.59
Commercial Tier 2	1.58	1.59
Commercial Tier 3	1.87	1.89
Commercial Tier 4	1.80	1.90
Commercial Tier 5	1.88	1.90

Rationale for recommended 2026 Property Tax Tools

In summary, Administration has reviewed all tax tools available to Council for raising the revenue required to balance the approved 2026 Budget and recommends the changes outlined in this report for the following reasons:

Maintains competitiveness by generally preserving the commercial-to-residential tax ratio.

Supports essential protective services, including fire and policing, through the base tax.

Responds to resident priorities: safety, reliable services, and a growing, vibrant community.

Promotes long-term stability and sustainability, aligning with the 2026 Budget's strategic direction.

Moderates reassessment impacts, particularly for higher-valued homes, through the base tax structure.

CONSULTATIONS:

Finance Administration has researched other Cities' Bylaw as follows:

Other Cities – Residential Tax Rates 2025

City	Mill Rate	Mill Rate Factor	Tax Rate
Saskatoon	8.5858	0.8724	7.4903
Regina	11.0514	0.8803	9.7288
Prince Albert	13.9430	0.8020	11.1823
Moose Jaw	12.2963	0.7857	9.6612
Swift Current	11.6170	0.4531	5.2637
Yorkton	18.1108	0.4838	8.7620
North Battleford	17.6900	0.3940	6.9699

Other Cities – Commercial to Residential Ratios – 2025

City	Residential - Mill Rate Factor	Commercial - Mill Rate Factor	Commercial to Residential Ratio
Saskatoon	0.8724	1.4404	1.65
Regina	0.880.	1.3303	1.51
Prince Albert	0.802	1.265 – 1.51	1.58 – 1.88
Moose Jaw	0.7857	1.4699	1.87
Swift Current	0.4531	1.6778	3.70
Yorkton	0.4838	1.26996 – 1.52395	2.62 – 3.15
North Battleford	0.3940	1.2700	3.22

COMMUNICATION AND/OR ANNOUNCEMENT PLAN:

The key dates that were part of the 2026 budget process are as follows:

Key Dates:	Budget Committee: November 19, 20 and 21, 2025 Budget Approved: December 15, 2025 Assessment Roll Closed: February 27, 2026 First and Second Reading of Tax Tools Bylaw: April 20, 2026 Third Reading: April 22, 2026
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Activity	Description	Date
Media release	Conclusion of budget deliberations and notable projects approved for 2026.	November 21, 2025
Media release	City of Prince Albert's 2026 Assessment Notices mailed out.	January 27, 2026
Public Notice	Public Notice pursuant to Public Notice Bylaw No. 24 of 2015.	April 10, 2026
Media release	Details of the proposed 2026 Property Tax Bylaw with impacts to property owners.	April 16, 2026
Website, Social Media post & billboard update	Details of the 2026 Property Tax Bylaw with impacts to property owners.	April 20, 2026
Social media post & billboard update	Details to property owners on property tax notices being delivered & e-billing. Check spam / junk folder. Encouragement of e-billing and TIPPS.	May 25, 2026
Information insert	Insert included with the property tax notice detailing key projects in the budget and the basics of property tax impacts.	May 25, 2026
Social media post	Reminder to property owners of the upcoming property tax deadline.	Mid-June 2026

Ongoing communication with the Communications Manager has already been established to ensure a detailed communication plan is developed.

POLICY IMPLICATIONS:

The following 2025 Property Tax Bylaws will be repealed:

- a. Bylaw No. 8 of 2025 ~ Property Tax Bylaw
- b. Bylaw No. 9 of 2025 ~ Snow Management Special Tax
- c. Bylaw No. 10 of 2025 ~ Roadways Special Tax
- d. Bylaw No. 11 of 2025 ~ Police Special Tax
- e. Bylaw No. 12 of 2025 ~ Business Improvement District

BUDGET/FINANCIAL IMPLICATIONS:

The recommended 2026 Tax Tool increases will provide the funding to balance the 2026 Budget approved.

Name	2026 Budget	2026 Proposed Property Tax Tools Presented	Excess (Shortfall) Revenue
General Municipal Levy	\$45,708,435	\$45,141,126	(\$567,309)
Library Levy	\$2,570,671	\$2,571,999	\$1,328
Capital Projects Levy	\$1,550,000	\$1,554,505	\$4,505
Snow Management Special Tax	\$1,800,434	\$1,806,654	\$6,220
Roadways Special Tax	\$4,650,000	\$4,657,662	\$7,662
Police Special Tax	\$0	\$0	\$0
Base Tax	\$5,697,000	\$6,296,817	\$599,817
TOTAL	\$61,976,540	\$62,028,763	\$52,222

Below is the share of 2026 Municipal Tax Dollars by **Property Classification**:

Property Classification	# of Total 2026 Taxation Dollars
Residential, Multi-Residential & Condos	60.54%
Commercial	33.17%
Vacant	3.09%
Hotels	2.52%
Care Homes	0.43%
Other (Agriculture, Railway, etc.)	0.25%
	100.00%

Below is the share of the 2026 Tax Base by **Property Class**:

Property Classification	# of Total 2026 Tax Class
Residential	80.63%
Condos	9.16%
Commercial	4.48%
Vacant Land	2.66%
Multi-Residential	1.64%
Federal, Provincial, Housing	0.97%
Other (railway, agriculture)	0.27%
Care Homes	0.10%
Hotels	0.07%
	100.00%

Impact to Residential

Below is the impact based on taxable value to 2026 Property Tax Tools:

Assessed Value	\$120,000	\$200,000	\$250,000	\$350,125	\$450,375
Taxable Value	\$96,000	\$160,000	\$200,000	\$280,100	\$360,300
2025 Taxes	\$2,265	\$3,323	\$3,984	\$5,307	\$6,633
2026 Taxes	\$2,342	\$3,443	\$4,131	\$5,509	\$6,888
Dollar Increase Amount	\$77	\$120	\$147	\$201	\$255
Total Per Month	\$6.40	\$10.01	\$12.26	\$16.77	\$21.28
Percentage Increase	3.39%	3.61%	3.69%	3.79%	3.85%

STRATEGIC PLAN:

As per the City's Strategic Plan 2026 – 2029, this report addresses the following strategic initiatives:

Strategic Direction: Professional and High Quality Public Service, **Strategic Goal:** Strengthen the integration, transparency and effectiveness of the City's strategic, financial, communications and operational planning processes. **Key Initiative:** Ensure budget development are aligned with and supported by strategic priorities.

Strategic Direction: Building a Robust Economy, **Strategic Goal:** Growth and diversification of the City's Property Tax Base. **Key Initiative:** Prioritize the development of City's infrastructure to attract long-term investment and support economic development in new strategic sectors. Ensure creation of an equitable taxation structure to promote community growth and maintain new and existing amenities and infrastructure.

PUBLIC NOTICE:

Public Notice is required for consideration of this matter, pursuant to Section 4(e) of Public Notice Bylaw No. 24 of 2015. The following notice will be undertaken:

- Published in local newspaper (Prince Albert Daily Herald) circulated in the City: April 10, 2026
- Posted on the bulletin board at City Hall: April 10, 2026

Attached to the report is a copy of the Public Notices published in the Prince Albert Daily Herald.

ATTACHMENTS:

1. Appendix A – Impact on Residential Properties by Assessment.
2. Appendix B – Tax Tool Summary for 2026.
3. Appendix C – 2026 Proposed Tax Rates.
4. Property Tax Bylaw – Bylaw No. 8 of 2026.
5. Snow Management Special Tax Bylaw – Bylaw No. 9 of 2026.
6. Roadways Special Tax Bylaw – Bylaw No.10 of 2026.

7. Business Improvement District (BID) Levy Bylaw – Bylaw No. 12 of 2026.

8. Public Notices for 2026 Special Taxes.

Written by: Melodie Boulet, Finance Manager

Approved by: Acting Senior Accounting Manager, Chief Financial Officer and City Manager