Magrath

The Garden City

2026 Budget Report

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MAYOR'S MESSAGE

Dear Residents of Magrath,

As we move through 2026, I would like to take a moment to speak to the priorities that continue to guide Council's decisions and the importance of maintaining a strong and sustainable community.

This year, many residents are likely to notice changes in their property taxes. While assessments have increased due to market conditions, Council has remained focused on keeping the municipal impact as manageable as possible. In addition, the completion of many new homes has helped offset some of the pressure, as those newly assessed properties are now contributing to the municipal tax base.

However, residents will also notice a significant increase this year in the Provincial Education Property Tax and Police Funding Model requisitions. While the Town is responsible for collecting these amounts as required by provincial legislation, it has no authority over the rates that are set, and all funds collected are remitted directly to the Government of Alberta. Although these charges are itemized separately on your tax notice for transparency, they are included in your property's final total for convenience.

This is the first municipal budget for the majority of our newly elected Council. While every year the Council navigates increasing material costs and external pressures that are not within municipal control, everyone on your new Council is committed to providing superior municipal services while being fiscally responsible.

Looking ahead for this year, the focus remains on thoughtful steady growth which we have seen help us to manage our inflationary costs. We are committed to renewing and expanding municipal infrastructure to support this goal.

I would like to thank our Town's staff for their hard work and our residents for their ongoing support and engagement. Everyone's involvement helps shape our community and strengthens the decisions we make together. Council remains committed to open communication and to serving the best interests of Magrath now and into the future.

Sincerely,

Byrne Cook
Mayor

CAO'S MESSAGE

Dear Residents,

Following careful review and thoughtful consideration by Town Council, I believe the 2026 property tax framework reflects a continued commitment to responsible financial management while maintaining the high level of service our residents expect.

Property taxation remains the primary means by which the Town of Magrath delivers essential services to our community. These include maintaining infrastructure, supporting fire protection, managing regional solid waste services, operating recreation facilities, and delivering programs that enhance quality of life. Council has worked diligently to ensure these services remain strong, while also being mindful of the financial impact on residents.

In 2026, property assessments have increased by an average of approximately 7.16% due to changing market conditions. While assessment values have risen, Council has taken a measured approach to taxation. For a representative home assessed at $500,000 in 2025, the municipal portion of property taxes will only increase by approximately $25 in 2026. This reflects Council’s ongoing efforts to balance service delivery with affordability.

Council’s approved budget this year continues to emphasize stability and long-term planning. Residential growth and careful management of expenditures prioritizing infrastructure investment has the the Town maintaining our core services, supporting new infrastructure, and preparing for continuous growth cycles ahead.

As Chief Administrative Officer, I remain committed to transparency and responsible stewardship of public funds. Administration will continue to work diligently to ensure that each tax dollar is used effectively and in alignment with the priorities of Council and the community.

Thank you for your continued engagement and support.

Sincerely,

James Suffredine
Chief Administrative Officer

PROPERTY TAX ASSESSMENTS

Property taxes are the primary source of funding for municipalities in Alberta, supporting essential services such as roads, fire protection, parks, recreation facilities, water systems, and community programs. Property assessment and taxation are regulated under Alberta's Municipal Government Act (MGA).

Property assessment is the process of determining the value of land and buildings for tax purposes. Properties in Alberta are assessed at market value, which is the estimated price a property should sell for on the open market. Certified assessors look at factors such as property sales, size, age, condition, location, and renovations to determine value. Residential properties are often assessed by comparing them to similar homes that recently sold in the area.

Each year, property owners receive an assessment and tax notice outlining their property's assessed value and applicable taxes. Municipalities use property assessments to determine how the overall tax responsibility is distributed among property owners.

Town Council sets a yearly budget to decide how much money is needed to provide services. After accounting for other revenue sources, such as grants and user fees, the remaining amount is collected through property taxes. Council then sets tax rates, called mill rates, for different property types.

Property taxes are calculated using the following formula:

$$\text{Property Tax} = \frac{\text{Assessment Value} \times \text{Mill Rate}}{1000}$$

For example:

$$\frac{300{,}000 \times 10}{1000} = \$3{,}000$$

This means a home assessed at $300,000 with a mill rate of 10.0 would pay $3,000 in municipal property taxes.

Municipalities also collect the provincial education property tax on behalf of the Government of Alberta. Although it appears on the same tax notice, it is separate from the municipal portion.

It is important to understand the difference between assessment and taxation. Assessment determines a property's value, while taxation determines how much revenue is needed to fund municipal services. Clear communication about this process helps residents understand how local services are funded.

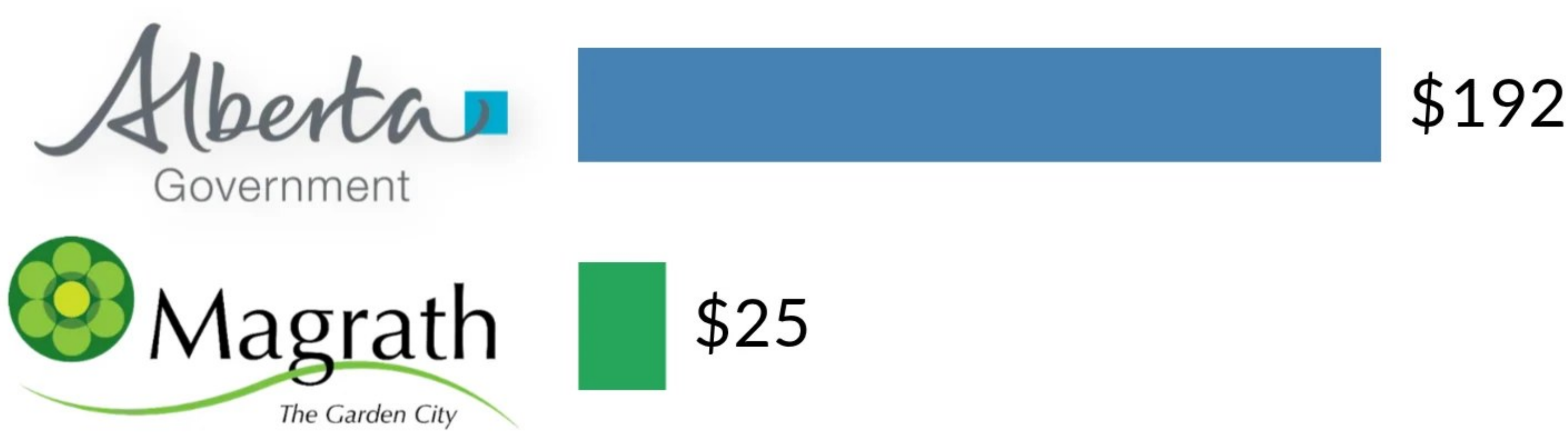
Understanding the 2026 Property Tax Notice

Did you know that property tax bills include charges from the Town of Magrath and the Province of Alberta?

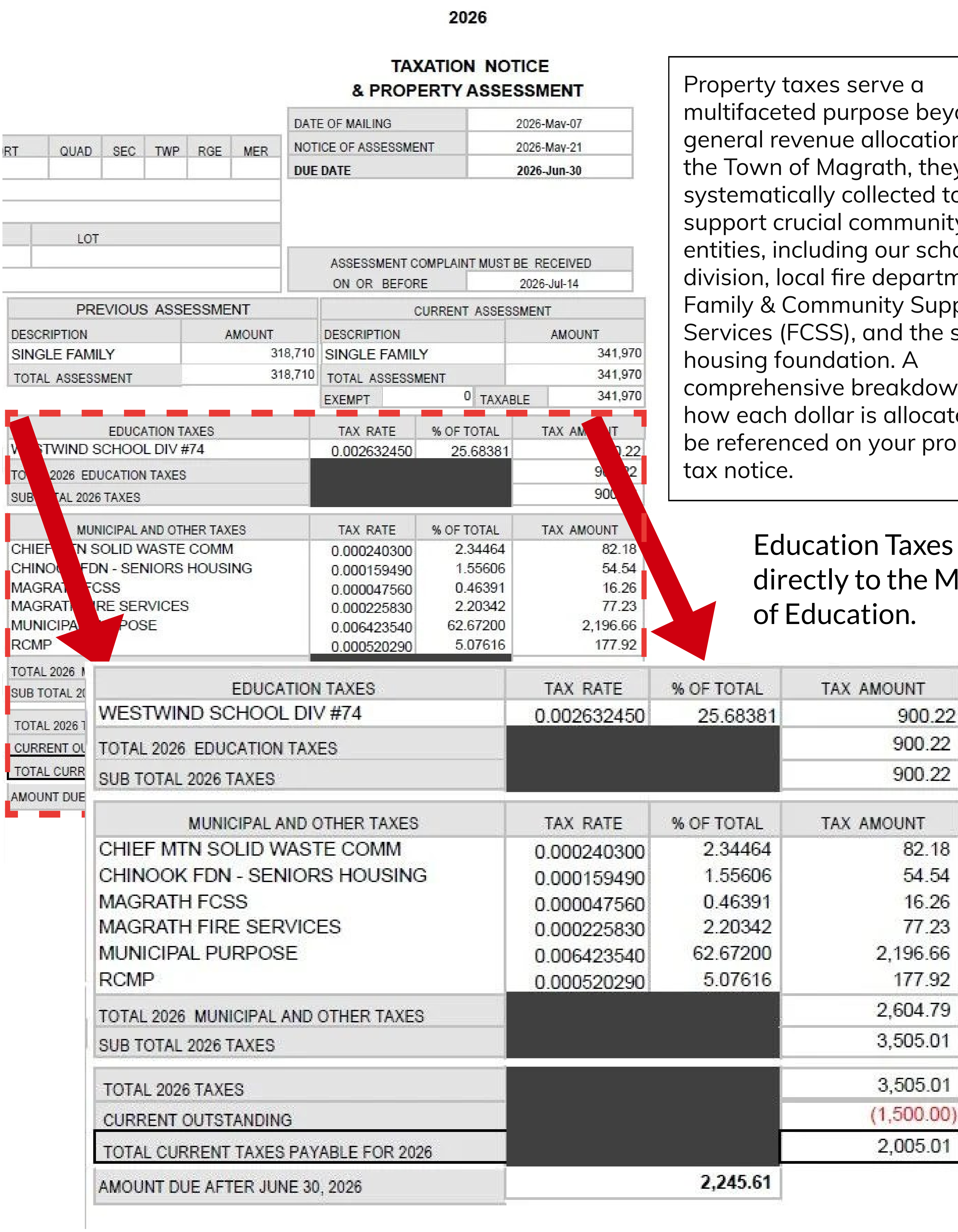
	2025		2026		
	Assessed Value $500,000		Assessed Value $535,800		7.16%
	Services	**Total**	**Services**	**Total**	**%**
Magrath The Garden City	Municipal Services Regional Solid Waste Fire Department FCSS	$3,693	Municipal Services Regional Solid Waste Fire Department FCSS	$3,718	0.68%
	Services	**Total**	**Services**	**Total**	**%**
Alberta Government	Education	$1,293	Education	$1,410	9.05 %
	Policing	$205	Policing	$278	36 %
	Seniors Housing	$83	Seniors Housing	$85	2.4 %
	2025 Total		**2026 Total**		
	$5,274		**$5,491**		

In this example, the property taxes for a $500,000 home in Magrath 2025 are shown and then we've increased it by Magrath's average assessment increase this year of 7.16% increasing the property value to $535,800 for 2026.

What this shows in 2026, the Town's taxation will be holding almost steady with just a $25.00 increase for the year despite the home's appreciation in value to the property owner. However, we've also separated out the Provincial Government's property taxes and charges for you to see, which for our example property, will be going up in 2026 by $217



How is that calculated?



2026

TAXATION NOTICE
& PROPERTY ASSESSMENT

DATE OF MAILING	2026-May-07
NOTICE OF ASSESSMENT	2026-May-21
DUE DATE	**2026-Jun-30**

RT	QUAD	SEC	TWP	RGE	MER

LOT

ASSESSMENT COMPLAINT MUST BE RECEIVED ON OR BEFORE 2026-Jul-14

PREVIOUS ASSESSMENT	
DESCRIPTION	AMOUNT
SINGLE FAMILY	318,710
TOTAL ASSESSMENT	318,710

CURRENT ASSESSMENT			
DESCRIPTION			AMOUNT
SINGLE FAMILY			341,970
TOTAL ASSESSMENT			341,970
EXEMPT	0	TAXABLE	341,970

EDUCATION TAXES	TAX RATE	% OF TOTAL	TAX AMOUNT
WESTWIND SCHOOL DIV #74	0.002632450	25.68381	900.22
TOTAL 2026 EDUCATION TAXES			900.22
SUB TOTAL 2026 TAXES			900.22

MUNICIPAL AND OTHER TAXES	TAX RATE	% OF TOTAL	TAX AMOUNT
CHIEF MTN SOLID WASTE COMM	0.000240300	2.34464	82.18
CHINOOK FDN - SENIORS HOUSING	0.000159490	1.55606	54.54
MAGRATH FCSS	0.000047560	0.46391	16.26
MAGRATH FIRE SERVICES	0.000225830	2.20342	77.23
MUNICIPAL PURPOSE	0.006423540	62.67200	2,196.66
RCMP	0.000520290	5.07616	177.92
TOTAL 2026 MUNICIPAL AND OTHER TAXES			2,604.79
SUB TOTAL 2026 TAXES			3,505.01

TOTAL 2026 TAXES	3,505.01
CURRENT OUTSTANDING	(1,500.00)
TOTAL CURRENT TAXES PAYABLE FOR 2026	2,005.01
AMOUNT DUE AFTER JUNE 30, 2026	**2,245.61**

Property taxes serve a multifaceted purpose beyond general revenue allocation. Within the Town of Magrath, they are systematically collected to support crucial community entities, including our school division, local fire department, Family & Community Support Services (FCSS), and the senior housing foundation. A comprehensive breakdown of how each dollar is allocated can be referenced on your property tax notice.

Education Taxes flow directly to the Ministry of Education.

YOUR TAX DOLLARS

%

26

Each year, the Ministry of Education issues requisitions to municipalities to help fund Alberta's public education system. Municipalities are responsible for collecting education property taxes from property owners and remitting those funds to the Province. In 2026, the total requisition amounts to $911,018.04. These funds are placed into the Alberta School Foundation Fund and are then distributed to public school boards across the Province.

2

The Chief Mountain Regional Solid Waste Commission oversees the coordination of solid waste removal from transfer stations serving its member municipalities. For 2026, our requisition to the Commission is $80,870.25.

1

The Chinook Foundation is responsible for the management, operation, and maintenance of seniors' and social housing within Cardston County, including Diamond Willow Lodge. For 2026, the Town's annual requisition to the Foundation is $53,673.32.

5

Under the Government of Alberta's rural police funding model, rural municipalities are required to contribute a portion of policing costs, with contributions gradually increasing since 2020. For 2026, the total requisition is $175,096.95.

1

Family and Community Support Services (FCSS) is funded through an 80/20 partnership between the Government of Alberta and participating municipalities. The municipal portion is shared between Cardston County and the Town of Magrath, with the Town contributing $16,007. In addition, the Town provides supplementary funding to support local community events.

2

The Magrath Fire Service has an annual budget request of $76,000, with an equal contribution provided by Cardston County. This requisition supports the department's operating costs, including training, utilities, personal protective equipment (PPE), fuel, equipment, and public education initiatives. Additional service fees are collected to fund the long-term replacement of major capital equipment.

63

Municipal taxes provide the primary funding for essential local services, including road maintenance, public safety, waste management, parks and recreation, and infrastructure projects. They also support community programs, libraries, and emergency services, all of which contribute to maintaining and enhancing residents' quality of life.

These contributions reflect the Town's role in supporting essential services and regional partnerships that directly benefit residents and strengthen the community.

2026 REVENUE SOURCES

MUNICIPAL TAXATION	**$2,431,446**
UTILITY FEES	**$1,306,587**
PROVINCIAL REQUISITIONS & FEES	**$964,974**
RECREATIONAL USER FEES	**$208,000**
GOVERNMENT TRANSFERS	**$578,840**
ADMINISTRATIVE FEES	**$574,301**

Municipal Taxation: Property taxes collected by the Town and allocated toward general municipal operations and services.

Utility Fees: Revenue generated through monthly utility billing. A significant portion is paid to regional partners, including water, solid waste, and irrigation providers.

Provincial Requisitions & Fees: Funds collected on behalf of provincially authorized public bodies (e.g., education and senior housing). This also includes the Province's Police Funding Model. These revenues are not retained by the Town.

Recreational User Fees: Income from the use of municipal recreational facilities such as the arena, pool, sports fields, and campground.

Government Transfers: Funding received through agreements with the Province and Cardston County.

Administrative Fees: Revenue from municipal services including business licenses, fines, cemetery plots, franchise fees, and penalties.

MUNICIPAL SERVICES & INFRASTRUCTURE

MUNICIPAL ADMINISTRATION	**$842,106**
PROTECTIVE SERVICES	**$407,397**
LONG-TERM DEBT PRINCIPAL	**$225,963**
PUBLIC WORKS	**$1,068,059**
INSURANCE	**$163,717**
RESERVES	**$127,603**

Municipal Administration: Expenses related to day-to-day operations, including office utilities, supplies, contracted services, legal fees, staff salaries, accounting, audit fees, and banking costs.

Protective Services: Funding for local policing, bylaw enforcement, and fire protection services.

Long-Term Debt Principal: Annual repayment of the Town's debt, primarily tied to past infrastructure projects, with some allocation for upcoming infrastructure such as the west sewer lift station.

Public Works: Costs associated with maintaining municipal infrastructure, including staff wages, fleet maintenance, fuel, dust control, road upkeep, and streetlight electricity.

Insurance: Coverage for municipal assets and risks, including vehicles, equipment, buildings, environmental exposure, and liability.

Reserves: Funds set aside for future needs such as emergency repairs, asset replacement, and capital projects.

2026 EXPENDITURES BY CATEGORY

REQUISITIONS	**$964,974**
PARKS AND RECREATION	**$1,120,487**
UTILITIES	**$786,632**
FCSS	**$210,724**
LEGISLATIVE SERVICES	**$142,970**
COMMUNITY FUNDING	**$178,610**

Requisitions: Taxes collected on behalf of provincial public bodies, including the Ministry of Education and seniors housing organizations. These funds are not retained by the Town.

Parks and Recreation: Expenses related to the arena, pool, sports fields, parks, and cemetery. Includes staff wages (full-time, seasonal, and lifeguards) and costs for community events such as Town celebrations.

Utilities: Primarily flow-through costs, including water purchased from regional providers. Also covers infrastructure maintenance, system operations (water, sewer, irrigation), and related utility expenses.

FCSS (Family and Community Support Services): Program costs including staff wages, program delivery, external facilitators, and associated office, utility, and facility maintenance expenses.

Legislative Services: Costs associated with Council operations, including remuneration, training, travel, municipal planning, and strategic planning activities.

Community Funding: Financial support provided to local organizations and facilities, such as the museum and library.

FUNDING SOURCES

Local Government Fiscal Framework (formerly the Municipal Sustainability Initiative)	The Local Government Fiscal Framework, an initiative by the Province of Alberta, aims to bolster the municipal sector by offering substantial financial assistance for infrastructure requirements.	**$611,435**
2026 CCBF	The Canada Community-Building Fund offers every municipality nationwide a consistent, secure, and indexed infrastructure funding source. This enables the Town to tackle eligible projects, including wastewater, drinking water, solid waste management, local roads and bridges, community energy systems, sports, recreation, tourism, and more.	**$199,265**
Town of Magrath Reserves & Other Government	This represents funds utilized from the Town's accumulated cash reserves sourced from various channels.	**$921,300**

BUILDING FOR THE FUTURE

Sewer Manhole Replacements	The Town will be rehabilitating several aging manholes to improve flow efficiency and reduce the risk of backups. These upgrades are part of ongoing infrastructure improvements aimed at keeping our utility systems running smoothly and reliably.	$30,000
Sewer VFD Controllers	The Town will be replacing four existing sewer Variable Frequency Drive (VFD) systems to improve the reliability and efficiency of sewer operations. This upgrade will help optimize system performance, reduce maintenance issues, and support dependable wastewater services for the community.	$30,000
F150 - Parks & Rec	The Town will be replacing an aging Recreation Department truck with a new Ford F-150 to improve reliability, safety, and operational efficiency. This replacement will help ensure staff have dependable equipment to support recreation programs, facility maintenance, and community events.	$59,000
2nd Ave North & 2A St East - Curb and Base	The Town will be completing curb and road base work along 2nd Avenue North and 2A Street East to support future roadway improvements and enhance overall infrastructure development in the area. This project is part of ongoing efforts to maintain safe, durable, and reliable transportation infrastructure.	$730,000
2A East Servicing	The Town will be installing new water and sewer infrastructure along 2A Street East to support future development and ensure reliable utility services for residents. This work is part of ongoing infrastructure improvements aimed at supporting growth and maintaining dependable municipal services.	$530,000
3 Blocks of sewer main line - 3rd St West & 2 Ave North	The Town will be installing approximately three blocks of new sewer main line along 3rd Street West and 2nd Avenue North to support future growth and improve overall wastewater infrastructure capacity in the area. This project is part of ongoing infrastructure development aimed at providing reliable and efficient utility services for the community.	$230,000
Land Payments	The Town will continue making annual land payments for property acquired to support the development of future residential subdivisions. These investments are part of long-term growth planning efforts aimed at expanding housing opportunities and supporting sustainable community development.	$123,000