



**TOWN OF DRUMHELLER**  
SPECIAL MEETING

**AGENDA**

TIME & DATE: 4:30 PM – Monday, May 13, 2024

LOCATION: Council Chambers, 224 Centre St and ZOOM Platform and  
[Live Stream on Drumheller Valley YouTube Channel](#)

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1. CALL TO ORDER
2. OPENING COMMENTS
3. ADDITIONS TO THE AGENDA
4. ADOPTION OF AGENDA

4.1 Agenda for May 13<sup>th</sup>, 2024, Special Meeting of Council

Proposed Motion: That Council adopt the agenda for the May 13<sup>th</sup>, 2024 Special Meeting of Council as presented.

MEETING MINUTES

COUNCIL BOARDS AND COMMITTEES

DELEGATION

5. REPORTS FROM ADMINISTRATION

CORPORATE AND COMMUNITY SERVICES DEPARTMENT

5.1 Director of Corporate and Community Services

5.1.1 Request-for-Decision: 2024 Property Tax Bylaw #14.24

[Request-for-Decision](#)

[Bylaw #14.24 – 2024 Property Tax Bylaw](#)

Proposed Motion: That Council give third reading to 2024 Property Tax Bylaw #14.24 as presented.

6. ADJOURNMENT

Proposed Motion: That Council adjourn the meeting.

## REQUEST FOR DECISION

|                      |   |
|----------------------|---|
| <b>TITLE:</b>        | 2024 Property Taxation – Bylaw 14.24 – 2024 Tax Bylaw   |
| <b>DATE:</b>         | May 13, 2024  |
| <b>PRESENTED BY:</b> | Victoria Chan, CPA, CGA, LL.B, LL.M<br>Chief Financial Officer / Director of Corporate and Community Services |
| <b>ATTACHMENTS:</b>  | Bylaw 14.24 – 2024 Property Tax Rate  |

**SUMMARY:**

Council has adopted the 2024 Property Tax Rate Bylaw for first and second readings on May 6, 2024, on the basis of the approved amended 2024 Budgets. The 2024 Property Tax rates (mill rates) as stipulated in the Bylaw 14.24 are to meet the provincial requisitions and the municipal operational and capital requirements.

**BACKGROUND:**

In accordance with section 353 of the *Municipal Government Act* (MGA), the Town must adopt, on an annual basis, a property tax rate bylaw for levying property taxes within the Town of Drumheller. Bylaw 14.24 has been prepared to meet the requirements of the MGA and adheres to Council’s direction regarding the municipal tax requirement as supported by the approved annual operating and capital budgets.

Subject to the approval of this Bylaw, tax notices will be disseminated starting mid-May, with the deadline to pay on August 31, 2024. In addition to levying municipal property taxes, Bylaw 14.24 also establishes levies on provincial requisitions, namely, the Drumheller and District Seniors Foundation, Alberta School Foundation Fund, and the Christ The Redeemer Catholic School Division.

In total, Bylaw 14.24 will levy slightly above \$14 million in property taxes to meet the revenue requirements in 2024, including a total of \$3.48 million of provincial requisition. The requisition represents 24.78% of taxes collected of which the Town has neither control nor influence. Notably, the RCMP Policing costs are not included in the provincial requisition, but support by the municipal requisition. While the RCMP cost is not a requisition, the Town has zero control or influence on the cost and is obliged to pay from the municipal tax coffers.

|  |                       |                |
|--|-----------------------|----------------|
| <b>Total Property Taxes to be collected</b>                                      | <b>(\$14,051,517)</b> | <b>100.00%</b> |
| RCMP Cost (Town’s portion)   | \$2,027,591           | 14.43%         |
| Provincial Requisitions  | \$3,482,059           | 24.78%         |
| <b>Available Tax Revenue for Municipal Requirement (Operation &amp; Capital)</b> | <b>\$8,541,867</b>    | <b>60.79%</b>  |

**RECOMMENDATION:**

Administration recommends that Council give third and final reading to 2024 Property Tax Bylaw 14.24 as presented. Once passed, it will in effect repeal Bylaw 03.23 - 2023 Property Tax Bylaw.

**DISCUSSION:**

Assessment Values

The property assessment values included in the Bylaw are based on the completed 2023 assessment roll. The 2023 assessment roll is based on market values established on July 1, 2023, and the physical condition of the property as of December 31, 2023.

The Town of Drumheller has total of 4,913 rolls (properties), 650 are tax-exempted due to the ownership and/or usage, such as municipal-owned properties, public institutions (provincial), non-profit organizations, etc. Therefore, the Town has 4,263 taxable properties, of which includes 169 properties classified as agricultural land.

Based on the 2023 market value, the Town witnessed a general increase in most of property classes as a reflection of the favourable market conditions. According to the Municipal Assessor from Wildrose Assessment, there were 448 sales transactions in Drumheller Valley during 2023, and they used 274 for market analysis and comparison.

Designated Industrial Properties (DIP) and linear properties are assessed by the Province. The Town was notified by the Province of a \$2-million decrease in assessed value for the DIP and linear properties last week. Furthermore, the Town was notified on May 1, 2024, that an appeal decision from the Assessment Appeal Board resulted in a reduction of \$30,000 in one of the residential properties. Since these changes came after Council passed the amended budgets on April 22, 2024, the projected net impact of \$48,000 is now mostly negated by the lower reassessment value in DIP/linear and residential properties.

Requisitions

The comparison of the provincial requisitions:

| Provincial Requisition                     | 2024        | 2023        | Increase/<br>(Decrease) | Change<br>in % |
|--|-------------|-------------|-------------------------|----------------|
| Alberta School Foundation Fund (combined)  | \$2,795,878 | \$2,670,915 | \$124,963               | 4.68%          |
| Drumheller and District Seniors Foundation | \$696,250   | \$552,225   | \$144,025               | 26%            |
| DIP*                                       | \$2,964     | \$2,755     | \$209                   | 7.59%          |

\* As in prior years, the Provincial Government assessed designated industrial properties, and by the Ministerial Order No. MAG:006/24, it establishes the rates to charge back the assessment cost relating to these properties to each of the owners.

Mill Rates

As approved by Council in January 2024, an 4%-increase in the mill rate is applied across the board, with the exception of agricultural land.

The combined residential mill rate for 2024 is 12.34242 (2023 – 11.86862).

The combined Farmland mill rate for 2024 is 21.41681 (2023 – 11.86862).

The combined non-residential mill rate for 2024 is 19.94824 (2023 – 19.41480).

As previously mentioned, there are 169 properties classified as agricultural land with a total assessment value of \$1.41 million. The average assessed value is \$8,343. Given the assessment value of agricultural land is not based on market value (unlike the residential and commercial properties), but rather, based on provincial regulatory assessment methods, the municipal taxes generated from these properties were historically very low for many years.

Administration is exploring options to achieve the equity in sharing the tax burdens for all properties within the Town’s boundary.

One of the options the Administration is proposing is to segregate the Farmland category (Class 4) from residential properties (Class 1) in the Tax Rate Bylaw, as allowed by the MGA, and assign the mill rate doubled of the residential rate. As seen in the analysis below, the incremental impact is still of minimal nature. It is mainly due to the assessed value of these properties.

| Agriculture Land (169)                          | Mill Rate                                |  |  |   |
|---|--|--|--|---|
|   | @15.47958 – same as non-residential rate | @18.14752 – doubled the residential rate | @27.22128 – tripled the residential rate | @45.3688 – maximum rate as allowed by the MGA |
| Total assessed value of \$1.41 million          |  |  |  |   |
| Total Municipal Taxes to be collected           | \$21,826                                 | \$25,588                                 | \$38,382                                 | \$63,970                                      |
| Impact to average AG owner (municipal tax only) | \$129.15                                 | \$151.40                                 | \$227.11                                 | \$378.51                                      |

The following table demonstrates the municipal tax portion for Farmland with the lowest assessment value of \$1,000, the median value of \$4,000, and the highest assessed value of \$41,000:

| Assessed Value/Mill Rate | \$1,000 | \$4,000  | \$8,343  | \$41,000   |
|--------------------------|---------|----------|----------|------------|
| @ 18.14752 (x 2 rate)    | \$18.15 | \$72.59  | \$151.40 | \$744.05   |
| @ 27.22128 (x 3 rate)    | \$27.22 | \$108.88 | \$227.11 | \$1,116.07 |

Our neighbouring Counties set the following Farmland rates:

| Municipality | Residential (2023) | Farmland (2023) | Rate Split |
|--------------|--------------------|-----------------|------------|
| Kneehill     | 3.1752             | 12.3804         | x 3.90     |
| Starland     | 5.4154             | 14.1591         | x 2.61     |
| Wheatland    | 3.1451             | 13.0883         | x 4.16     |

Administration is recommending the mill rate for Farmland at 18.14752, slightly higher than the non-residential rate (15.47958). Further study and analysis will be continued for 2025 budget planning in the Fall with Council.

Property Taxes

Based on 2023 assessment, an average assessment value for a single family home is \$234,000. The portion for municipal tax would be at \$2,123.26, in contrast of an average Farmland property for \$227.11. The 4%-increase in the tax rate would result in addition of \$82 for municipal tax portion, which is about \$0.22 a day.

**STRATEGIC POLICY ALIGNMENT:**

The proposed bylaw is in accordance with strong fiscal responsibility and transparency.

**COMMUNICATION STRATEGY:**

Communication of the adopted tax rates will include a media release, social media posts, and updated tax information on the Town website.

**MOTION:**

**Councillor** \_\_\_\_\_

Moves that Council give the third and final reading to 2024 Property Tax Bylaw 14.24 as presented.

**Seconded:**

**Councillor** \_\_\_\_\_



Prepared by:  
Victoria Chan, CPA, CGA, LL.B, LL.M  
Chief Financial Officer /  
Director of Corporate & Community Services

Approved By:  
Darryl E. Drohomerski, C.E.T.  
Chief Administrative Officer

**TOWN OF DRUMHELLER**  
**BYLAW NUMBER 14.24**  
DEPARTMENT: CORPORATE SERVICES

A BYLAW OF THE TOWN OF DRUMHELLER, IN THE PROVINCE OF ALBERTA (HEREINAFTER REFERRED TO AS "THE MUNICIPALITY"), TO SET A RATE FOR THE LEVY ON ASSESSED VALUE OF PROPERTY SUBJECT TO TAXATION FOR THE 2023 FINANCIAL YEAR.

**WHEREAS** the Council of the Town of Drumheller (Council) shall, by Bylaw, authorize the levying of taxes at such uniform rates on the dollar as the Council deems sufficient to produce the amount of revenue required. Section 353 of the *Municipal Government Act* R.S.A. 2000 c. M-26, (*Act*) as amended requires Council to pass a property tax bylaw annually;

**AND WHEREAS** a property tax bylaw authorizes Council to impose a tax in respect of property to raise revenue to be used towards the payment of requisitions and expenditures and transfers set out in the Town's budget;

**AND WHEREAS** Section 382 of the *Act* authorizes Council to impose a special tax to raise sufficient revenue to pay for a specific service or purpose;

**AND WHEREAS** Section 369 of the *Act* authorizes Council to impose a supplementary tax against properties listed on the supplementary tax roll and that the supplementary tax rates be the same as imposed in this bylaw;

**AND WHEREAS** Section 364 of the *Act* authorizes Council to exempt certain properties from taxation;

**AND WHEREAS** the assessed value of all property in the Town as shown on the 2024 assessment roll (2023 market values) is:

|  |                           |
|--|---------------------------|
| <b>Total Assessment</b>                  | <b>\$1,214,656,800</b>    |
| <br>                                     |                           |
|  | <b>Taxable Assessment</b> |
| Municipal                                | \$987,358,720             |
| Education (Combined)                     | \$979,740,980             |
| Drumheller & District Seniors Foundation | \$982,482,720             |
| Designated Industrial Properties         | \$38,746,350              |

**AND WHEREAS** the total requirement of the Town of Drumheller to be raised by Property Taxes as shown in the annual estimates and subsequent budget amendments are as follows:

| <b>Purpose</b>                               | <b>Required Amount</b> |
|--|------------------------|
| Municipal                                    | \$10,556,664           |
| Alberta School Foundation Fund               | \$2,430,673            |
| Christ The Redeemer Catholic School Division | \$364,970              |
| Drumheller & District Seniors Foundation     | \$696,246              |
| Designated Industrial Properties             | \$2,964                |
| <b>Total</b>                                 | <b>\$14,051,517</b>    |

**NOW THEREFORE**, pursuant to Sections 353, 382 and 369 of the *Municipal Government Act*, the Council of the Town of Drumheller in the Province of Alberta, duly assembled, enacts as follows:

**1. BYLAW TITLE**

1.1 This Bylaw may be referred to as the "2024 Property Tax Bylaw."

**2. DEFINITIONS**

2.1 In this Bylaw:

- a) "Act" means the Municipal Government Act R.S.A. 2000 c. M-26 and regulations made thereunder;
- b) "Alberta School Foundation Fund" established under the School Act RSA 2000 c. S-3.
- c) "Chief Administrative Officer" means that person appointed by Council to position of Chief Administrative Officer pursuant to the Act.
- d) "Christ The Redeemer Catholic School Division" means the separate school division of central and south Alberta.
- d) "Designated Industrial Property" means designated industrial property as set out in Section 284 of the MGA.
- e) "Farmland" means land used for farming operations as defined in the regulations;
- f) "Non-residential" in respect of property, means linear property, components of manufacturing or processing facilities (Machinery & Equipment) that are used for the cogeneration of power or other property on which industry, commerce or another use takes place or is permitted to take place under a land use bylaw passed by a council, but does not include farmland or land that is used or intended to be used for permanent living accommodation;

- g) "Residential" in respect of property, means property that is not classed by the assessor as farmland, machinery and equipment or non-residential.
- h) All other words used in this Bylaw that are defined in the Act shall have the meanings given to those words in the Act except where specifically defined otherwise in this Bylaw or required by the context in which the words are used in this Bylaw.

### **3. LEVY OF PROPERTY TAX**

- 3.1 The Chief Administrative Officer is authorized and directed to impose and collect a property tax for the year 2024 at the rates set out in Schedule "A" to this Bylaw.
- 3.2 The Chief Administrative Officer is authorized to undertake a supplementary assessment and levy supplementary property taxes at the rates set out in Schedule "A" to this Bylaw.

### **4. INTERPRETATION**

- 4.1 Should any provision of this Bylaw be declared invalid for any reason by a Court of competent jurisdiction, all other provisions of this Bylaw shall remain valid and enforceable.
- 4.2 There shall be entered upon the Tax Roll of the said Town of Drumheller, in a column provided for that purpose, the amount for which the property is charged for all of the sums ordered to be levied for each of the aforementioned classifications, and it shall not be necessary to state the particular sums for each of the various classifications.

### **5. TRANSITIONAL**

- 5.1 Bylaw 03.23 is hereby repealed.
- 5.2 This Bylaw comes into effect with third and final reading.

GIVEN FIRST READING THIS 6<sup>th</sup> DAY OF MAY, 2024.

GIVEN SECOND READING THIS 6<sup>th</sup> DAY OF MAY, 2024.

GIVEN THIRD AND FINAL READING THIS 13<sup>th</sup> DAY OF MAY, 2024.

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MAYOR

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CHIEF ADMINISTRATIVE OFFICER



**Town of Drumheller Bylaw 14.24**  
**SCHEDULE "A"**

|  | <b>Tax Levy</b>     | <b>Taxable Assessment</b> | <b>Tax Rate in Mills</b> |
|--|---------------------|---------------------------|--------------------------|
| <b>General Municipal</b>   |                     |                           |                          |
| Residential  | \$6,701,395         | \$738,546,590             | 9.07376                  |
| Farmland   | 25,588              | 1,410,000                 | 18.14752                 |
| Non-Residential/Machinery & Equipment  | 3,829,681           | 247,402,130               | 15.47958                 |
| <b>Total General Municipal</b>   | <b>\$10,556,664</b> | <b>\$987,358,720</b>      |                          |
| <br>   |                     |                           |                          |
| <b>Alberta School Foundation Fund</b><br>(includes Christ the Redeemer Catholic School Division) |                     |                           |                          |
| Residential  | \$1,890,679         | \$738,546,590             | 2.56000                  |
| Farmland   | 3,610               | 1,410,000                 | 2.56000                  |
| Non-Residential/Machinery & Equipment  | 901,589             | 239,784,390               | 3.76000                  |
| <b>Total Alberta School Foundation Fund</b>  | <b>\$2,795,878</b>  | <b>\$979,740,980</b>      |                          |
| <br>   |                     |                           |                          |
| <b>Drumheller &amp; District Seniors Foundation</b>  |                     |                           |                          |
| Residential  | \$523,378           | \$738,546,590             | 0.70866                  |
| Farmland   | 999                 | 1,410,000                 | 0.70866                  |
| Non-Residential/Machinery & Equipment  | 171,869             | 242,526,130               | 0.70866                  |
| <b>Total Drumheller &amp; District Seniors Foundation</b>  | <b>\$696,246</b>    | <b>\$982,482,720</b>      |                          |
| <br>   |                     |                           |                          |
| <b>Designated Industrial Properties</b>  |                     |                           |                          |
| Designated Industrial Properties   | \$2,964             | \$38,746,350              | 0.07650                  |
| <b>Total Designated Industrial Properties</b>  | <b>\$2,964</b>      | <b>\$38,746,350</b>       |                          |