



Council of the Town of Fort Smith
May 7, 2026 @ 7:00 PM

MINUTES

The Special Meeting of Council was held on
Tuesday, May 7, @ 7 pm within the Town Hall Council Chambers.

Present: Mayor Fergusson, D/M Keizer, Cr. Benwell, Cr. Heaton, Cr. Karasiuk, Cr. Bathe, Cr. Tuckey, Cr. Cox, and Cr. Couvrette

Regrets:

Staff Present: David Henderson, Senior Administrative Officer
Raveena Brown, Executive Secretary
Cassandra Gibbons, Director of Corporate Services

1. CALL TO ORDER

- a. Mayor Fergusson confirms quorum and reads the Acknowledgment of First Nations.

2. ADOPTION OF AGENDA

26-099 **Moved by: Cr. Couvrette**
Seconded by: Cr. Cox

That the agenda be adopted as presented.

PASSED

3. ADMINISTRATION

- a. Briefing Note: 2026 Mill Rate Bylaw

26-100 **Moved by: Cr. Cox**
Seconded by: Cr. Couvrette

That Council select the Mill Rate calculation scenario 1 and associated property class weighting to be used in the preparation of the 2026 Mill Rate Bylaw No. 1084.

PASSED

Director Gibbons provided Council with a detailed explanation of the 2026 taxation calculations and mill rate options.

She explained that:

- The 2026 operating budget had a shortfall of about \$150,000, requiring additional taxation.
- Property assessments increased significantly due to the territory-wide reassessment, but no changes were made after the Board of Revision review.
- Two approaches were outlined: a **gross taxation view** (including grants in lieu of taxes) and a **net view** (excluding them). She stressed the importance of understanding both for long-term financial planning and risk awareness.
- The **net mill rate** was calculated at **1.23%**, while the gross scenario would be higher if grant revenues were lost.

She then walked through four taxation scenarios:

- **Scenario 1 (recommended):** Maintain the current approach from 2025. Balanced and familiar, with less risk of confusion during a year of major assessment changes.
- **Scenario 2:** Shift more burden to industrial and commercial sectors, reducing residential impact but risking pushback from those sectors.



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- **Scenario 3:** Even 50/50 distribution across all property types, though potentially unpopular with residents.
- **Scenario 4:** Maximize relief for residents, but significantly increase pressure on commercial taxpayers.

Her overall recommendation was to proceed with **Scenario 1**, emphasizing stability, clarity in messaging, and minimizing disruption during an already volatile assessment year.

Cr. Couvrette asked for clarification, confirming his understanding that all four scenarios presented would generate the required revenue to meet the Town's 2026 budget.

Director Gibbons confirmed that each scenario applies different weighting and distribution of taxation, but all ultimately generate the required revenue to meet the 2026 budget.

D/M Keizer noted that, as someone without a mathematical background, there has been a lot of confusing discussion around negative figures throughout the year. He asked for clarification on how to explain the information to taxpayers, specifically whether it means their taxes would actually decrease.

Director Gibbons explained that the significant increase in property assessment values during the general reassessment caused concern in the community, with many residents worried their taxes would rise sharply. She noted that Administration worked to reassure residents at the time, emphasizing that higher assessments do not directly translate into higher taxes.

She clarified that the apparent decrease in the mill rate is a result of the large increase in overall property values across the community. Because the total assessment base is much higher, the required tax revenue can be generated with a lower mill rate. In other words, the formula adjusts to the higher assessment values, which is why the percentage appears smaller. She reiterated that assessment values and actual taxes are not the same, and this distinction was a key part of earlier public messaging. She also asked Council to share any feedback they might have to assist with communications.

Cr. Bathe supported proceeding with Scenario 1, noting it keeps the approach consistent and makes communication with residents simpler. He explained that the key change is the updated property assessments, not the overall balance of taxation.

He suggested framing it for the public by comparing a typical residential property: what it was assessed at previously and what the taxation looked like, versus the new assessed value and resulting taxes under the current budget. He noted this approach would be easier for residents to understand than relying solely on the table, or could be used alongside it for clarity.

Director Gibbons noted that in preparation for the rollout of the new garbage program, Administration has taken steps to ensure communications are thorough and accessible, including creating a program-specific webpage. She added that if Council is supportive, a similar approach could be used for this initiative, with a dedicated online space to share information and updates.

D/M Keizer referred to previous discussions and notes regarding property taxation and asked whether Council is comfortable with how vacant and derelict lots are being addressed. He noted that some measures could be handled through bylaws, while others might be addressed through taxation.

He specifically questioned whether there had been consideration of applying a different tax rate to vacant lots, such as increasing the rate above the current level, and sought confirmation that Council is aligned on the approach moving forward.



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Cr. Karasiuk noted that addressing vacant and derelict properties would require clearer bylaws or policies. He explained that enforcement cannot rely on subjective judgment, as terms like “derelict” are not clearly defined and need specific parameters.

He added that distinctions such as vacant, undeveloped, or unoccupied properties should be clearly categorized, likely through defined property classes. He emphasized that these classifications should focus on whether a property is developed or not, rather than whether a home is simply unoccupied.

Director Gibbons explained that property classifications in the tax system are based on whether a lot is developed or undeveloped, and do not allow for weighting based on property condition or appearance.

She noted that addressing derelict properties through taxation would be complex and resource-intensive. It would require annual inspections, specialized expertise, and additional staffing, which could significantly burden Administration and potentially delay the taxation process.

Instead, she advised that derelict properties are better addressed through bylaws rather than taxation. However, creating a clear and enforceable definition of “derelict” has proven challenging due to legal and practical limitations. She added that the number of such properties in the community is relatively small, and suggested that strengthening the existing unsightly properties bylaw may be a more practical approach.

D/M Keizer clarified that he was referring to vacant, undeveloped properties where lots remain uncleared and may pose fire risks, rather than derelict buildings. He noted that these properties are often left untouched after purchase and can become hazards if not maintained.

He recalled previous discussions about potentially applying a higher tax weighting to undeveloped lots as a way to encourage development, and asked Council to confirm whether that approach had been considered or if he was misremembering.

Cr. Bathe noted that this issue has come up before through the Housing Needs Assessment and earlier discussions with the Sustainable Development Board, where there was a recommendation to consider measures to encourage development of vacant lots.

He recalled that in discussions with Director Hood the previous year, it was noted that taxation on these properties is so low that even a significant increase would have minimal financial impact. Despite that, he expressed the view that even a small incentive or pressure could be worthwhile, and indicated interest in exploring whether such an approach is feasible.

Cr. Karasiuk expressed concern that there is no clear distinction between vacant and undeveloped residential properties in the current classification system. He noted that some vacant lots, such as one behind his home, are cleared, maintained, and fire-smarted, yet would still be treated the same as unmanaged lots.

He emphasized that there is a meaningful difference between maintained vacant properties and undeveloped lots with natural growth that may pose fire risks, and raised concern that the current system does not account for that distinction.

Director Gibbons clarified that in the tax system, “vacant” refers to residential land with no development, meaning there are no structures on the property. It does not refer to a home that is unoccupied.



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She explained that if a structure exists, it is still taxed as a residential property regardless of whether it is lived in. In cases where properties are owned by the Government of the Northwest Territories, taxes are applied through grants in lieu.

She also noted that undeveloped, treed lots are still subject to municipal bylaws. Property owners are responsible for maintaining their lots, and if a property becomes overgrown or poses a fire risk, it falls under the unsightly properties bylaw and can be subject to enforcement or fines.

Cr. Cox supported proceeding with Scenario 1, noting that with many changes already happening this year, introducing additional adjustments would make communication with the public more difficult.

He suggested that in future years, once things are more stable, Council could revisit options to apply more pressure on vacant lots. However, he emphasized the importance of distinguishing between vacant and derelict properties, noting that derelict properties present a greater concern.

He also pointed out that upcoming updates to public safety and related bylaws may provide an opportunity to address these issues. Additionally, he acknowledged that the community and Protective Services are still building capacity, particularly around FireSmart efforts, and are working to address gaps from previous years. He concluded that further changes are not necessary at this time.

4. COUNCIL BUSINESS

a. Bylaws and Policies

i. 2026 Mill Rate Bylaw No. 1084

26-101

Moved by: Cr. Cox

Seconded by: Cr. Couvrette

That the 2026 Mill Rate Bylaw No. 1084 be given first reading by title only

PASSED

ii. 2026 Mill Rate Bylaw No. 1084

26-102

Moved by: Cr. Bathe

Seconded by: D/M Keizer

That the 2026 Mill Rate Bylaw No. 1084 be given second reading by title only

PASSED

iii. 2026 Mill Rate Bylaw No. 1084

26-103

Moved by: Cr. Heaton

Seconded by: Cr. Karasiuk

That the 2026 Mill Rate Bylaw No. 1084 be given third and final reading by title only

PASSED

5. PROCLAMATIONS

6. DATE OF NEXT COUNCIL MEETING

Regular Meeting of Council (Community & Municipal)

May 19th, 2026, @ 7 pm, to be chaired by Cr. Cox



Council of the Town of Fort Smith
May 7, 2026 @ 7:00 PM

Regular Meeting of Council (Protective & Corporate)

June 2nd, 2026, @ 7 pm, to be chaired by Cr. Tuckey

7. EXCUSING OF COUNCILLORS

8. QUESTION PERIOD

9. ADJOURNMENT

26-104

Moved by: Cr. Karasiuk

Seconded by: D/M Keizer

That the meeting be adjourned at 7:32 pm.

PASSED

Minutes adopted this 19th day of May 2026.

Dana Fergusson
Mayor



Certified Correct by David Henderson
Senior Administrative Officer