

COUNCIL REPORT

To: Mayor and Council
From: Finance
Date: April 21, 2026
Subject: 2026 Property Tax Revenues and Tax Rates

RECOMMENDATION:

THAT Council receives this report for information.

BACKGROUND:

In accordance with Sections 165 and 197 of the *Community Charter*, the District's five-year financial plan and tax rate bylaws must be adopted on or before May 15, 2026.

The 2026 Provisional General and Utility Operating and Capital Budgets, which inform the five-year financial plan and determine the tax rates, were approved at the February 23, 2026 and March 23, 2026 Council Meetings respectively. The municipal tax revenue approved during the provisional budget process was an overall increase of 8.0%, or \$383,441 revenue increase from 2025, inclusive of all property classes. The increase was related to the following items:

- Contractual commitments – collective agreement, service agreements
- One-time costs for election, strategic planning, new council orientation, union negotiations
- Capital Renewal Levy – amount equal to 2% of property tax revenue, compounded annually

2026 Levy	\$ 96,000
Budgeted Amount	<u>\$623,261</u>
	\$719,261 contribution to Capital Renewal Reserve

BC Assessment (BCAA) provided the 2026 revised property assessment roll on March 26, 2026, which provided a slight change to the property assessment values and resulted in a decrease in property tax revenue of \$2,715.

Municipal Tax Revenue

The following table shows the breakdown of the municipal tax revenue per property class:

Property Class	2026 Municipal Tax Revenue	2025 Municipal Tax Revenue*	Property Tax Increase per Property Class	% of Increase
1 - Residential	2,398,461	2,208,052	190,409	8.62%
2 - Utilities	1,048,979	999,027	49,952	5.00%
4 - Major Industry	359,024	329,380	29,644	9.00%
5 - Light Industry	291,044	267,612	23,432	8.76%
6 - Business & Other	1,090,275	1,002,493	87,782	8.76%
8 - Recreation Property, Non Profit	269	247	22	8.91%
	5,188,052	4,806,811	381,241	7.93%

*Tax revenue including BC Assessment supplementary changes after final budget approval

**These figures do not include collection of taxes for other governments

Assessment Values

The 2026 BC Assessment revised roll shows an overall increase to property assessments in Mackenzie. The following table provides a breakdown of the assessment changes per property class:

Class	2026 Revised Roll Assessed Value	2025 Assessed Value	Increase in Assessed Value	% of increase per property class
1 - Residential	292,025,100	276,082,400	15,942,700	5.77%
2 - Utilities	26,369,465	25,353,000	1,016,465	4.01%
4 - Major Industry	6,150,400	5,870,500	279,900	4.77%
5 - Light Industry	9,534,100	9,355,000	179,100	1.91%
6 - Business & Other	104,270,650	100,214,200	4,056,450	4.05%
8 - Recreation Property, Non Profit	37,300	36,200	1,100	3.04%
	438,387,015	416,911,300	21,475,715	5.15%

Municipal Tax Rate

As assessment values increase, tax rates will decrease to collect the same amount of tax revenue as the prior year. Furthermore, if assessment values decrease, then tax rates will increase to collect the same amount of tax revenue as the prior year. If a tax revenue increase is proposed, the tax rate will increase but not at the same percentage of additional tax revenue collected. The below table shows the municipal tax rate increase per property class:

Property Class	2026 Municipal	2025 Municipal	% of Increase
	Tax Rate	Tax Rate	
1 - Residential	8.2132	7.9978	2.69%
2 - Utilities	39.7801	39.4047	0.95%
4 - Major Industry	58.3741	56.1076	4.04%
5 - Light Industry	30.5266	28.6063	6.71%
6 - Business & Other	10.4562	10.0035	4.53%
8 - Recreation Property, Non Profit	7.2037	6.8250	5.55%

Impact On Residential Property

The table below shows the increase on a residential property with an average assessment value of \$174,552 in 2026 compared to the average assessment value of \$164,900 in 2025. The values do not include collections for other agencies that are shown on the property tax notice (ex. school, police, regional district, hospital, BC assessment authority and municipal finance authority).

	2026	2025	Increase
	(174,552)	(164,900)	
Municipal Property Tax	\$1,433.63	\$1,318.84	\$114.79
Water*	\$568.28	\$511.96	\$56.32
Sewer*	\$354.74	\$319.59	\$35.15
Garbage*	\$215.92	\$212.73	\$3.19
Total	\$2,572.57	\$2,363.12	\$209.45

*Rates based on fee schedules found in water, sewer and garbage bylaw. Garbage rate based on weekly service.

The approximate increased cost per month for the average assessed residential property is \$17.45. If a residential property assessment value is above the average and saw a larger assessment increase than the average, then the homeowner can expect to pay a higher value per month. If a residential property assessment value is lower than the average and saw a lower assessment increase than the average, then the homeowner can expect to pay a lower value per month.

Regional District Fraser-Fort George and Hospital District Tax Levies

The Regional District tax rates are included in the Property Tax Rate Bylaw as follows:

- For 2026 the Tax Levy requisition for the Regional District of Fraser-Fort George is \$348,654 which is an increase of \$21,913 (2025 - \$326,741).
- For 2026 the Tax Levy requisition for the Regional Hospital District is \$514,202 which is an increase of \$16,637 (2025 - \$497,835).

Comparison with other Municipalities

In previous years staff have shared the Province of BC's municipal taxes dataset to show where the District has fallen in comparison to other communities with residential property taxes. These datasets are compiled following the submission of each municipality's required data reporting to the Province in May each year. In 2025, the District of Mackenzie was 16th lowest overall in the Province out of 161 municipalities for Total Residential Property Taxes and Charges, and 44th lowest for General Municipal Taxes only (see attachments). The 2026 dataset will be out in the fall on the Province of BC website.

NEXT STEPS:

Once all the tax rates are received for the other tax jurisdictions, staff will implement the tax rates procedures and prepare the property tax notices that are sent out to property owners late May.

A copy of both the proposed 2026-2030 Financial Plan Bylaw and the Tax Rate Bylaw have been included in this agenda for Council's consideration.

COUNCIL PRIORITY:

Strong Governance and Finances

- As the municipality's elected governing body, we serve all residents and businesses in the community. We engage residents and stakeholders on important issues and make our decisions through open and transparent processes. We are careful in our use of resources, mindful of the need to maintain programs and services, while also meeting the community's infrastructure needs.

RESPECTFULLY SUBMITTED:

Kerri Borne, Chief Financial Officer

Reviewed By: Corporate Services

Approved By: Chief Administrative Officer