City of Courtenay

Annual Report 2025



Cover photo by **Kim Stallknecht**

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Prepared by the City of Courtenay's Corporate Services and Financial Services departments


CITIZENS OF THE CENTURY
830 CLIFFE AVE

The City of Courtenay respectfully acknowledges that we are located within the unceded traditional territory of the K'ómoks First Nation.

The City of Courtenay has adopted the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) as its framework for Indigenous reconciliation. Adopted by the United Nations General Assembly in 2007, UNDRIP establishes a universal framework of minimum standards for the survival, dignity and well-being of Indigenous peoples worldwide. It builds upon existing international human rights standards and fundamental freedoms as they apply to the specific rights and experiences of Indigenous peoples.

In 2015, the Truth and Reconciliation Commission identified UNDRIP as the foundational framework for reconciliation at all levels of government and across all sectors of Canadian society.

Courtenay's commitment to reconciliation is embedded as a core community value within the Official Community Plan's four cardinal directions: reconciliation, community well-being, equity and climate action. The City has also prioritized strengthening its relationship with K'ómoks First Nation and advancing reconciliation through its Strategic Priorities.



About Courtenay

The City of Courtenay was incorporated in 1915 and is the largest community in the Comox Valley. It is located within the unceded traditional territory of the K'ómoks First Nation on the east coast of Vancouver Island in British Columbia, Canada.

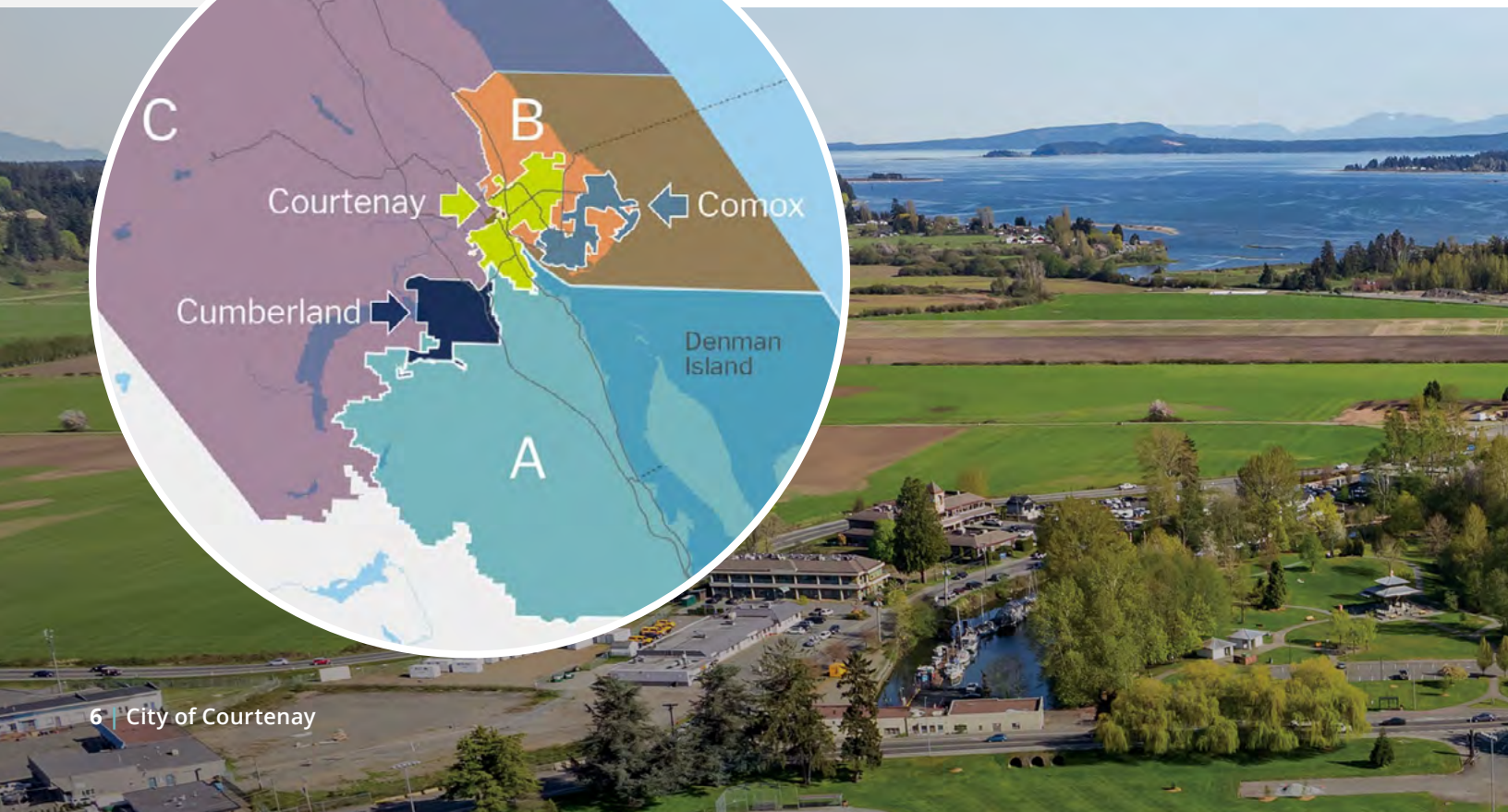
The City is one of three member municipalities of the Comox Valley Regional District (CVRD) alongside the Town of Comox and the Village of Cumberland. The CVRD also includes three electoral areas: A, B and C.

Courtenay is a growing community. Census data shows that between 2016 and 2021, the city's population increased by 10.8 per cent, outpacing growth across Vancouver Island (8.2 per cent) and British Columbia as a whole (7.6 per cent) during the same period.

Courtenay's lively downtown core features a mix of shops, galleries and restaurants, with a strong emphasis on locally sourced food, regional agriculture and independent businesses, alongside unique local art and goods.

The Courtenay Riverway connects downtown Courtenay with the city's southern boundary. This walkway borders the Courtenay Estuary, offering visitors an opportunity to view a variety of birds, fish and native plants.

World-class recreational opportunities are found throughout Courtenay and the surrounding region, including golf, mountain biking, kayaking, fishing, snowshoeing, skiing and hiking.



All data, Statistics Canada 2021



City land area: 32.42 square kilometres

population 28,420

10.8%
INCREASE

population growth, 2016 to 2021

46.8 YEARS
VAN. ISLE 46.2
B.C. 43.1
CANADA 41.9

average age

28%
VAN. ISLE 26%
B.C. 20%
CANADA 19%

% population age 65+

density per square kilometre:
877 people

private dwellings occupied
by usual residents
12,992

50%
VAN. ISLE 54%
B.C. 42%
CANADA 53%

% households in
single-residential dwellings



Photo by Nick Thornton



Message from the Mayor



On behalf of Courtenay City Council, I am pleased to share the City of Courtenay's 2025 Annual Report.

This report is a chance to look back on a busy and important year for our community. In 2025, Council continued to make thoughtful decisions during a time of growth, change and increasing pressure on local governments.

As this Council term nears its end, I am proud of the work that has been done. Local government is not always simple. Many decisions involve difficult trade-offs, long timelines and issues that cannot be solved by one level of government alone. Even so, Council has worked to stay focused on what matters most: serving our community and planning for Courtenay's future.

Housing remained one of Council's most important areas of focus. Communities across British Columbia are facing serious housing challenges, and Courtenay is no exception. While municipalities do not build housing, we do have a role to play. We can update policies, support more housing options and speak up for solutions that reflect the needs of our community.

In 2025, Council continued to support housing supply and diversity, while also calling on provincial and federal governments to share responsibility for real outcomes. Progress takes many partners; it requires local governments, Indigenous partners, community organizations, builders and other levels of government working together.

This work is part of a broader commitment to thoughtful growth. As Courtenay grows, we need to make sure our services, infrastructure, neighbourhoods and natural environment are also supported. The decisions we make today will shape the community we leave for future generations.

Relationships continue to be at the heart of this work. We are grateful for the continued relationship with K'ómoks First Nation, and for the opportunity to move forward together with respect, partnership and reconciliation.

I also want to recognize the many volunteers, community groups and non-profit organizations that help make Courtenay such a caring place to live. Their work is seen in events, programs, services and quiet acts of service across the community. Not all of that work can be captured in this report, but it makes a real difference every day.

The progress shared in these pages reflects the dedication of City staff and the engagement of residents who care deeply about Courtenay. On behalf of Council, thank you to everyone who has shared their time, knowledge and ideas over the past year.

While important work remains, Courtenay has a strong foundation built through collaboration, accountability and care for the community we serve. I am grateful to everyone who contributed to that progress over the past year and throughout this Council term.



Mayor Bob Wells

City Council

Courtenay City Council was elected to a four-year term in October 2022. Each member of Council represents the City at large and serves on various boards and committees. Appointments listed on page 11 were assigned by Council in November and were in effect as of December 31, 2023.

Elected officials 2022–26



From left to right, top row: Wendy Morin, Will Cole-Hamilton, Doug Hillian, Melanie McCollum; bottom row: David Frisch, Bob Wells, Evan Jolicoeur.

Council meetings

Members of the public are encouraged to view and participate in the Council meeting process. Meetings take place in the Comox Valley Regional District Civic Room (770 Harmston Avenue, Courtenay) and are also streamed live on the City of Courtenay's YouTube channel.

For more information on Courtenay City Council — including meetings, agendas, minutes and videos — and how to appear as a delegation, visit **courtenay.ca/council**

Appointments	Appointed members	Alternates
Comox Valley District (CVRD) Board of Directors	Cole-Hamilton, Hillian, McCollum, and Morin	Jolicoeur, Wells
Comox Valley Sewage Commission	Cole-Hamilton, Hillian, McCollum	Jolicoeur, Morin, Wells
Comox Valley Water Committee	Cole-Hamilton, Hillian, Morin, Wells	Jolicoeur, McCollum
Comox Valley Recreation Commission	Hillian, Jolicoeur, McCollum, Morin	Cole-Hamilton, Wells
Regional Parks and Trails Committee	Cole-Hamilton, McCollum, Morin	Hillian, Jolicoeur, Wells
Comox Strathcona Regional Hospital District Board	Cole-Hamilton, Hillian, Jolicoeur, Morin	McCollum, Wells
Comox Strathcona Solid Waste Management Board	Cole-Hamilton, McCollum, Morin, Wells	Hillian, Jolicoeur
Heritage Commission	Wells	Hillian
Court of Revision (Parcel Tax Review Panel)	Jolicoeur, Wells	Cole-Hamilton, Hillian, McCollum, Morin
Parks and Recreation Advisory Committee	McCollum	Morin
Comox Valley Coalition to End Homelessness	Jolicoeur	Wells
Comox Valley Community Justice Society	Hillian	Cole-Hamilton
Downtown Courtenay Business Improvement Association (DCBIA) Board	Wells	Cole-Hamilton
Comox Valley Substance Use Collaborative	Jolicoeur	Cole-Hamilton, Morin
Comox Valley Community Action Team	Jolicoeur	Cole-Hamilton, Morin
Comox Valley Social Planning Society	Morin	Jolicoeur
Physician Recruitment Committee	Hillian, Jolicoeur	Wells
Vancouver Island Regional Library Board	Cole-Hamilton	McCollum
Kus-kus-sum Restoration Project Watershed	Hillian	Wells
Comox Valley Early Years Collaborative	McCollum	Cole-Hamilton
Junction Community Advisory Committee	Wells	McCollum
Comox Valley Food Policy Council	Morin	Jolicoeur

Message from the City Manager



2025 marks an important moment of reflection and transition for the City of Courtenay. With the current Council term nearing its conclusion, 2025 represents a period of closing out multi-year initiatives, responding to significant legislative change and setting a strong foundation for the next phase of growth.

Over the past year, the City made steady progress on Council's strategic priorities, particularly in areas shaped by new provincial direction. This includes advancing zoning updates, development processes and long-range planning to align with provincial housing legislation. While this work is often behind the scenes, it plays a critical role in reducing barriers, improving clarity and supporting more efficient, equitable and sustainable growth.

Housing remains a central focus. In 2025, Council approved hundreds of new homes across a range of housing types, contributing to a more diverse and resilient housing supply. This progress coincides with a significant milestone: Courtenay has now surpassed 30,000 residents. This reflects sustained growth and reinforces Courtenay's role as the largest urban centre in the Comox Valley, along with the responsibility that comes with it.

As an organization, the City continues to evolve to meet growing demands. New responsibilities — driven by both legislation and community need — are shaping our work in housing, climate action, equity, reconciliation and social well-being.

At the same time, strategic investments in people, systems and infrastructure are strengthening our capacity to deliver services today and prepare for the future.

This work is made possible through the dedication of City staff, the leadership of Council and strong collaboration with regional and government partners, including K'ómoks First Nation.

While this report reflects on a year of progress, it also looks ahead. The work of this Council term has positioned Courtenay to move forward with confidence. Challenges remain, but the foundation is strong — and the future is bright.



Geoff Garbutt, MCIP RPP
City Manager

Organizational chart

Mayor and Council — **RCMP**

City Manager (CAO)

Corporate Services	Bylaw enforcement, communications, human resources, information technology, legislative services, legal services, RCMP municipal employees
Courtenay Fire Department	Fire and rescue services, training, inspection, investigation, public education
Development Services	Planning, subdivisions, building inspection, sustainability, business licensing, permits
Infrastructure and Environmental Engineering Services	Asset management, capital project management, environmental master planning
Financial Services	Finance, purchasing, risk management, real estate, financial planning, treasury, payroll and business performance
Operational Services	Transportation and fleet, utilities, parks, civic properties
Recreation, Culture & Community Services	Recreation operations and programming, community services, cultural services and liaison, planning (including parks), special events, partnerships

2025 highlights and metrics

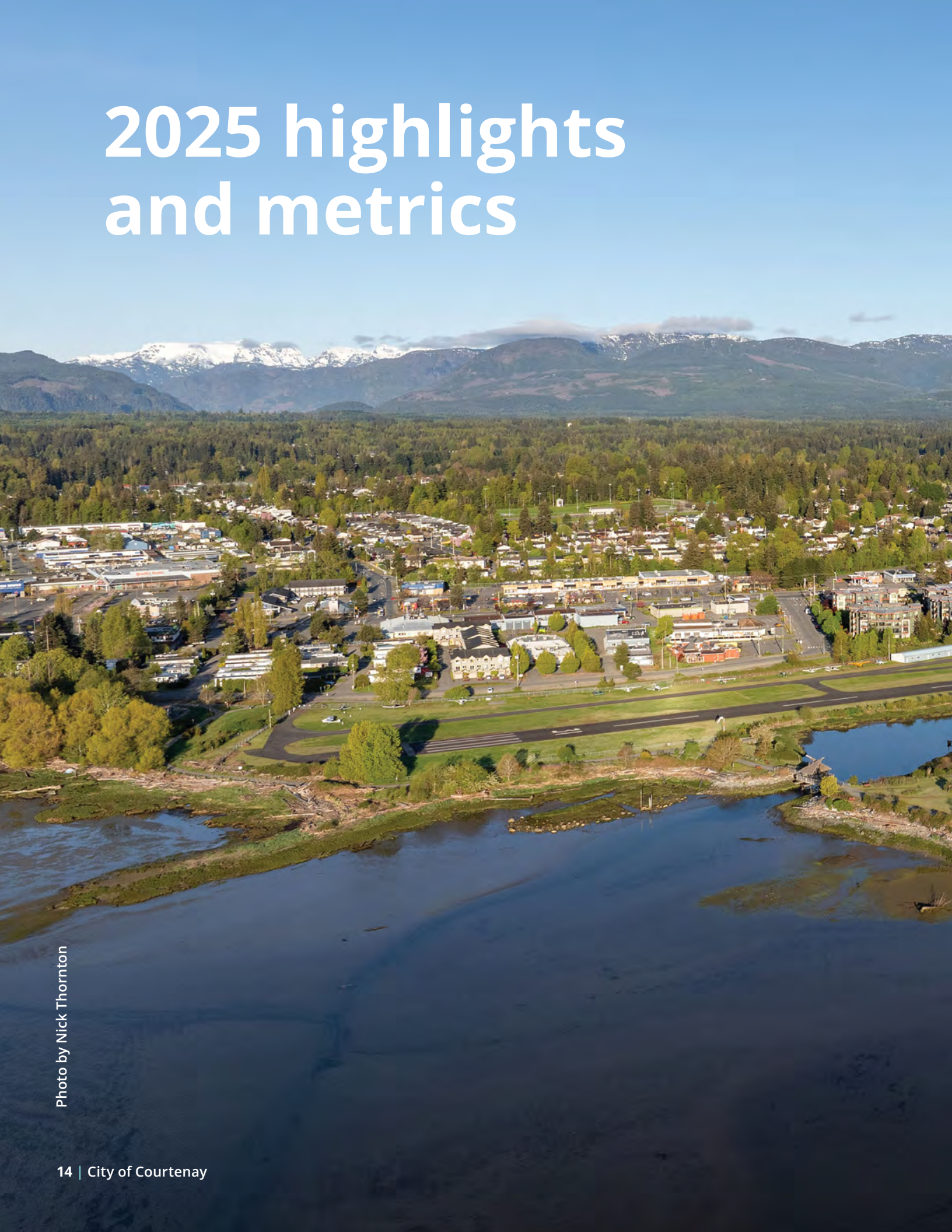


Photo by Nick Thornton



Streets and transportation

Prioritizing walking, wheeling, cycling and public transit — and integrating them with land use and urban form — is the greatest step Courtenay can take to support community mobility and reduce energy use in the transportation system, the largest source of Courtenay's greenhouse gas emissions.



Bike lanes and crosswalk, 17th Street

Strategic priorities

2023–26	Status	Notes
Develop traffic calming policies, plans, implementation strategy for pedestrian safety, speed limits (residential/school/playground) and active transportation options	In progress	The traffic calming policy has been completed and community review is underway. Citywide speed reductions have been implemented and the Safe and Active Schools program is in progress to support pedestrian safety and active transportation.
Advocate with Ministry of Transport and Transit to address congestion and improvements (17th Street intersections and bypass, Ryan corridor and Cliffe Avenue pedestrian crossings)	Ongoing	While a request to meet with ministry representatives at UBCM in 2025 was denied, a regional meeting will be scheduled with the Ministry of Transport and Transit, Courtenay, Comox, Comox Valley Regional District and 19 Wing Comox to advocate for improvements to ministry corridors in the Comox Valley.
6th Street Active Transportation Bridge • Construction of multi-modal link	In progress	Construction on this four-metre-wide cable-stayed active transportation bridge began in September 2025 and will be completed by summer 2026.
Implement parking restrictions and ticketing policies	In progress	A new Downtown Parking Strategy will inform the implementation of parking restrictions and ticketing policies.
Implement new bylaw adjudication program	Complete	The new bylaw dispute adjudication program launched in 2025, providing a cost-effective, fair and simple way for the public and the City to resolve bylaw ticket disputes.



17th Street



First phase of construction:
6th Street Active Transportation Bridge

6th Street Active Transportation Bridge

Construction began in late summer 2025 on the 6th Street Active Transportation Bridge, a key downtown infrastructure project that will improve accessibility, connectivity and access to riverfront spaces.

Surespan Group, a B.C.-based company specializing in bridge construction, established the primary construction area in Simms Millennium Park. Site preparation and foundation work began on both sides of the Courtenay River.

Once complete, the four-metre-wide cable-stayed bridge will provide a safe and accessible east–west crossing for people walking, cycling and using other forms of active transportation, strengthening connections between downtown, riverfront trails and surrounding neighbourhoods.

During this phase of construction, the underpass below the 5th Street Bridge remained open and there were no traffic disruptions.

Construction will continue through 2026.

courtenay.ca/6th-street-bridge

Strategic Transportation Plan update

In 2025, the City launched an update to its Strategic Transportation Plan (STP) to guide how Courtenay will move in the decades ahead.

Significant community growth, new provincial legislation and evolving travel patterns since the previous 2019 Transportation Master Plan have created new mobility needs and opportunities. The updated plan will refine Courtenay's long-term vision for transportation, align with the Official Community Plan and set new targets for mode share, greenhouse gas reduction and equity.

The process includes technical analysis and extensive public engagement. Between late 2025 and early 2026, residents will help shape future active transportation networks, transit priorities and road system improvements through online input, mapping tools and in-person events.

The updated STP will prioritize investments that support safe, efficient and sustainable travel options and prepare Courtenay for continued growth.

engagecomoxvalley.ca/lets-move-courtenay



Snow and ice control

The City's Snow and Ice Control program maintained 341 lane-kilometres of roads during the 2025–26 winter season, operating 24/7 from October to March. Arterial routes, school zones and active transportation corridors were prioritized to support safe winter travel.

courtenay.ca/snow

Valley View Drive and Back Road safety improvements

Safety upgrades progressed at the Back Road and Valley View Drive intersection following an independent traffic study and a formal request from area residents. Improvements include a small roundabout, median islands and a new guardrail to reduce speeds and collisions. Construction was coordinated with the Comox Valley Regional District's Sewer Conveyance Project to minimize disruption. These improvements reflect the City's commitment to responsive, consistent traffic calming processes and safer neighbourhood streets.

Traffic calming and neighbourhood safety

The City of Courtenay advanced traffic calming improvements along 1st Street between Menzies and Keeneland avenues in 2025, supporting safer, quieter and more liveable neighbourhoods.

This work follows adoption of the City's Traffic Calming Guide and Policy in fall 2024, which established a clear, data-driven framework for reviewing safety concerns and prioritizing improvements.

In early 2025, residents along 1st Street submitted a formal request under the new policy, prompting detailed traffic analysis and an independent engineering review.

Four intersections were identified for potential upgrades:

- **Menzies Avenue and 1st Street**
- **Woods Avenue and 1st Street**
- **"Lost Creek Lane" and 1st Street (Puntledge Park frontage)**
- **Keeneland Avenue and 1st Street**

To gather feedback, the City hosted a public open house on October 2, 2025, and offered an online survey through October 21. Community input will help shape final recommendations.

Traffic calming options will be presented to Council for consideration as part of the future capital budget.

By combining technical analysis with neighbourhood insight, Courtenay continues to implement traffic safety measures that reflect community priorities for accessibility, safety and livability.

courtenay.ca/1st-street



1st Street traffic calming construction

Cycling network improvements

The City of Courtenay continued implementing the Connecting Courtenay: Cycling Network Plan, advancing key active transportation and road safety priorities.

Capital projects focused on improving connectivity and comfort for cyclists and pedestrians.

Construction began on new cycling corridors, including:

- **Headquarters Road**
  Buffered painted bike lanes (1,500 m)
- **Vanier Drive**
  Buffered painted bike lanes (1,120 m)
- **Crown Isle Drive**
  Neighbourhood bikeway with shared-lane markings (3,900 m)
- **Crown Isle Boulevard**
  Buffered painted bike lanes (1,200 m)

These projects are part of the City's five-year implementation plan, which includes more than 54 lane-kilometres of planned active transportation infrastructure linking schools, neighbourhoods and key destinations.

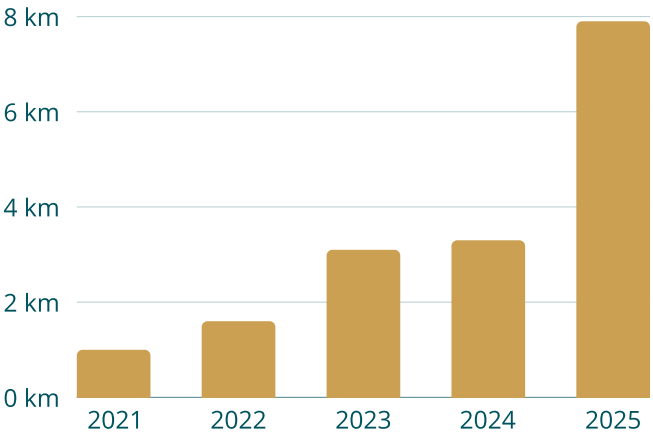
To date, Courtenay has secured more than $6.1 million in provincial and regional grant funding to support its active transportation program.

As implementation continues, the network will expand with additional protected and buffered bike lanes, neighbourhood bikeways and a pedestrian bridge design project, strengthening travel options for residents.

courtenay.ca/active-transportation

Cycling network upgrades (2021–25)

Total kilometres added by year





Kilometres added by infrastructure type

Infrastructure	2021	2022	2023	2024	2025	Total
Neighbourhood bikeway			3.1 km			**3.1 km**
Painted bike lane	0.5 km					**0.5 km**
Painted bike lane with buffer	0.5 km	1.1 km		2.6 km	7.9 km	**12.1 km**
Painted bike lane		0.5 km		0.7 km		**1.2 km**

Five-year total: 16.9 km

Evolve e-bike and e-scooter expansion

The City reviewed a request from BCAA's Evolve program and the Comox Valley Regional District in 2025 to expand the regional e-bike share service to include electric kick-scooters.

Staff assessed legislative requirements and operational considerations under the province's Electric Kick Scooter Pilot Project. Council endorsed renewing the existing e-bike agreement and directed staff to evaluate next steps for a potential e-scooter launch, including safety, enforcement and regulatory alignment.

The province also released first-year results from the pilot project, along with public education materials outlining legal requirements for devices and riders.

This review supports informed decision-making around expanding sustainable transportation options in Courtenay.

Safe and Active Schools program

In 2025, the City of Courtenay launched the Safe and Active Schools (SAS) program in partnership with School District 71 to improve safety and encourage walking, cycling and other active travel to school.

The program focuses on school travel planning, data collection and community engagement to identify barriers and prioritize improvements through infrastructure, programs and policy. It builds on earlier traffic safety initiatives, including reduced speed limits near schools.

Over the next three years, the City will work with up to three schools annually. The first participating schools for 2025–26 are École Puntledge Park Elementary, Courtenay Elementary and Valley View Elementary.

SAS supports the Official Community Plan and Transportation Master Plan, contributing to safer, healthier neighbourhoods for children and families.

Active transportation and pavement renewal

The City continued coordinated investment in active transportation and pavement renewal to improve safety, comfort and connectivity for people walking, cycling and rolling across Courtenay.

Work aligned with the Transportation Master Plan and was delivered alongside capital renewal projects to maximize efficiency and community benefit.

These efforts support all-ages-and-abilities travel, strengthen neighbourhood connections and advance the City's climate and mobility goals.

Lake Trail Multi-Use Pathway

Phase 1 of the Lake Trail Multi-Use Pathway was completed in fall 2025, improving safety and connectivity between Lake Trail Community School and Arden Road. The project included a 620-metre gravel multi-use path, upgraded bike lanes between Arden Road and Webb Road, bus stop improvements and drainage upgrades. Construction began in September 2025 and concluded in November, with a community celebration held on November 4 to mark completion.

The project was funded in part through the Province of B.C.'s Active Transportation Infrastructure Grants Program, with support from the Comox Valley Regional District. Planning for a Phase 2 extension toward Arden Elementary is underway, pending environmental approvals.

courtenay.ca/lake-trail-mup



Evolve e-bikes at City Hall



Lake Trail Multi-Use Pathway ribbon cutting

Part of the City's zero-emission vehicle fleet



Fitzgerald Avenue pedestrian network improvements

In 2025, the City completed a pedestrian safety review of the Fitzgerald Avenue corridor between 8th and 14th streets in response to public concerns about visibility and near-misses.

The study assessed five locations using criteria such as pedestrian volumes, proximity to vulnerable road users, collision history and the Safe Routes to School program.

Two priority crosswalks at 10th and 14th streets will be upgraded with Rectangular Rapid Flashing Beacons (RRFBs) to improve visibility and driver compliance.

Redundant crossings at 11th and 12th streets will be removed to reduce conflict points and encourage use of safer nearby crossings.

Tactile paving will be added at curb ramps and incorporated into future servicing standards, supporting accessibility and advancing the City's commitment to a safer, more walkable corridor.

Zero-emission vehicle fleet transition

Council adopted the City's Zero-Emission Vehicle (ZEV) Fleet Transition Plan in 2025, establishing a phased approach to reducing greenhouse gas emissions from municipal operations.

Fleet vehicles account for approximately 35 per cent of corporate emissions. The plan outlines the gradual replacement of approximately 100 City-owned vehicles and equipment units, supported by new charging infrastructure at key facilities.

The strategy prioritizes replacing higher fuel-use vehicles first to achieve meaningful emissions reductions while maintaining reliable service delivery. It aligns with provincial greenhouse gas requirements and the City's Official Community Plan target of a 45 per cent reduction by 2030 and near-zero emissions by 2050.

With adoption, the plan will guide fleet renewal decisions, infrastructure upgrades and capital planning, supporting long-term financial sustainability and climate action objectives.



Aerial view, Florence Filberg Centre

Zoning bylaw update

Work continued in 2025 on a phased update to Courtenay's zoning bylaw to ensure alignment with new provincial housing legislation and the City's long-term growth strategy.

Phase One responds to legislative changes, including Bill 25, and improves clarity by consolidating amendments and modernizing language.

Phase Two will align zoning districts with the updated Official Community Plan and refresh the bylaw's format to meet current standards.

This update supports housing supply, regulatory clarity and more efficient development processes while ensuring compliance with provincial requirements.

Corporate facility energy management plan

In 2025, the City advanced the Corporate Facility Energy Management Plan (CFEMP), a strategic roadmap for reducing greenhouse gas emissions and improving energy performance across City facilities.

The plan assessed 29 City-owned and -operated buildings through targeted energy audits to identify cost-effective retrofit opportunities and pathways to reduce reliance on fossil fuels. Analysis confirmed that a small number of larger facilities account for most building-related emissions, helping prioritize upgrades where they will have the greatest impact.

Three retrofit pathways were evaluated. The recommended approach meets provincially required 2030 emission reduction targets, while aligning upgrades with equipment replacement cycles and supporting ongoing performance monitoring.

The CFEMP now informs capital planning and the phased scheduling of facility upgrades, supporting the City's broader corporate climate action commitments.

Buildings and landscape

As existing buildings are renovated or redeveloped, and new buildings meet efficiency and performance standards, Courtenay's buildings will become increasingly accessible, electric, healthy and affordable to operate, while reflecting Courtenay's character, identity and sense of place.



Strategic priorities (continued on next page)

2023–26	Status	Notes
Update Subdivision Servicing Bylaw to include provisions for offsite frontage improvements	Complete	The Subdivision Servicing Bylaw updates are complete, with the bylaw adopted in late 2025.
Update Development Cost Charges (DCC) Bylaw	In progress – delayed	Following third reading of the DCC Bylaw by Council, the Development Cost Charge Bylaw No. 3191, 2025, and the accompanying background report were submitted to the Inspector of Municipalities for review and approval.
Develop Amenity Cost Charge (ACC) Bylaw	In progress	In February 2026, Council gave third reading of the ACC Bylaw following review of staff analysis on rate options, including the implications of applying municipal assist factors of five and 10 per cent for a limited period.
Develop a short-term rental policy	In progress – delayed	The third phase of the Downtown Vitalization Action Plan project approved by Council in February 2026 will provide policy direction for developing the City's short-term rental policy. By refining downtown land-use and housing priorities ahead of the Official Community Plan adoption, it will align future regulations with local planning objectives and provincial requirements.

2023–26	Status	Notes
Update the Zoning Bylaw to address OCP and provincial legislation	In progress	The Zoning Bylaw update (Phase 1), aligned with the updated OCP, will be presented to Council for first, second and third reading in March 2026. Phase 2 is expected to be underway in 2026, with a more substantial bylaw update anticipated in early 2027.
Update Official Community Plan (OCP) to address new provincial legislation	In progress	The OCP bylaw achieved second reading in February 2026, with a public hearing scheduled in May 2026.
Downtown Vitalization Action Plan (Downtown Local Area Plan – DLAP)	In progress	The third phase of the DVLAP project is underway, focusing on refinement and preparation of the plan for Council consideration in mid-2026.
Review and evaluate downtown development incentives (DLAP)	In progress	This work is on hold as focus and capacity have shifted to prioritize departmental operational efficiency and process improvements. Review and evaluation of downtown development incentives will be reinitiated after the 2026 local government election, upon confirmation of priorities.
Harmston Avenue Civic Precinct planning (DLAP)	In progress	This work has been reorganized under the DVLAP project. Council endorsed the Phase 3 scope of work of the DVLAP project in February 2025.
Implement Duncan Commons/ Downtown Courtenay Playbook, 5th Street staging and phasing (DLAP)	In progress	This work has been reorganized under the Downtown Vitalization Local Area Plan project.
Review and update downtown land use regulations and bylaws for consistency with OCP (DLAP)	In progress	This work has been reorganized under the Downtown Vitalization Local Area Plan project.
Prepare an options analysis to improve Cliffe Avenue and 5th Street intersection pedestrian facilities (DLAP)	In progress	This work is well advanced, with options analysis, design development and public consultation complete. The project is moving into delivery, with construction scheduled for spring 2026 to improve pedestrian safety and accessibility at the intersection.
Harmston Park Plan (DLAP)	In progress	This work has been reorganized under the Downtown Vitalization Local Area Plan project.
Plan and implement public bike parking and secure storage	In progress	Public bike parking and secure storage options were considered as part of the BC Transit Downtown Exchange project. Further direction is required to confirm scope, timing and implementation approach for this initiative.

Development activity

Land use and development applications

Development activity in Courtenay continued to shift in 2025, reflecting recent provincial housing legislation and a longer-term move toward higher-density forms of development.

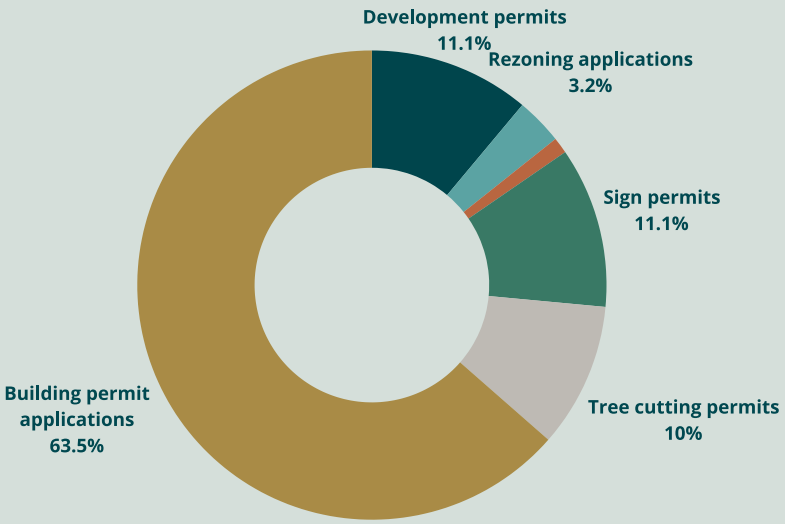
The overall number of land use applications remained lower than in previous years, following zoning amendments adopted in 2024 that rezoned 16 restrictive zones to Residential Small-Scale, Multi-Unit Housing (R-SSMUH).

These changes enabled R-SSMUH housing as-of-right and reduced the need for individual rezoning applications.

In 2025, development permit applications related to form and character, environmental considerations and steep slopes declined slightly, while applications for tree cutting permits increased. Building permit activity also continued to evolve. Although total building permit applications decreased compared to earlier years, multi-residential development has increased significantly since 2023, while permits for single-family dwellings have continued to decline. This pattern reflects broader policy direction toward compact growth and more diverse housing forms.



Micro-units on England Avenue



Applications and permits	2021	2022	2023	2024	2025
Development permits (including variances)	38	36	34	33	31
Rezoning applications	9	9	6	7	9
Combined OCP and rezoning applications	4	2	0	1	2
Sidewalk patio permits	7	3	5	6	3
Sign permits	42	52	33	45	31
Tree cutting permits	19	22	21	20	28
Building permit applications	335	216	238	184	178

Form and character guideline updates for small-scale housing

In 2025, the City advanced changes to its form and character Development Permit Area (DPA) guidelines to support faster delivery of small-scale housing while maintaining neighbourhood character and environmental objectives.

Key updates include:

- Aligning guidelines with provincial SSMUH legislation and the R-SSMUH zone applied to 5,600+ properties.
- Proposed removal of DPA2 requirements for developments with fewer than three units.
- Added flexibility for three- and four-unit projects in DPA1 (commercial, industrial, mixed-use and multi-residential areas).
- Public engagement through an online survey and open house.
- Council review scheduled for April 2025, followed by a public hearing.

engagecomoxvalley.ca/courtenay-ssmuh

Modernizing development services

In 2025, the City made progress in modernizing development services and improving the application experience.

Over the past year, the number of incomplete development applications began to decrease, attributed to the introduction of pre-application meetings, digital online application forms and clearer communication about development requirements.

Additional improvements included updates to the development procedural bylaw and the expansion of online resources related to accessory dwelling units and landscape security deposits.

Together, these incremental changes have enhanced service delivery, improved clarity for applicants and supported more efficient development review processes.



Palace Place, 397 5th Street

Construction activity

Construction activity in Courtenay moderated in 2025 following a significant increase in residential completions the previous year. A total of 174 net new residential units were completed and ready for occupancy, down from 625 units in 2024, reflecting the completion of several large projects in the prior year.

Despite fewer completions, development activity remained strong. In 2025, 336 residential units were approved for construction — more than double the 160 approvals issued in 2024 — indicating continued momentum in the housing development pipeline.

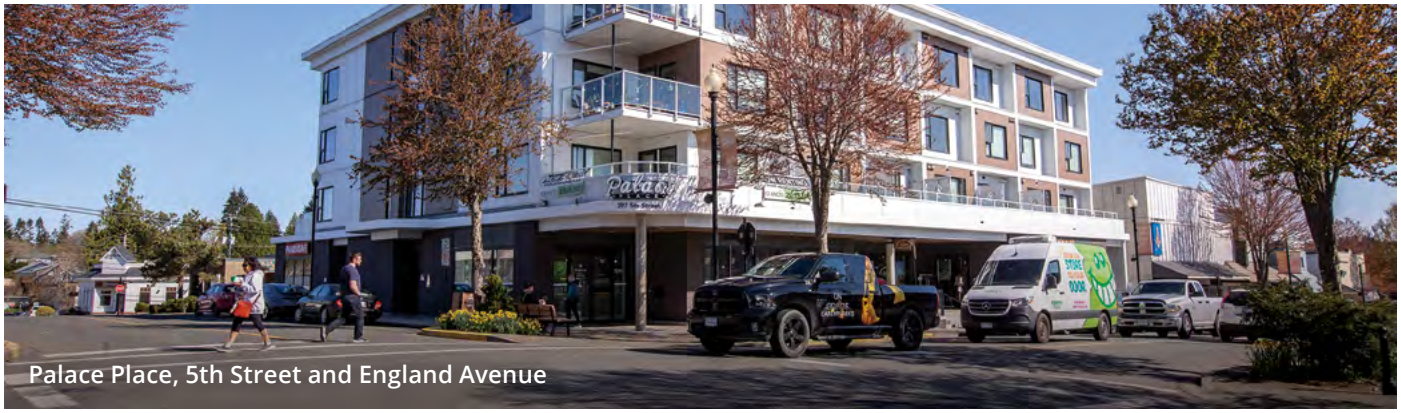
Over the past five years, Courtenay has averaged 372 completed residential units annually. Local housing growth continues to exceed Regional Growth Strategy targets, reflecting faster-than-expected population growth. Between 2011 and 2021, Courtenay experienced an average annual population increase of 2.1 per cent, reinforcing the ongoing demand for new housing across the community.

Construction activity	2021	2022	2023	2024	2025
Subdivision lots approved	95	18	72	23	6
Total residential units issued	336	143	738*	160	336
Building inspections completed	4,635	3,610	2,372	1,613	1,101

**The higher 2023 number reflects a greater number of multi-residential permits issued that year*

Net new housing units	2021	2022	2023	2024	2025	ann. avg.
Single detached	121	76	55	41	37	66
Attached secondary	30	10	15	14	12	16
Detached secondary	4	4	8	1	3	4
Duplex/semi detached	14	12	4	22	6	12
Townhouse	27	47	34	56	4	34
Apartment	247	289*	64	491	112	241
Total	443	438*	180	625	174	372

**Excludes 126 care home and hospice units*



Palace Place, 5th Street and England Avenue

Construction value

Residential construction value increased in 2025, rebounding from the lowest level recorded in the past five years. While activity improved, residential construction value remained below the five-year average, following an all-time high in 2023.

Commercial construction value declined slightly from 2024 levels but continued to exceed the five-year average. This sustained level of investment reflects ongoing confidence in Courtenay's commercial sector and continued development of local employment and service spaces.



North Island College student housing construction



	2021	2022	2023	2024	2025
Residential construction	$126,702,940	$146,720,522	$ 190,526,817	$50,916,699	$92,449,650
Congregate care construction	0	0	0	0	0
Commercial construction	$26,499,091	$23,988,325	$22,646,134	$37,274,561	$33,278,367
Industrial construction	$500,000	$12,000	$380,000	$290,000	$56,200
Institutional construction	$1,644,000	$1,807,720	$150,000	0	0
Total value of construction	$155,346,032	$172,528,567	$213,702,951	$88,481,260	$125,784,217

Land use policies and procedures

Form and character development permit guideline updates

In 2025, the City advanced updates to its form and character Development Permit Area (DPA) guidelines to align with new provincial small-scale, multi-unit housing requirements and streamline the approval process. The Residential Small-Scale, Multi-Unit Housing (R-SSMUH) zone, adopted in 2024, now applies to more than 5,600 properties, enabling up to four units on many residential lots.

The proposed DPA changes remove DPA2 requirements for developments with fewer than three units and exclude three- and four-unit projects from DPA1, reducing processing time while supporting neighbourhood compatibility. Public input was gathered through an open house and online survey in February.

engagecomoxvalley.ca/courtenay-ssmuh

Harmston Avenue Civic Precinct local area planning

In 2025, the City continued planning for the Harmston Avenue Civic Precinct, identified in the Downtown Vitalization Local Area Plan as a future civic and public space hub. The precinct area connects parks, recreation, culture and potential mixed-use development within the downtown.

Technical studies and phased engagement refined concept options for Harmston Park and surrounding civic lands. Community feedback, gathered through surveys and in-person events, will inform the preferred concept and guide future capital planning and detailed design.

Provincial housing legislation and Courtenay's community planning

In late 2023, the Province of B.C. introduced housing reforms, including Bill 44 – Housing Statutes (Residential Development) Amendment Act, requiring municipalities to take a more proactive, long-term approach to housing supply.

Local governments were required to prepare housing needs reports forecasting five- and 20-year demand and update their Official Community Plan (OCP) by December 31, 2025, to ensure sufficient land capacity and supportive policies.

Courtenay's 2025 OCP update aligns the City's growth management framework with these requirements through land-use, infrastructure and servicing analysis.

Engagement will follow the Local Government Act and include residents, K'ómoks First Nation, neighbouring governments and key agencies.

These changes continue to shape the City's long-term planning and approach to managing growth.



Dingwall Steps

Downtown Vitalization Local Area Plan

The City advanced the Downtown Vitalization Local Area Plan (DVLAP) in 2025, a multi-phase initiative guiding long-term growth and investment in Courtenay's core. The plan addresses housing, mobility, public space and economic development across four districts: the Riverfront, Downtown core, Fitzgerald corridor and Harmston Park.

Key activities in 2025 included:

- A major public open house on May 14 with 130+ attendees.
- Engagement on draft concepts for density, circulation, placemaking and public realm improvements.
- Early policy directions to support a more connected, accessible and vibrant downtown.
- Continued input from residents, interest-holders and K'ómoks First Nation.

engagecomoxvalley.ca/courtenay-downtown-plan

Provincial housing target order

In 2025, the Province of British Columbia issued a Housing Target Order requiring Courtenay to deliver 1,334 net new completed housing units over five years, effective September 1. The City was selected based on housing need, population growth projections and the expansion of the Speculation and Vacancy Tax.

The province recognized Courtenay's recent housing progress. Since 2021, nearly 1,700 new homes have been completed. The City has removed rezoning requirements for secondary suites and accessory dwelling units, reduced parking minimums for purpose-built rental and non-market housing, waived development cost charges for non-market projects and updated zoning to permit small-scale multi-unit housing on more than 60 per cent of residential properties.

Courtenay continues to collaborate with the development community, non-profit housing providers and provincial partners, while advocating for infrastructure funding to support mandated growth.

courtenay.ca/province-issues-housing-target-order

Naut'sa mawt building on McPhee Avenue



Official Community Plan update

In 2025, the City of Courtenay advanced its Official Community Plan (OCP) update in response to 2023 provincial housing legislation and accelerated population growth. Updated requirements call for regular five-year reviews of housing needs reports, OCPs and zoning bylaws to ensure sufficient land capacity for long-term housing supply.

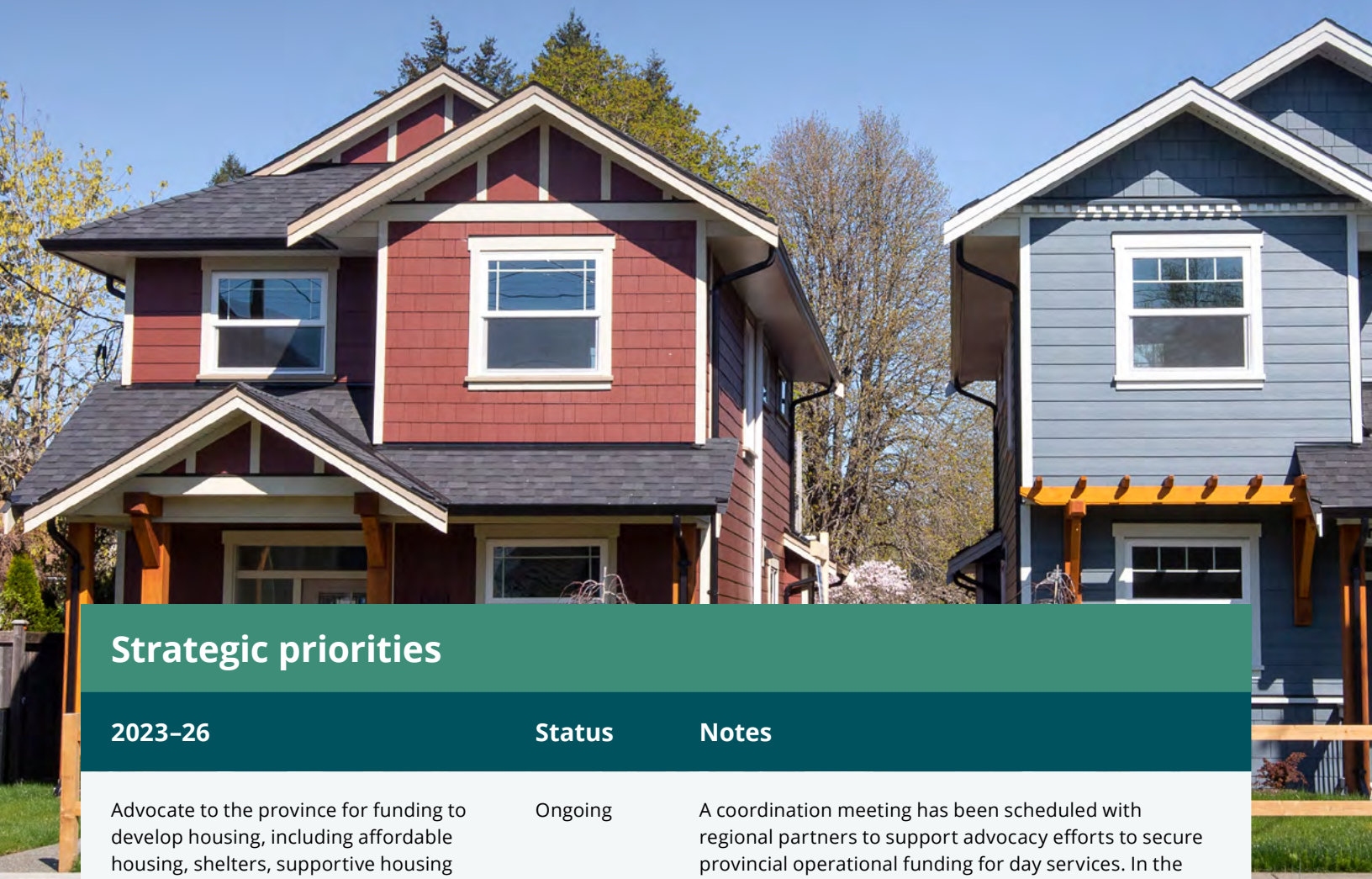
Courtenay's 2024 Housing Needs Report identifies the need to plan for approximately 8,350 new homes by 2041, supporting an estimated population of 42,415 residents. The update refines policy direction for land use, housing, transportation, infrastructure and environmental protection, while maintaining the OCP's four cardinal directions: reconciliation, equity, climate action and community well-being.

Engagement in 2025 included information sessions, workshops, surveys, community outreach and an open house. Adoption of the updated OCP is anticipated in early 2026, alongside related zoning bylaw housekeeping amendments.

courtenay.ca/ocp

Affordable housing

More than a roof over one's head, adequate housing is a fundamental human right in Canada and an important social determinant of health. It impacts the community's ability to attract and retain employees and sustain a vibrant economy.



Strategic priorities

2023–26	Status	Notes
Advocate to the province for funding to develop housing, including affordable housing, shelters, supportive housing and social housing	Ongoing	A coordination meeting has been scheduled with regional partners to support advocacy efforts to secure provincial operational funding for day services. In the interim, a temporary winter shelter was in place for the 2025–2026 season.
Courtenay homelessness initiatives: temporary day services, belongings storage, temporary housing initiatives and winter shelter strategy	In progress	Strategic actions are ongoing, including support for the temporary winter shelter and planning for services through the interim period until BC Housing completes the Braidwood shelter project. Work is underway on a winter shelter strategy, including needs assessment, partnership development and implementation planning, with completion expected mid-2026.

Infill housing, 5th Street

Community winter response and storage solutions

In 2025, the City of Courtenay advanced a coordinated winter response to address urgent safety and service needs for people experiencing homelessness.

Through partnerships with regional and frontline organizations, the City supported essential winter infrastructure near the Connect service hub, including washrooms, secure storage and covered facilities.

The City contributed $150,000 toward the $178,050 initiative, with additional funding from the Comox Valley Community Foundation supporting peer workers, storage bins and essential winter supplies.

As part of this broader response, Council approved a Temporary Use Permit in October 2025 to enable a temporary winter shelter at 971 Cumberland Road. The shelter operated from fall 2025 to April 15, 2026, and provides interim support until a new purpose-built facility opens at 925 Braidwood Road in 2027.

The shelter is delivered in partnership with regional governments and community organizations, following public engagement in September 2025.

courtenay.ca/winter-shelter

CVRD Board supports formation of Comox Valley Housing Authority

In December 2025, the Comox Valley Regional District (CVRD) Board approved the formation of the Comox Valley Housing Authority to support the development of more affordable housing across the region. The new authority will work with non-profit housing societies, senior governments and local municipalities to increase the supply of non-market rental housing.

The initiative responds to growing housing affordability pressures in the Comox Valley, where approximately one in five households spends more than it can afford on housing. The authority will initially focus on housing development partnerships, land acquisition and regional coordination to help advance projects. A key objective is to address barriers related to land access and early-stage project funding, improving the region's ability to secure federal and provincial construction grants.

Provincial approval is required before incorporation. Once established, the authority will operate independently, with a board that includes elected officials and housing expertise.

2024 Housing Needs Report

Courtenay continues to respond to rising housing costs and low vacancy rates. The 2024 Housing Needs Report identifies significant projected growth and ongoing affordability pressures across the community.

The population is projected to increase by 44 per cent by 2041, requiring approximately 8,350 new homes over the next 20 years. Currently, 22 per cent of households spend more than 30 per cent of their income on shelter, with renters, single-parent households, Indigenous households and seniors most affected. Demand for accessible, below-market and supportive housing is also increasing.

In 2025, the City began a targeted update of the Official Community Plan to align with new provincial housing legislation and ensure sufficient capacity for long-term growth. The work includes land-use and infrastructure analysis, policy review and community engagement with K'ómoks First Nation, regional partners, School District 71 and local agencies.

Key initiatives supporting housing include:

- **Small-scale, multi-unit housing (SSMUH)**
  Zoning updates enabling more diverse residential forms in established neighbourhoods.
- **Below-market housing**
  Continued partnerships with non-profit and provincial housing providers, including progress at 810 Braidwood Road.
- **Shelter and supports**
  Ongoing collaboration with BC Housing on the purpose-built shelter and supportive housing project at 925 Braidwood Road.
- **Strengthening Communities Grant**
  Funding for urgent supports for unsheltered residents and related community impacts.

courtenay.ca/housing



Natural environment

Nature-based solutions in the form of protecting, restoring and managing natural and semi-natural ecosystems to slow and adapt to climate change are at the heart of Courtenay's approach to caring for the environment.



Strategic priorities (continued on next page)

2023–26	Status	Notes
Develop and implement a strategy for parkland acquisition (parks and open space land acquisition)	Ongoing	Further direction is included within the OCP. Next steps will follow the development of the City's land strategy.
Promote and communicate the Urban Forest Strategy and Tree Protection Bylaw, and undertake a review of the Tree Protection Bylaw	In progress	The Urban Forest Strategy is complete and in implementation, while the Tree Protection and Management Bylaw is under review as part of alignment with the Urban Forest Strategy and the OCP update.

2023–26	Status	Notes
Include a climate change lens in staff reports	Ongoing	A climate change lens is included, where applicable, within the discussion section of staff reports. This work is informed by the updated official community plan and the corporate climate action plan process currently underway. Clearer reporting will support informed, climate-conscious decision-making and help residents better understand how climate considerations are reflected in City decisions.
Update Corporate Climate Action Plan	In progress – delayed	The Corporate Climate Action Plan Request for Proposal (RFP) is being revised to align with new provincial guidelines, with completion of the plan targeted for early 2027. The Zero-Emission Vehicle Fleet Transition Plan and the Facility Energy Management Plan are complete.
Include carbon budget in municipal operations and purchasing	In progress	Carbon budgeting will be developed as part of the Corporate Climate Action Plan work, with implementation anticipated mid-2027.

Urban Forest Strategy and tree planting program

In 2025, the City advanced implementation of the Urban Forest Strategy, which sets a long-term canopy cover target of 34–40 per cent and guides how Courtenay manages trees on public land. The Urban Forest and Natural Areas team now oversees approximately 8,600 public trees in streets, parks and natural areas, with work focused on risk management, pruning, restoration planting and support for other City departments.

Council received an update on Operational Services' role in delivering the strategy and endorsed a proposed five-year tree planting program. The program would expand annual planting beyond the current average of about 190 trees per year, targeting parks, greenways and street corridors with lower canopy cover. It also outlines future tools such as a potential tree voucher program and a street tree request program to encourage planting on both public and private land, supporting long-term canopy growth and climate resilience across the community.

courtenay.ca/urban-forest

Supporting pollinators in parks and trails

The City of Courtenay expanded its Pollinator Meadow program in 2025, building on the initiative launched in 2023 to support biodiversity and healthier urban ecosystems. New pollinator meadow areas were established at locations including Stan Hagen Nature Park, McPhee Meadows and the Valley View Greenway.

These naturally managed spaces are designed to support bees, butterflies and other pollinators while improving soil health and reducing the need for frequent mowing. Fewer mowing cycles also contribute to lower greenhouse gas emissions and support the City's broader climate and sustainability objectives.

The program aligns with the City's Urban Forest Strategy by enhancing habitat connectivity and contributing to long-term urban canopy goals. By integrating pollinator-friendly practices into parks and trails management, the City is supporting ecological resilience and promoting healthier natural spaces for the community to enjoy.



McPhee Meadows completion

In 2025, the City completed Phase 1 of the McPhee Meadows Park Plan, opening an 11.8-acre riverside natural area for public use. The project preserves the ecological heritage of the site, donated through Canada's Ecological Gifts Program by the late Robert McPhee, and was delivered in partnership with The Nature Trust of B.C.

Construction was completed in October 2025 and included resurfacing the access path, installing a split-rail fence, building a new gravel loop trail, replacing fencing around the historic orchard and undertaking significant ecological restoration. More than 8,000 m² of invasive species were removed and over 4,300 m² of native vegetation planted.

McPhee Meadows now provides a low-impact, nature-based park experience within walking distance of downtown. Accessibility improvements were assessed; however, geotechnical constraints required the existing grade to remain in place to prevent slope and infrastructure instability.

courtenay.ca/mcphee-meadows

Vanier Nature Park Garry Oak Restoration Project

One of British Columbia's rarest ecosystems is beginning to recover in Vanier Nature Park through restoration work led by the Comox Valley Nature Society (CVNS), supported by the City of Courtenay and community volunteers.

In 2024, the City entered into a five-year agreement with CVNS to restore the park's Garry oak ecosystem after significant tree loss over the past decade. The project focuses on invasive species removal, canopy restoration and community stewardship.

2025 highlights:

- 44 volunteers supported restoration work.
- 966 volunteer hours contributed.
- 8 community education and outreach events delivered.

"If the Garry oak trees in Vanier could speak, they would likely say, 'Ah, the sunlight is returning to our grove. Let's grow!'" — CVNS staff



Groundbreaking ceremony, McPhee Meadows

Seasonal yard waste drop-off program

To manage peak fall volumes, the City offered a free seasonal yard waste drop-off site for Courtenay residents from November 1 to 28.

Located at the end of McKenzie Avenue near the Operations Centre, the site provided additional capacity for residents whose yard waste exceeded their curbside organics carts.

Accepted materials included leaves, grass clippings, plants and small branches. Staff monitored the site to ensure clean material, which was directed to composting facilities.

The program supported organics diversion and helped maintain reliable curbside collection during high-volume periods.

In 2025, the City collected 4,464 tonnes of organics, reflecting sustained participation in diversion programs. The seasonal drop-off site complements year-round curbside services. Residents who require additional capacity outside seasonal programs can request an extra organics cart for an annual fee.

Fast facts:

- 4,464 tonnes of organics collected in 2025.
- 2,148 tonnes of garbage collected in 2025.
- 5,813 households using the *Courtenay Collects* app.

Youth Climate Corps BC – Courtenay program

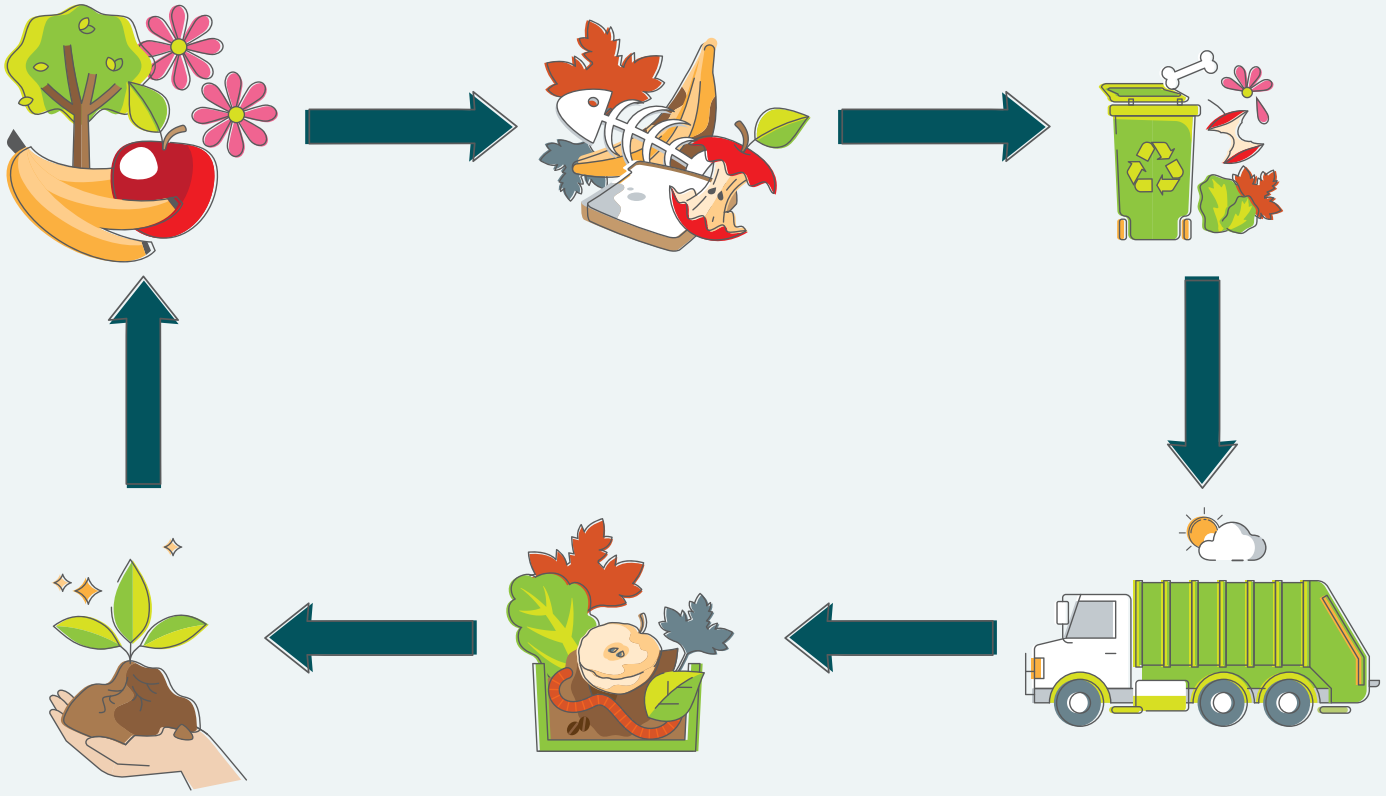
In 2025, Youth Climate Corps BC (YCCBC) supported a broad range of local climate-action and environmental restoration initiatives in partnership with community organizations and the City of Courtenay. Mobilizers worked across parks, riversides and neighbourhoods, contributing to ecosystem restoration, invasive species removal, native planting, water and wildlife monitoring and food-security programs.

Work took place at sites including Kus-kus-sum, Courtenay Airpark, Glen Urquhart, Mallard, Piercy and Millard Creeks, and the Morrison Creek Headwaters. Community partners such as LUSH Valley Food Action Society, Lake Trail Community Education Society, Project Watershed and the BC Parks Foundation reported significant benefits, noting expanded capacity for gleaning programs, garden restoration, youth engagement and ecological monitoring.

2025 highlights:

- 270 kg of broom removed in a single morning.
- 107 kg of backyard cherries and 57 kg of farm produce gleaned.
- 175 days of climate-action activity completed.
- Three wildlife trail cameras deployed.

The program also provided meaningful career-building opportunities for youth, strengthening local climate resilience while supporting hands-on learning and community partnerships.



Parks and recreation

The parks, trails and recreation system of programs and indoor and outdoor facilities is, at its heart, an opportunity for connectivity — whether that be to each other, the natural world, K'ómoks First Nation history and practices, how we get around or the ecosystems across the city and region.



Strategic priorities (continued on next page)

2023–26	Status	Notes
Florence Filberg Centre needs assessment and capital improvements	Ongoing	Project scoping is underway. Further clarification is required to confirm the scope of work to be initiated in Q2 2026, including whether this includes capital improvements.
Courtenay and District Memorial Outdoor Pool needs assessment and capital improvements	In progress	Following extensive community consultation, Council has directed staff to proceed with design work for a potential replacement of the outdoor pool, estimated at $32.5 million. Design is underway, with a report to Council anticipated in summer 2026.

Courtenay and District Memorial Outdoor Pool

2023–26	Status	Notes
Lewis Centre needs assessment and capital improvements	Planned	This initiative has been postponed until the completion of the Recreation Strategic Plan.
Parks and Recreation Master Plan implementation strategy – park development	Planned	Development of an implementation strategy for park development under the Parks and Recreation Master Plan is planned for 2025–2027.
Bill Moore Park	In progress	Work on the Bill Moore Park plan began in early 2026, with community engagement planned for spring and summer 2026.
New pickleball courts	In progress	An options analysis is complete. Detailed design for new pickleball courts at Lewis Park is underway, with construction expected in 2027.
Harmston Park Plan (DVLAP)	In progress	This work has been reorganized under the Downtown Vitalization Local Area Plan project. Detailed design will follow completion of the DVLAP.
McPhee Meadows	In progress	McPhee Meadows park on the Puntledge River was completed in fall 2025. Next steps include identifying options for beach access and an angler's trail, with more information to follow in mid-2026.
Sport allocation policy and implementation (regional collaboration)	In progress	Engagement is complete. Policy development is underway, with a draft expected in spring 2026
Recreation Strategic Plan: review recreation programs and engage with the community on current and future needs and changing demographics	In progress	The Recreation Strategic Plan project is expected to launch in spring 2026.
Parks and Public Spaces Regulation Bylaw – communication and implementation	In progress	The Parks and Public Spaces Regulation Bylaw has been substantially implemented, with additional service-specific policy work planned. A Good Neighbour Guide for parks and public spaces will be available in spring 2026.
Recreation facility rental policy (safe and inclusive spaces and access)	Planned	Work on this project is expected to begin in spring 2026.
Implement Memorial Bench program	In progress	Work on the Memorial Bench Program is underway, with implementation planned for 2026.

Bill Moore Park football tower upgrades and scoreboard replacement

In 2025, the City of Courtenay approved a series of upgrades to the football tower at Bill Moore Park, led by the Comox Valley Raiders Youth Football Club. The project addressed long-standing infrastructure issues, including a non-functional scoreboard that had been out of service for several years and the lack of permanent electrical service at the tower.

Improvements included the installation of permanent electrical service through a new BC Hydro pole and underground connection, enabling the replacement of the scoreboard and eliminating the need for a gas-powered generator. Additional upgrades improved safety and security, with repainting of the tower and the installation of new windows and doors.

The $50,000 project was fully funded through club resources, grants and in-kind community contributions, including support from the Rotary Club of Courtenay and local businesses. The upgrades enhance game-day operations, improve the spectator experience and support continued growth of youth football at Bill Moore Park.

courtenay.ca/bill-moore-dogwood-strategic-plan

Woodcote Park playground replacement concept plan

The City of Courtenay advanced plans to replace the aging playground at Woodcote Park in 2025 with the development of a community informed concept design titled Playing Among the Clouds.

The project marks the first playground initiative guided by the new Let's Play, Courtenay! design standards, which prioritize inclusive, accessible and engaging play spaces.

Community engagement played a central role in shaping the concept and included on-site information boards, targeted focus groups, and a public survey that received 409 responses.

Feedback highlighted strong support for inclusive and accessible play opportunities, nature-based features, improved visibility, shade and seating for caregivers.

The preferred concept includes adapted play equipment usable from the ground, play areas for multiple age groups, expanded accessible surfacing and a universal design carousel.

Indigenous storytelling elements featuring K'ómoks First Nation artwork and language are also incorporated. Supported by multiple funding partners, the new playground opened in May 2026.

engagecomoxvalley.ca/woodcote

Bill Moore Park entrance



Woodcote Park Playground concept design



The future of Harmston Park

In 2025, the City advanced planning for the Harmston Avenue Civic Precinct by engaging the community on a draft vision and two concept designs for Harmston Park, as part of the Downtown Vitalization Local Area Plan.

Engagement included four focus groups with equity-priority organizations, a public survey with 137 responses, more than 70 attendees at a park pop-up event and ongoing input through the online project page.

Participants expressed strong support for reimagining Harmston Park as a community hub while preserving quiet green space, mature trees and the community garden. Top priorities included space for markets and events, playground and family amenities, accessible paths, public washrooms and potential off-leash dog areas, alongside concerns about traffic, parking and adjacent building form.

Findings are summarized in the Harmston Park Plan – What We Heard Report and will guide detailed park design beginning in 2026.

engagecomoxvalley.ca/harmston-park

Park bench donation policy and implementation strategy

In 2025, the City of Courtenay advanced a redesigned Park Bench Donation program by developing a formal policy and accompanying implementation strategy.

The updated framework establishes clear, consistent guidelines for the donation of park benches across the city and supports a transparent, equitable approach for donors and staff.

The policy outlines bench design options, placement criteria, plaque standards and maintenance expectations, while introducing a full cost-recovery fee structure.

The implementation strategy provides operational direction, including administrative workflows and communication approaches, to support efficient program delivery.

With the policy and strategy in place, the City is positioned to launch the renewed Park Bench Donation program in spring 2026

The updated program supports community connection, enhances public spaces and aligns with Council priorities for accessible and well-maintained parks.

courtenay.ca/bench-donation



Memorial bench, Courtenay Airpark



Courtenay and District Memorial Outdoor Pool options analysis

In 2025, the City completed an options analysis to guide the long-term future of the Courtenay and District Memorial Outdoor Pool. Built in 1949, the facility has reached the end of its useful life and requires significant upgrades or replacement to maintain safe and reliable service.

The study evaluated three options at the Lewis Park site — repair, renovate or replace — and also considered the implications of permanent closure. The analysis assessed community need, accessibility, climate resilience and lifecycle costs, in alignment with long-term recreation planning, including the 2023 Comox Valley Aquatic Needs Strategy.

Technical reviews identified major concerns with the aging pool basin, mechanical systems, code compliance and accessibility. Cost estimates ranged from $5.2 million for short-term repairs to $32.5 million for full replacement.

Community engagement in fall 2025 included 619 survey responses and two open houses. Seventy-four per cent of respondents supported replacement.

Following the analysis, Council directed staff to proceed with the next phase of design for the replacement option and to approach the Comox Valley Regional District regarding regional funding support.

courtenay.ca/outdoor-pool

Aquatics participation highlights

Aquatic programming remained popular in 2025, with 18,096 swim visits across City facilities — a three per cent increase from the previous year.

Open swims accounted for most visits, with 14,976 participants, up 22 per cent. Family swims also grew slightly.

Participation in some structured programs declined, reflecting shifts in user needs and program preferences.

Swim type	2024	2025	Change
Length	1,476	1,547	16%
Adapted	506	514	1.6%
Aquafit	619	537	-5%
Family	392	522	2%
Open	12,293	14,976	22%
Total	15,286	18,096	3%



Pooch-a-Poolooza, Outdoor Pool



Design for new pickleball courts



Pooch-a-Poolooza at the outdoor pool

Courtenay Recreation closed out the summer with its annual Pooch-a-Poolooza, the one day each year when the Courtenay and District Memorial Outdoor Pool opens exclusively for canine swimmers before shutting down for the season.

Dozens of dogs of all sizes enjoyed a playful afternoon in the 30-metre pool, with admission proceeds supporting the local SPCA.

Safety remained a priority, with proof of rabies vaccination required and on-site support from Van Isle Veterinary Hospital.

Woofy's Pet Foods joined the event with giveaways for four-legged guests.

Pooch-a-Poolooza continues to be a much-loved tradition, offering a light-hearted community moment to wrap up the outdoor pool season.

Proposed dedicated pickleball courts

In 2025, the City of Courtenay completed the Pickleball Court Needs Assessment and Options Analysis to guide the development of new dedicated outdoor pickleball courts. The assessment evaluated demand, site options and potential impacts, and identified Lewis Park as the preferred location for a six-court complex.

The analysis responded to growing community interest in pickleball and the need for purpose-built facilities that support safe, organized play. Locating the courts at Lewis Park allows for integration with existing park amenities while minimizing impacts on surrounding neighbourhoods.

Following Council direction, the City is advancing detailed design work, with construction anticipated to be completed by mid-2027.

The project supports community well-being by expanding access to recreation opportunities and aligns with Council priorities for parks and recreation infrastructure.



Mile of Flowers, Cliffe Avenue



Community Clean-up, Courtenay Air Park

Mile of Flowers

Mile of Flowers marked its 58th year in 2025, continuing a long-standing community tradition of planting summer blooms along Cliffe Avenue.

On May 27, hundreds of volunteers joined City staff to fill garden beds from 8th to 21st streets with flowers supplied by the City.

The free, family-friendly event required no experience, and youth groups were entered into a draw for a one-hour outdoor pool party at Lewis Park. Refreshments were provided in partnership with the Courtenay Rotary Club.

Mile of Flowers began in 1967 and now relies on 200–500 volunteers each year. Recent updates to soil, mulch and irrigation have significantly reduced water use, saving roughly 600,000 gallons annually.

Community members gathered for third annual spring clean-up event

The City hosted its third annual community spring clean-up on April 26, welcoming volunteers to help refresh public spaces around Courtenay Air Park and nearby trails.

Participants received safety orientation and supplies from City staff before heading out to collect litter, reinforcing the community's shared commitment to cleaner parks, streets and waterways.

This growing tradition supports broader environmental goals by preventing debris from entering storm drains, creeks and the estuary.

It also complements recent waste-reduction efforts, including a 38 per cent decrease in landfill garbage through automated curbside collection and the Bring Your Own Cup (BYOC) initiative. BYOC was delivered in partnership with the Downtown Courtenay Business Improvement Association (DCBIA) to reduce single-use waste.

Courtenay Recreation



Courtenay loves to get active

In 2025, Courtenay Recreation experienced its highest overall participation to date, with strong growth across programs, services and facility use.

Program registrations increased to 13,846, Wellness Centre visits reached 67,713, and fitness class drop-ins rose to 17,160, reflecting continued demand across aquatics, fitness, camps and recreation services.

Courtenay Recreation delivers programs and services at the Florence Filberg Centre, Lewis Centre, Native Sons Hall, The LINC Youth Centre and park facilities throughout the city.

Offerings support residents of all ages and abilities and include registered programs, drop-in fitness, camps, special events, facility rentals and wellness programming.

	2021	2022	2023	2024	2025
Activities offered	1,037	1,338	1,556	2,065	1,828
Program registrations	5,140	5,928	10,756	11,824	13,846
Wellness Centre visitors	33,000	7,897	53,480	57,554	67,713
Fitness class drop-ins	8,536	5,625	10,731	11,294	17,160
Squash bookings	1,092	2,568	3,023	3,860	3,933
The LINC Youth Centre drop-ins	2,155	6,253	8,033	8,781	6,568
People funded by Recreation access program	187	599	802	1,231	1,575
LEAP memberships issued	N/A	116	1,685	731	883
Cozy Corner registrations	35	54	49	70	57
Outdoor pool visits	7,159	8,222	11,144	15,286	18,096
Swimming lesson registration	406	528	559	858	769
Volunteer hours	4,624	Not available	1368	2,828	3,834
Kids in camps	914	915	2,544	3,002	3,095

Leisure Buddy program

In 2025, the Leisure Buddy program, supported by the Comox Valley Regional District, expanded to meet growing demand for inclusive recreation services.

The program provides one-on-one support to help participants fully engage in programs, offering encouragement and assistance for individuals with physical, cognitive, behavioural and developmental needs.

Support was provided across a range of programs, including spring, summer and winter break camps, as well as pottery, gymnastics and cooking programs.

2025 highlights:

- 27 participants supported.
- 704 hours of one-on-one support provided.

The program continues to support accessible, inclusive recreation experiences, helping participants build confidence, develop skills and feel connected within the community.

Financial access programs

Courtenay Recreation continues to support equitable access through financial assistance programs for residents living within Statistics Canada's Low Income Measure (LIM). In 2025, participation increased, with 1,575 people accessing subsidized recreation opportunities.

The Recreation Access program provides Courtenay residents with up to 52 free drop-ins and an annual scholarship to reduce registration fees.

The Leisure for Everyone Accessibility Program (LEAP) is available to all Comox Valley residents and provides 52 free drop-ins at each municipal recreation department.

These programs help reduce financial barriers and support inclusive participation across the community.



Adapted summer camp

Nickel Carnival

The annual Nickel Carnival returned to the Lewis Centre in July 2025, offering a fun and affordable afternoon for children aged 5 to 11 and their families.

With games, prizes, face painting and themed activities, the event created a lively, inclusive environment that encouraged play, creativity and community connection.

This year's theme, Under the Sea Adventures, featured classic carnival-style games, a cupcake walk and refreshments, with admission structured to keep activities accessible for all participants. An early-access period was also offered for children in adapted programs, ensuring a welcoming experience for every family.

The Nickel Carnival continues to be a popular recreation event, highlighting the City's commitment to inclusive, low-cost programming that brings families together in a fun and supportive setting.



Nickel Carnival

Regional sports field allocation project

In 2025, the City of Courtenay led a regional initiative to improve how sports fields are allocated, booked and managed across the Comox Valley. Working in partnership with the Comox Valley Regional District, Town of Comox, Village of Cumberland and School District 71, the project aims to establish a consistent field allocation policy, regional fee structure and centralized booking framework.

The work builds on the Comox Valley Sports Field Strategy and focuses on improving fairness, transparency and coordination for sports-field users.

Extensive engagement with partner governments, school district representatives and sport-user groups informed the development of shared principles and draft frameworks.

By the end of 2025, the project had completed its research, data analysis and user engagement phases and moved into the development of draft regional policies and implementation options.

Draft frameworks are expected in early 2026, with partner and Council approvals to follow.

Implementation of the new regional approach is anticipated in late 2026 or early 2027, supporting a more cohesive and efficient sports field system across the region.



Lewis Park



Children's summer camp, Lewis Park



Easter celebrations, Lewis Centre


Halloween Parade, 5th Street

Summer camps remain highly popular

Courtenay Recreation delivered another strong summer camp season in 2025, with 3,095 participants — the highest total to date. Demand remained strong across early years, children, youth and inclusion programs.

Camps were supported by volunteers who contributed 3,834 hours, strengthening program delivery and mentorship opportunities for youth. Programming included themed camps, special events and hands-on learning opportunities such as the Fire Fighter Basic Training Camp delivered in partnership with the Courtenay Fire Department.

Participant feedback highlighted skill development, social connection and confidence-building, while caregivers noted high engagement. The introduction of a combined spring and summer recreation guide, with a dedicated summer camp registration period, supported strong enrolment, with many camps filling quickly.

Courtenay Recreation continues to offer the largest selection of camps in the Comox Valley, supported by an experienced and growing staff team.

Community events that bring Courtenay together

Courtenay Recreation offers free or low-cost events for all ages, focused on inclusive community activities that strive to limit financial or physical barriers to participation.

In 2025, a full calendar of celebrations, arts showcases and family-friendly traditions brought residents together across the city. Highlights included seasonal favourites such as the Easter Promenade, Canada Day festivities, the Halloween Parade and Party, and Youth Week programming at The LINC Youth Centre.

Young creators were showcased at both the Gnarly Little Spring Craft Fair and the Gnarly Little Christmas Craft Fair. The LINC Youth Centre's Haunted House drew crowds with its youth-designed sets and characters.

Music lovers gathered weekly at the Simms Summer Concerts, and families closed out the year with the beloved Children's Christmas Party.

Across all events, Courtenay Recreation continued to support community connection, creativity and accessible fun for everyone.



Inside the Native Sons Hall

Facility rentals

	2021	2022	2023	2024	2025
Indoor rental bookings	823	3,560	1,702	1,866	2,276
Indoor rental hours	23,628	18,044	15,062	11,822	13,091
Indoor rental revenues	$88,683	$135,540	$149,850	$190,399	$207,822
Outdoor rental bookings	1,742	2,935	3,633	4,014	4,323
Outdoor rental hours	6,339	9,955	11,587	15,965	20,327
Outdoor rental revenues	$20,500	$42,943	$43,591	$56,364	$64,676



Front entrance of the Lewis Centre

Regional collaboration

Through partnerships with neighbouring governments and agencies, the City collaborates on housing, transportation, solid waste, utilities and emergency planning to support coordinated regional solutions that benefit Courtenay residents and the broader Comox Valley.



Strategic priorities (continued on next page)

2023–26	Status	Notes
CVRD Regional Growth Strategy review process and Technical Advisory Committee participation	In progress	The City has provided comments to the CVRD on the updated Regional Growth Strategy, as endorsed by Council. Staff continue to participate in the Technical Advisory Committee.
CVRD regional housing initiatives	In progress	With the creation of a Regional Housing Authority through the CVRD, development of a Non-Market Housing Strategy is underway. This work will define the City's role in supporting non-market housing, complementing rather than duplicating the CVRD's work.

574 Cumberland Road

2023–26	Status	Notes
CVRD Liquid Waste Management Plan	In progress	The City continues to support the development of the CVRD Liquid Waste Management Plan.
CVRD Water Master Plan	In progress	The City continues to support the development of the CVRD Water Master Plan.
CVRD sewer conveyance	In progress	Linear sewer assets are complete, with a lift station outstanding. The City will continue to support this project as needed.
CVSM solid waste organics diversion	Ongoing	Implementation of a residential organics collection and diversion program is complete, including the rollout of a fully automated collection service across the City.
Courtenay/CVRD air quality initiatives	Ongoing	The City continues seasonal air quality public education and awareness campaigns, including monitoring and analysis of data from stations installed across the community.
CVRD regional parks function	In progress	City staff are participating in the CVRD technical advisory committee supporting regional parks.
CVRD Comox Valley Transit	New	City staff are working collaboratively with the CVRD and BC Transit to support implementation of the Transit Future Plan. This includes ongoing coordination to align transit planning and initiatives with the City's Strategic Transportation Plan and broader Council priorities.
Regional active transportation initiatives	New	City staff are working with the CVRD to coordinate and align regional active transportation initiatives with the City's Council-adopted Cycling Network Plan, implementation strategy and Strategic Transportation Plan.
Comox Valley Emergency Program	Ongoing	City staff participate in the Comox Valley Emergency Program regional service, and the City Manager is a member of the program's administration committee.
Island Corridor Foundation corridor planning	New	City staff are participating in a corridor planning project led by the CVRD.
CVRD Reconciliation Advisory Roundtable	Ongoing	The City Manager is a member of the CVRD Reconciliation Advisory Roundtable. Facility costs for a regional Reconciliation event were funded through a resolution of Council.

Air quality monitoring and winter smoke patterns

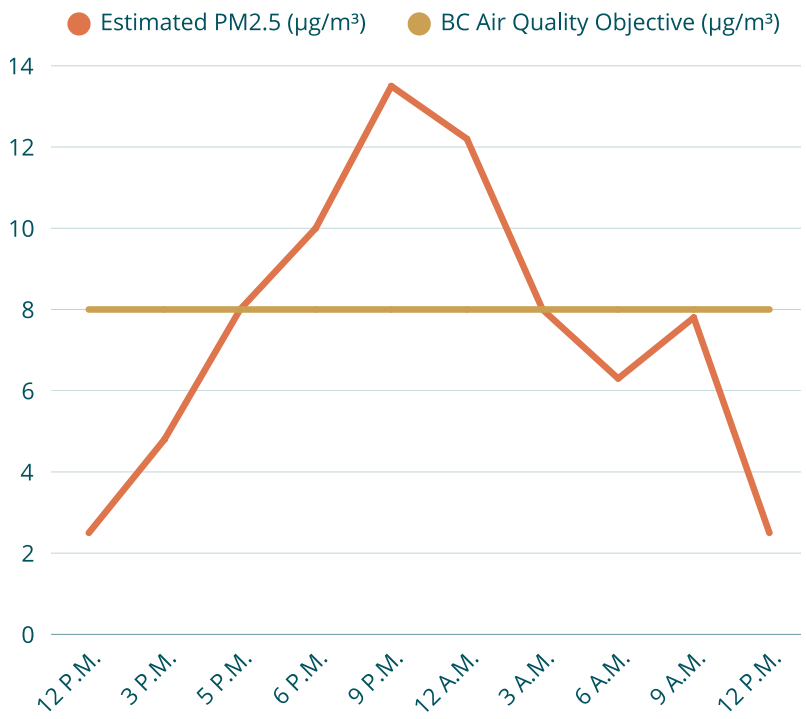
Air quality data for Courtenay continues to show gradual improvement, with average annual levels of fine particulate matter declining since 2017. However, monitoring confirms that winter evenings and early mornings remain a concern, with short-term increases linked to wood-burning appliances and seasonal conditions.

Data from the provincial monitoring station at Courtenay Elementary School, combined with readings from 20 local PurpleAir monitors, provides a clearer picture of air quality patterns across the community. While wildfire smoke events result in elevated readings across all locations, winter conditions show greater variation, with higher concentrations typically observed in older neighbourhoods.

This expanded monitoring network supports regional collaboration and helps residents access real-time air quality information. Findings are informing public education and outreach, including encouraging reduced wood-burning and promoting available rebates for home heating upgrades.

courtenay.ca/air-quality

Average hourly $PM_{2.5}$ readings (micrograms per cubic metre)





Solid waste curbside collection: GHG reduction

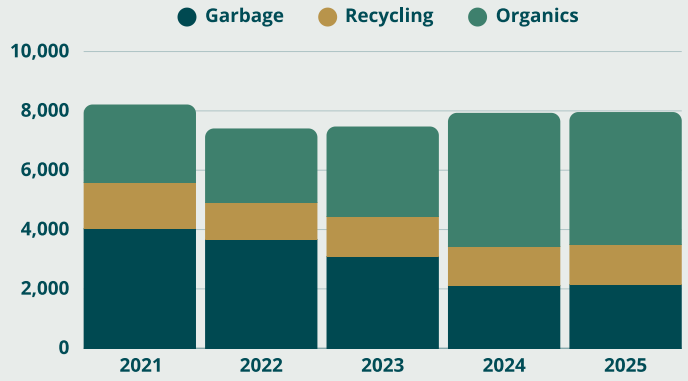
In 2025, the City completed its first full year operating electric vehicles for curbside solid waste collection. The transition from a fully diesel fleet reduced fossil fuel consumption from 94,786 litres in 2023 to 22,595 litres in 2025 — a 76 per cent reduction.

Greenhouse gas emissions declined from 252,461 kg CO_2e in 2023 to 57,658 kg CO_2e in 2025, representing a 77 per cent reduction. While electricity use increased to support fleet operations, overall emissions were substantially lower than diesel-powered collection.

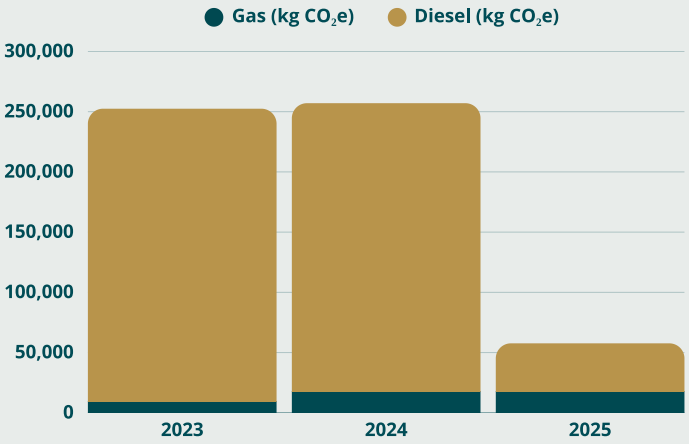
The results demonstrate the impact of electrifying high-use municipal vehicles and support Council's climate action and sustainable infrastructure priorities.



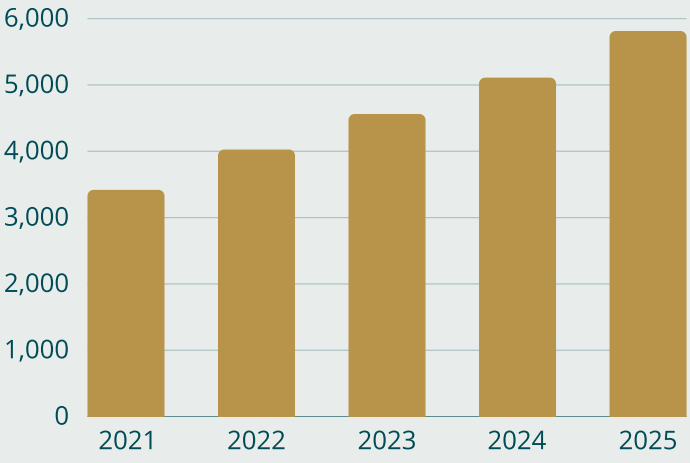
Solid waste collected (tonnes)



Solid waste GHG emissions

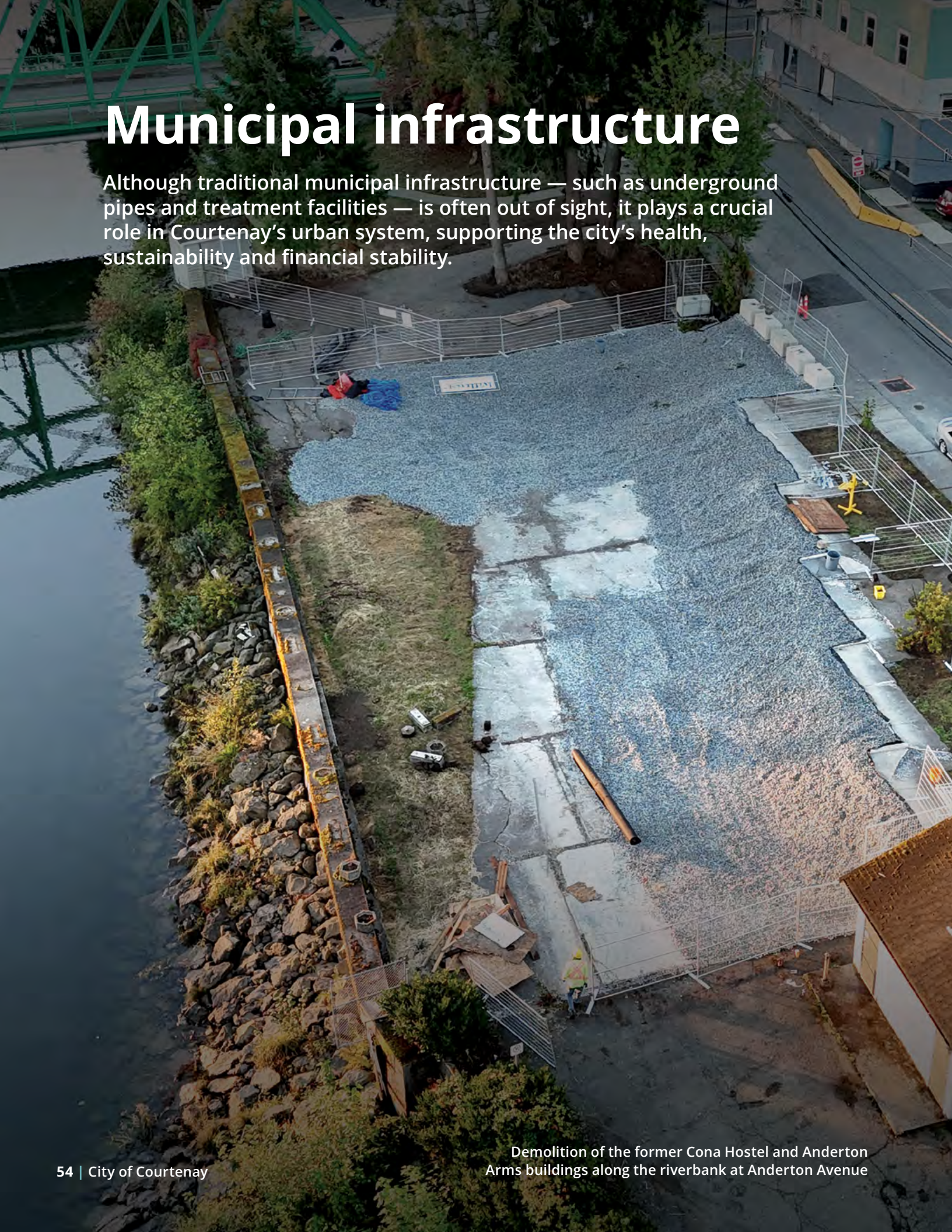


Courtenay Collects subscribers



Municipal infrastructure

Although traditional municipal infrastructure — such as underground pipes and treatment facilities — is often out of sight, it plays a crucial role in Courtenay's urban system, supporting the city's health, sustainability and financial stability.



Demolition of the former Cona Hostel and Anderton Arms buildings along the riverbank at Anderton Avenue

Strategic priorities

2023–26	Status	Notes
Phased accessibility audit of public facilities	In progress	The accessibility audit of public facilities is being conducted in phases, with timelines updated to reflect the revised approach.
Phase 1: complete accessibility audit	Complete	An accessibility audit of public City facilities was completed in 2024.
Phase 2: develop accessibility plan	In progress	Development of the Accessibility Plan is underway.
Phase 3: capital improvement implementation policy	Planned	Development of a capital improvement implementation policy is planned for 2026 and beyond.
Continue implementing water conservation measures: review and update Watersmart Action Plan	In progress	The universal water metering business case and associated rate model work are complete. An information presentation to Council happened in early 2026 to outline case study outcomes, financial strategies and implementation pathways for Council consideration and direction.

Comox Road sewer project completion

In 2025, the City completed construction of the Comox Road Sewer project. The work decommissioned an aging sewer pipe crossing the Courtenay River and rerouted sewage collection from properties in Lewis and Simms Millennium parks to a new pipe along Comox Road connecting to the Courtenay Pump Station.

Relocating the sewer line away from the river helps protect sensitive aquatic habitat in the Courtenay River and estuary while improving the reliability of the City's wastewater infrastructure.

Construction began in June 2024 and was completed in spring 2025. Final work in Lewis and Simms parks concluded in summer 2025.

courtenay.ca/comox-road-sewer

Anderton Dike Remediation project

In 2025, the City advanced riverfront renewal and public safety work along Anderton Avenue through the demolition of three aging buildings — the former Bridge Lounge, Cona Hostel and Anderton Arms. Their removal marks the first major step in the multi-year Anderton Dike Remediation project, which addresses a failing retaining wall, restores the shoreline and supports long-term downtown revitalization.

Demolition was completed in October 2025 and included hazardous materials abatement, site clearing and interim stabilization measures. With the site cleared, the City is progressing to detailed design for retaining wall removal, environmental restoration and future land-use planning.

Public engagement on redevelopment opportunities is planned for 2026.

This project is part of broader coordinated investments along Courtenay's riverfront, including the 6th Street Active Transportation Bridge and the Downtown Vitalization Local Area Plan.

courtenay.ca/anderton-wall



Public Works Week, Operations Centre

City launches accessibility survey to inform new accessibility plan

The City invited residents to participate in a public survey to help identify accessibility barriers in Courtenay. Feedback gathered will guide development of the City's first accessibility plan, required under the Accessible British Columbia Act and informed by the regional Comox Valley Local Governments Accessibility Framework (2023).

The survey, open December 8, 2025, to January 16, 2026, asked participants to share experiences with physical, communication, systemic and other barriers across municipal programs, services, facilities and information.

This work is supported by the Comox Valley Accessibility Committee and complemented by the City's ongoing year-round accessibility feedback mechanism. Survey results will inform draft actions, with the accessibility plan to be published in spring 2026.

courtenay.ca/accessibility

National Public Works Week celebrates the people who keep Courtenay running

The City marked National Public Works Week in May with a series of community and school events. The week highlighted the essential role Operational Services plays in Courtenay's infrastructure.

Guided tours for grade 6 and 7 students provided hands-on learning about civic services, complemented by a Snow Plow Painting Initiative that brought student artwork to life on equipment later used near their schools.

A community open house on May 24 drew residents for facility tours, equipment demonstrations, tree and plant giveaways, and a children's colouring contest.

Staff also participated in the first-ever Operations Cup, a friendly skills challenge.

The week offered a meaningful opportunity to recognize the public works professionals who maintain Courtenay's roads, utilities, parks and facilities every day.

courtenay.ca/operations

Water conservation and responsible water use

The City continued water conservation efforts across operations and the community in 2025. Maintenance programs reduced water loss through leak repairs and meter replacements, while irrigation upgrades in parks improved efficiency. Many spray systems have been replaced with programmable, centrally controlled irrigation using flow sensing, drip systems and weather-responsive adjustments.

Summer demand remains the highest pressure on the system, with outdoor watering driving consumption to more than twice winter levels. Seasonal patrols, outreach and communications encouraged compliance with regional watering restrictions.

These efforts support long-term water sustainability, protect system capacity during peak periods and help manage utility costs.

courtenay.ca/water-conservation

1st Street Lift Station upgrade completed

The City completed upgrades to the 1st Street Lift Station in early 2025, strengthening a key component of Courtenay's wastewater system.

The previous facility at the entrance to Puntledge Park had reached the end of its service life. The new lift station increases capacity, improves reliability for the growing Puntledge neighbourhood and reduces long-term maintenance costs and operational risks.

Construction occurred primarily in spring and summer 2024 to protect sensitive fish habitat along the Puntledge River and Morrison Creek.

The $4 million project was funded through reserves and long-term borrowing.

Upgrades include a new seven-metre wet well with automated controls, 450 metres of gravity sanitary sewer on 1st Street and 250 metres of force main to Pidcock Avenue.

courtenay.ca/1st-street-lift-station





1st Street lift station construction, Puntledge Park

Infrastructure maintenance

Courtenay's vast network of above- and below-ground infrastructure requires ongoing monitoring, maintenance and renewal. This includes essential services such as water, wastewater, storm and transportation networks, as well as parks, recreation and equipment. The estimated replacement value of these assets is over $1 billion.

In 2025, Operational Services advanced its proactive maintenance program, including routine water main flushing, hydrant servicing, ditching, vegetation management and scheduled roadway paving.

Crews also responded quickly to reactive needs throughout the year, repairing potholes, resolving water main breaks and addressing other emergent issues reported by residents or identified through ongoing inspections.



Operational Services staff member

Transportation

Type of asset	Totals
Roads (total lane km)	171 km
Sidewalks (total lane km)	182 km
Garbage cans	159
Fire hydrants	827
Street lights	1,580

Utilities

Type of asset	Totals
Sanitary sewer main	175
Sanitary sewer connections	8,244
Sanitary lift stations	11
Pump stations	22
Water main	173
Water main connections	9,411
Water meter setters	2,920
Storm main	169
Storm connections (estimate)	7,445
Catch basins	4,301

Parks and green spaces

Type of asset	Totals
Trees planted in 2025	130
Total planted trees	4,967
Naturally grown trees (estimate)	30,000
Mowed grass area	39.5 ha
Trails (paved and unpaved)	38.2
Playgrounds	26
Park benches	160
Park buildings	21
Picnic tables	56
Footbridges	31



Operational Services staff members, Courtenay Cemetery

Operational Services asset lifecycle activities by year

Activity	2021	2022	2023	2024	2025
Requests for service	2,202	2,106	2,804	2,533	2,844
Roadway paving (some multi-lane roads)	543 m (1.1 lane km)	1.7 km (3.45 lane km)	2.7 km (4.52 lane km)	1.9 km (3.8 lane km)	2.3 km (4.7 lane km)
Potholes repaired	200	321	487	665	664
Watermains flushed	19 km	N/A	56 km	39 km	30 km
Watermain breaks	3	5	7	3	6
Watermain leaks	33	81	98	78	60

Canada Community-Building Fund (CCBF)

The Canada Community-Building Fund (CCBF) is a permanent, predictable source of federal funding that supports municipal infrastructure priorities.

Formerly known as the Gas Tax Fund, the program was renamed in 2021 to better reflect its focus on strengthening communities through long-term, sustainable infrastructure investment.

Local governments determine how best to allocate their annual funding across eligible project categories such as transportation, water, wastewater, recreation and capacity-building. Below is a summary of Courtenay's CCBF investments from 2021 to 2025, illustrating how this funding continues to support essential infrastructure renewal and community improvements.

Courtenay's CCBF investments, 2021–25

2025 project description	2025 total federal grant: $1,592,250
Cycling Network Plan improvements	345,521
Pedestrian, Cycling and Pavement Renewal program	1,246,729

2024 project description	2024 total federal grant: $1,499,873
Cycling Network Plan Improvements	199,873
Pedestrian, Cycling and Pavement Renewal program	1,300,000

2023 project description	2023 total federal grant: $1,148,636
Cycling Network Plan improvements	48,636
Pedestrian, Cycling and Pavement Renewal program	1,100,000

2022 project description	2022 total federal grant: $2,227,566
Cycling Network Plan improvements	119,066
6th Street Active Transportation Bridge	128,500
Pedestrian, Cycling and Pavement Renewal program	1,300,000
Storm drainage - 200 Back Road storm inlet improvement	40,000
5th Street Bridge	640,000

2021 project description	
Integrated Rainwater Master Plan	50,000
Cycling Network Plan improvements	149,907
6th Street Active Transportation Bridge	171,491
Pedestrian, Cycling and Pavement Renewal program	332,212
Storm drainage - 200 Back Road storm inlet improvement	118,392
Sewer - Greenwood Trunk construction	1,000,000



Operational Services staff members

Social infrastructure

Social infrastructure is made up of foundational services and networks that support local quality of life. These services respond to the basic needs of communities and help promote equity, stability and social well-being. The development of a community and social development framework in 2025–26 will guide many of the strategic priorities outlined here.



Strategic priorities

2023–26	Status	Notes
Review City operations with a social equity, reconciliation and anti-racism lens and develop corporate policy	In progress	This work remains on hold due to capacity challenges across all departments.
Develop measures and criteria to track progress for the OCP's four cardinal directions: reconciliation, community well-being, equity and climate action	Started	The OCP Update report (February 25, 2026) proposed the development of a standalone OCP Implementation Plan to operationalize the proactive planning cycle. A scope report is anticipated to inform the strategic priorities of the newly elected Council following the 2026 election, with financial consideration in the 2027 Financial Plan.
Gender equity in washrooms and menstrual equity	In progress	Free menstrual products are now available in City facility washrooms. Next steps include improvements to signage.





Pride crosswalk at 5th Street and Duncan Avenue

Community and Social Development framework

The City of Courtenay continued advancing its long-term Community and Social Development (CSD) Framework and Action Plan, following Council direction endorsed in July 2024. The framework aligns with the Official Community Plan and the Comox Valley Regional District's Regional Growth Strategy, and provides a coordinated, equity-informed approach to addressing complex social issues.

Work is progressing through a phased approach spanning 2024 to 2027. In 2025, the discovery phase was completed, with a focus on research, sector mapping and relationship-building across community organizations, service providers and local government. The planning phase also began, and consultants were brought on board to advance the work through its next phases, including implementation planning and evaluation.

Two complementary strategies guide this work: Better Together, which focuses on strengthening partnerships and coordinated, systems-level action; and Neighbourhood Networks, which supports place-based community development and neighbourhood-level resilience. Together, these strategies advance the City's social infrastructure priority by supporting equitable access to services, collaboration across sectors and community-led solutions. A mid-term progress update is anticipated in 2026, with a finalized CSD framework targeted for completion in 2027.

Better Together Strategy: highlights

The City advanced the Better Together Strategy by strengthening collaboration and building a shared foundation for community well-being work.

A full-day orientation and partner engagement session brought together 35 representatives from local government and community organizations to establish common values, principles and priorities for working together. This session marked an important step toward more coordinated, upstream approaches to systems change.

Foundational research was also launched to map existing community and social development efforts across Courtenay, including initiatives addressing the determinants of health.

This work will inform the development of a digital map highlighting areas of alignment, overlap and opportunity. Additional workshops are planned in 2026 to validate findings and identify next steps.

courtenay.ca/better-together-strategy



Aerial view of west Courtenay | Photo by Nick Thornton

Neighbourhood networks

The Neighbourhood Networks Strategy focuses on strengthening neighbourhood-level connections, identity and resilience, while clarifying the City's role in supporting neighbourhood-led initiatives.

In 2025, the City retained a consultant team to support the establishment of neighbourhood networks through facilitation, communications, resource sharing, event support and evaluation. A pilot project was launched to support residents in developing neighbourhood networks, communication channels and locally driven initiatives.

Three neighbourhoods were selected to participate in the pilot — Old Orchard/Downtown, Urquhart/Lake Trail and Bill Moore/Tull — with interest also expressed by other areas, including Braidwood/Sandwick, Puntledge and the Riverway/Airpark neighbourhoods.

A Neighbourhood Networks grant program was also developed to provide participating neighbourhoods with access to small grants for neighbourhood-driven events and projects.

A mid-term evaluation report will be presented to Council in summer 2026. The pilot will continue through fall 2026, with a comprehensive final evaluation and report anticipated in 2027 to inform future direction.

courtenay.ca/neighbourhood-network-strategy

Improving gender and menstrual equity in City-operated washrooms

The City of Courtenay began implementing upgrades to staff and public washrooms in 2025 to improve access to basic needs and create more inclusive, welcoming public spaces. The initiative focuses on reducing barriers, supporting dignity and ensuring facilities meet the needs of a diverse community.

Between 2025 and 2026, free menstrual products, including tampons and pads, are being installed in City-operated washrooms, alongside needle disposal units and inclusive signage.

City facilities are also ensuring that at least one washroom with a baby change table is accessible to everyone, regardless of gender.

Implementation began in 2025, with upgrades completed in major facilities and parks, including the Lewis Centre, The LINC Youth Centre, Native Sons Hall, Martin Park, Simms Millennium Park, Lewis Park and all City staff washrooms.

The initiative advances equity and community well-being and aligns with the Official Community Plan's vision of Courtenay as a city for all people.

Arts, culture and heritage

Culture is the representation of who we are. It speaks to our values from the past and present, our traditions and our expressions. Arts, culture and heritage help re-frame and engage with important social topics such as climate change, reconciliation and equity, and provide creative and safe opportunities to explore our complex and changing world.



Pulse on the Plaza, Duncan Avenue

Strategic priorities

2023–26	Status	Notes
Complete Strategic Cultural Plan	Complete	The Strategic Cultural Plan was completed in spring 2025. It includes a vision, goals, objectives and actions to guide Courtenay toward a future where arts and culture are integral to everyday life.
Implement Strategic Cultural Plan	In progress	A staff position has been created, and scoping of the cultural feasibility study is underway. Implementation of the plan is in progress, with a focus on public art, special events and placemaking.



Comox Valley Art Gallery plaza, Duncan Avenue



Pulse on the Plaza, Duncan Avenue

Culture Connects Us: Strategic Cultural Plan

In 2025, Council officially adopted Courtenay's first Strategic Cultural Plan, establishing a long-term framework to support, strengthen and elevate arts and culture in the community.

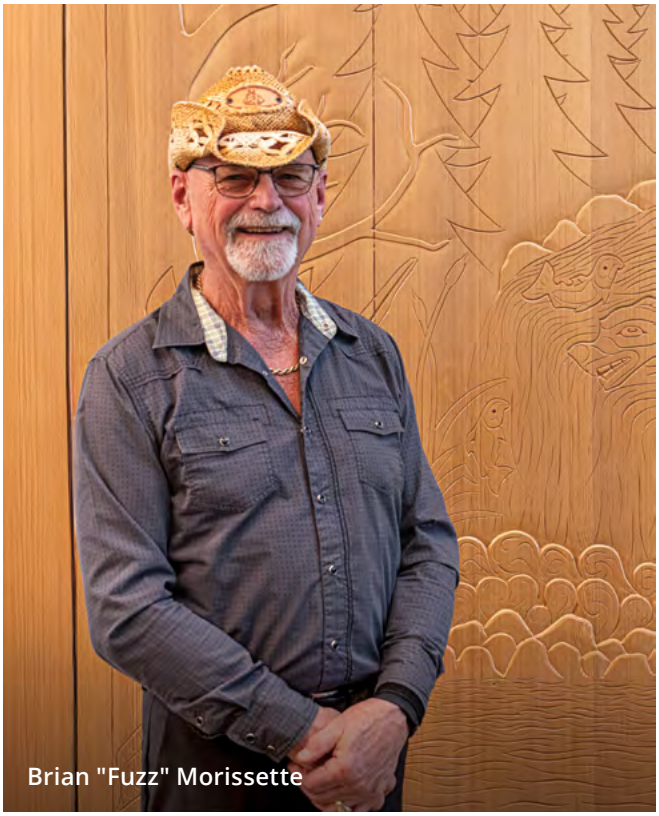
The plan sets a 10-year vision for a vibrant, inclusive cultural sector where creativity, connection and the history and traditions of Indigenous peoples are integral to community life.

Guided by extensive public engagement and grounded in reconciliation, equity and community inclusion, the plan outlines goals, objectives and phased actions to expand cultural spaces, enhance access to arts and cultural programming, support local artists and cultural organizations, and embed arts and culture into broader community planning.

Implementation will advance over three phases, beginning with foundational work such as policy development, partnership building and cultural infrastructure assessment.

The Strategic Cultural Plan will guide the City's cultural investments and priorities through the next decade and help position Courtenay as a thriving cultural hub for residents, visitors and future generations.

courtenay.ca/strategic-cultural-plan


Brian "Fuzz" Morissette

Freedom of the City

In 2025, the City of Courtenay awarded its highest honour, Freedom of the City, to Brian "Fuzz" Morissette in recognition of his exceptional and enduring contributions to the community.

The honour was announced during the opening ceremonies of Courtenay's Canada Day celebrations at Lewis Park on July 1.

Morissette has dedicated more than five decades to volunteer service in the Comox Valley, supporting arts and culture, community events and charitable initiatives. His contributions include long-standing involvement with Simms Summer Concerts, Canada Day celebrations and the Comox Valley Child Development Association, where he has helped raise millions of dollars through annual telethons.

He is also recognized for mentoring young musicians and supporting inclusive, community-driven events.

A formal presentation of the Freedom of the City award took place at a Council meeting in November. The award honours individuals whose leadership, generosity and commitment have made a lasting impact on the community.

Youth-led mural at The LINC

The LINC Youth Centre received a bold new exterior mural in July, created by five local youth under the mentorship of illustrator and muralist Emily Thiessen. Over several months, the youth team shaped the project from concept to completion, consulting peers, developing themes and painting the three-wall artwork.

The mural celebrates inclusion, creativity and youth culture in Courtenay, reflecting The LINC's role as a welcoming space where young people can connect and belong.

At the unveiling, Council highlighted the project's impact in building skills, confidence and community pride among participating youth.

This initiative supports Goal 2 of the Strategic Cultural Plan — strengthening community resilience through arts and culture — and was made possible through collaboration with local partners, volunteers and recreation staff.



Cultural organizations

The City of Courtenay owns and maintains three major cultural facilities in the downtown core: the Sid Williams Theatre, Courtenay and District Museum and Palaeontology Centre, and the Comox Valley Centre for the Arts. Each facility is operated through formal agreements with independent non-profit societies, governed by their own boards of directors. Through these agreements, the City provides operating and management grants in exchange for the delivery of core arts and culture services on behalf of the community.

As non-profit operators, these organizations leverage City support to expand programming, secure external funding and broaden their reach — strengthening their role as anchor institutions within Courtenay's cultural district.

In 2025, the City renewed or extended agreements with the Comox Valley Art Gallery (CVAG), and Sid Williams Theatre Society, reaffirming their essential contributions to cultural vitality, community access and a vibrant downtown.

Renewed agreement supports Sid Williams Theatre upgrades

The City of Courtenay continues to provide both financial and in-kind support to ensure the theatre's long-term sustainability. This includes renewing its five-year License to Occupy and Grant Agreement with the Sid Williams Theatre Society (SWTS), supporting the continued management and operation of this vital performing arts venue.

Serving the Comox Valley since 1971, the 500-seat Sid Williams Theatre plays a central role in the region's cultural and economic life.

In 2025, the theatre welcomed more than 51,500 patrons and hosted 239 bookings, including performances, rehearsals and community events. The venue supports a wide range of uses — from community productions to professional performances and curated programming.

In fall 2024, SWTS completed a major lighting grid upgrade valued at over $500,000, improving safety and expanding technical capabilities. The City contributed $100,000 toward this project.

Sid Williams Theatre	
Live performances	169
Virtual performances	3
Rehearsals, workshops, recording sessions	70
"Front door" public attendance	51,500
"Stage door" performer/ cast attendance	11,800
Virtual event viewers	305
Volunteer hours	7,150
Superstar tickets	-



Ebony Roots performs at the Sid Williams Theatre



Courtenay and District Museum and Palaeontology Centre

Courtenay and District Museum and Palaeontology Centre

The Courtenay and District Museum and Palaeontology Centre continued its long-standing role as a regional leader in natural and cultural heritage education.

Established in 1961, the museum preserves and interprets the Comox Valley's rich human and palaeontological history through onsite exhibits, outdoor programming and school and community outreach.

Programs span 80 million years of history, including First Nations history, early settlement, social history, geology and the Valley's internationally significant fossil record.

2025 was a landmark year for palaeontology in Courtenay. On May 23, the Puntledge River elasmosaur — the same specimen adopted in 2023 as B.C.'s official fossil emblem — was formally named *Traskasaura sandrae* in the Journal of Systematic Palaeontology.

This achievement reflects decades of scientific collaboration, stewardship and public engagement by museum staff and volunteers, academic partners, elected officials and thousands of visitors who have supported the museum's fossil heritage.

The museum also supported the Vancouver Island Palaeontological Society as it prepared to host the 15th B.C. Paleontological Symposium in Courtenay from August 22 to 26, 2025.

The symposium welcomed keynote speaker Kirk Johnson, Sant Director of the Smithsonian National Museum of Natural History, alongside renowned artist and scientific collaborator Ray Troll.

Through its exhibitions, public programs and research partnerships, the museum remains a cultural anchor for downtown Courtenay and a key contributor to both local learning and global scientific discovery.

Courtenay and District Museum	
Total visits (general, school visits, fossil tours)	27,800
Volunteer hours (collections management, public celebrations)	2,450
Number of hired summer students and participation hours	3 students 840 hours
Travelling and temporary exhibitions	6
National and international scientists working on research on museum fossils	45
Scholars, authors and organizations carrying out social history research	48
Number of newsletters	12



Comox Valley Art Gallery

Strengthening cultural services through Comox Valley Arts partnership

The City of Courtenay strengthened its partnership with Comox Valley Arts (CVA) Community Art Council in 2025 through a two-year License to Occupy agreement for administration offices and the Digital Creative Hub. The City also continued fee-for-service funding to support community cultural programming.

For more than 55 years, CVA has played a central role in fostering arts and culture across the Comox Valley. Through programs, exhibitions and community initiatives, the organization provides residents with opportunities to engage with local artists and creative experiences.

Key programs included the 30 Day Drawing Challenge, studio tours and programming at the Digital Creative Hub, which supported the creation of new works and professional development for local artists.

Comox Valley Arts	
30 Day Drawing Challenge participation	10,000
Studio Tour participants	37
Volunteer hours	546
Work produced at the Digital Creative Hub	283
Courtenay visual artists exhibited	40
Artist professional development school attendees	210

Comox Valley Art Gallery advances equity, reconciliation and community arts

The Comox Valley Art Gallery (CVAG) continued to play a leading role in Courtenay's downtown cultural hub in 2025, aligning closely with the City's Strategic Cultural Plan. Exhibitions such as *George Littlechild: Hope for a Better World*, presented with North Island College, advanced Truth and Reconciliation while drawing regional and national attention.

CVAG also showcased emerging artists from the Wachiay Artist Residency and presented exhibitions that challenged perceptions of disability and visibility in the arts. Film series, youth media initiatives and inclusive community programs such as Make Art and Pulse on the Plaza created accessible opportunities for residents and visitors to participate in arts and culture.

Comox Valley Art Gallery	
Total visits	25,500
School tour participants	2,450
Community make-art workshop participants	2,400
Youth Media Project new films	28
Volunteer hours	1,100
Regional artists featured in the Gallery shop	28

City summer events



Canada Day celebrations

Courtenay's 2025 Canada Day celebrations brought thousands of residents and visitors together for two days of music and community activities. The Night Before Concert on June 30 featured Indigenous and multicultural performers, The English Brothers and headliner Jeff Plankenhorn.

On July 1, the 5th Street Mile and Canada Day parade energized downtown before celebrations continued at Lewis Park with family activities, food vendors, welcoming ceremonies, cake and the popular bike draw. Live performances included Nathan Senner and the Big Easy Funk Ensemble.

The City thanks the many partners, performers, volunteers, sponsors and staff who helped make the event a success.

Simms Summer Concerts

The 2025 Simms Summer Concerts series ran Sunday evenings from June 15 to August 24, bringing the community together at Simms Millennium Park for another season of free outdoor music.

The lineup showcased a diverse range of local and regional talent, including Georgia Strait Big Band, Fiddelium, Spanish Boots, a multi-artist Blues Jam, Time Well Wasted, Stealing Dan, Shotgun Kelly and The Doobie Brothers Experience.

The season finale drew nearly 2,000 attendees and included a food bank drive in support of the Comox Valley Food Bank, raising $1,900 and collecting almost 500 pounds of food.



Canada Day parade





The Doobie Brothers Experience

Food systems

A food-secure community is one in which everyone has access to food that is affordable, culturally preferable, nutritious and safe.



Strategic priorities

2023–26	Status	Notes
Continue to engage with the agricultural community and Food Policy Council to identify needs and support relevant OCP policies	In progress	This work is ongoing, with a range of objectives to support food production and access included in the OCP update.
Identify roles for the City in the delivery of food security as outlined in the OCP	In progress	The City continues to work in partnership with food security organizations and regional jurisdictions to support access to food services and programs.
Continue to support community gardens and other small-scale food production spaces	In progress	The City's support for this initiative is ongoing through a management and service agreement with LUSH Valley Food Action Society.

Share the Harvest Community Garden

Located at the corner of 6th Street and Harmston Avenue, the Share the Harvest Community Garden is operated by LUSH Valley Food Action Society.

The garden provides inclusive urban growing space, mentorship and food literacy programming from spring to fall, supporting community members of all experience levels — building skills, strengthening community connections and supporting local food resilience.

In 2025, the garden hosted 44 work parties with 396 participants and 645 volunteer hours.

Programming included workshops on gardening, pruning, seed starting and permaculture, along with continued accessibility and composting improvements.

The garden also maintained partnerships with local health, newcomer and Indigenous-serving organizations.



Share the Harvest Community Garden



Strengthening local food systems

In 2025, the City continued to collaborate with the Comox Valley Food Policy Council (CVFPC) to advance a resilient, sustainable local food system.

The CVFPC provided Council with a formal letter of support for a Notice of Motion encouraging the prioritization of Canadian-made goods and services in response to proposed U.S. tariffs.

Their correspondence also highlighted opportunities to strengthen local food procurement and support the regional agricultural economy.

The CVFPC offered its expertise to help the City explore policy tools, including a local-first approach to municipal food purchasing in the Comox Valley.

This work supports broader community food security and aligns with the City's ongoing commitment to sustainable, locally grounded economic development.

Farmers' Market Nutrition Coupon Program strengthens food access

In 2025, the Farmers' Market Nutrition Coupon Program (FMNCP) advanced food access across all Comox Valley farmers' markets.

- 31,617 coupons distributed
- 29,794 redeemed (94 per cent redemption rate)
- $89,382 directed to local food purchases
- 155 households supported

The high redemption rate reflects strong program uptake and directs funding back to local farmers and vendors while improving access to fresh, locally produced food for vulnerable households throughout the region.

Market performance

Fall market (10 weeks)
October 18 – December 20, 2025

Winter market (13 weeks)
January 11 – April 5, 2025

Combined 2025 off-season totals:

- 23 weeks of operation
- 39 vendors per week (average)
- 19,311 customer visits
- $571,510 in gross sales
- $857,264 estimated economic impact
- 54 per cent of vendors based in Courtenay

Partnership supports year-round farmers' market and food security

The City continues its three-year partnering agreement with the Comox Valley Farmers' Market Association to support fall and winter markets at the Native Sons Hall in downtown Courtenay.

The partnership recognizes the association's broader social and community impact beyond economic activity, aligning its facility use with other organizations that deliver social benefit.

The central downtown location — directly across from the bus exchange — improves accessibility and supports continued participation during the off-season.

The agreement includes annual reporting on community and economic impacts and collaboration toward identifying a future permanent year-round market site.



Comox Valley Farmers' Market

Local economy

Courtenay supports economic success by investing in the foundations of a high quality of life — a vibrant downtown, inclusive neighbourhoods, diverse housing and recreation options, and a strong arts and culture scene that celebrates community diversity.



Strategic priorities

2023–2026	Status	Notes
Identify appropriate roles and responsibilities for the City in the delivery of economic development services in the region	In progress	This work is in progress, with a three-year agreement with the Comox Valley Chamber of Commerce initiated in 2025.
Collaborate with partners on economic development initiatives	In progress	Council provided funding support for the Comox Valley Chamber's Economic Forecast event. The City continues to engage with and support Downtown Courtenay events.

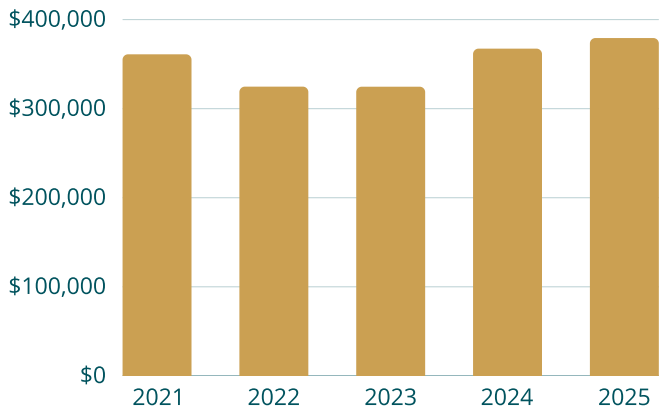
Cliffe Avenue and 5th Street

Business licensing

Business licensing activity remained stable in 2025, with modest growth in both licence volumes and revenue. A total of 2,193 business licences were issued, up from 2,164 in 2024, reflecting continued economic activity across the city and region. Business licence revenue increased to $379,256, representing a year-over-year increase and the highest level recorded over the past five years.

Intermunicipal business licences continue to support businesses operating in both the City of Courtenay and Town of Comox, while intercommunity licences allow businesses to operate across participating jurisdictions throughout Vancouver Island, including Campbell River, Cumberland, Duncan, Nanaimo, Parksville, Port Alberni and Qualicum Beach. These licence programs support regional mobility, reduce duplication for businesses and contribute to consistent service delivery across municipalities.

Business licence revenue



	2021	2022	2023	2024	2025
City business licences	**1,345**	**1,270**	**1,391**	**1,326**	**1,338**
New applications		105	137	111	127
Renewals		1,165	1,254	1,215	1,211
Intercommunity licences	**400**	**434**	**401**	**488**	**496**
New applications		71	54	68	76
Renewals		363	347	420	420
Intermunicipal licences	**356**	**310**	**308**	**350**	**359**
New applications		42	31	39	55
Renewals		310	277	311	304



Palace Place, 5th Street and England Avenue

Good governance

Good governance is central to the City of Courtenay's work, ensuring public engagement, transparency, equity and inclusion, efficiency and accountability.

Strategic priorities (continued on next page)

2023–26	Status	Notes
Develop an assignment and tracking system for public enquiries	Complete	A Council correspondence tracking system has been implemented through Council correspondence packages.
Council members engage the community to promote City strategic priorities and actions through committee appointments, event attendance and resident contact	Ongoing	Council committee appointments are updated annually, with ongoing community engagement through attendance at events and direct communication with residents.

Courtenay City Hall

2023–26	Status	Notes
Increase community engagement for all segments of the community: complete communication strategy, community survey and community engagement strategy	Complete	Community surveys are being conducted annually from 2023 to 2027, and every two years thereafter. The communication strategy was adopted in early 2024, and the engagement framework was adopted in spring 2025. Recommendations from both will be implemented over time, guided by an implementation strategy and available resources.
Review operations and terms of reference for City committees	Planned	This review will examine the structure, mandates and operating practices of City committees to assess their current relevance and ensure terms of reference are clear, current and aligned with Council priorities, legislative requirements and best practices for governance, transparency and public participation.
Develop a land strategy for acquisition, devolution and disposal of property, including an inventory of all City folios over 400 m²	In progress	Land strategy work is underway, with several senior leadership team sessions focused on identifying land parcels, future needs and other considerations. A Council presentation is expected in spring 2026.
Review and streamline development process and set targets for application processing times	In progress	The RFQ for the Tempest Optimization Project has closed, with review of submissions underway. This project will analyze up to 60 workflow processes, make efficiency adjustments and identify key performance indicators for service.
Develop a Reconciliation Action Plan	In progress	Operational activities are ongoing, including support for the Kus-kus-sum project, implementation of the Indigenous Procurement Policy, monthly meetings between the City and K'ómoks First Nation and reconciliation training for City staff.
Privacy framework (new legislative requirement)	In progress	B.C. legislation now requires public bodies to have a privacy management program. This includes clear processes for privacy impact assessments and information-sharing agreements. The City's privacy framework will help ensure systems, projects and activities meet these requirements.
Routine transaction bylaw and delegation of authority	In progress	The Routine Transaction Bylaw will establish delegated authority for designated staff to approve and execute routine, low-risk administrative transactions, within approved budgets and policies, improving efficiency while maintaining Council oversight through defined limits and reporting.
Enhance recreation risk management through policy development and implementation	In progress	Policy development work is in progress, with completion expected in 2026.

Public safety

Public safety allows residents and businesses to feel secure in their city as a safe place to live, work and play. It also ensures that both the City and its residents are prepared for emergencies and resilient in responding to them.



Mayor Bob Wells and Operational Services staff

Strategic priorities (continued on next page)

2023–26	Status	Notes
East Courtenay fire hall – update design and consider potential partnerships	In progress	Detailed design reached the 50 per cent milestone in March 2026. Construction is planned to begin in summer 2026, with project completion anticipated by the end of 2027.
East side fire hall construction	In progress	Construction is anticipated to start in summer 2026. The new fire hall is expected to be completed by late 2027.

2023–26	Status	Notes
Long-term staff plan for fire services	In progress	The Courtenay Fire Department is developing officer training and volunteer staffing plans to support the new fire hall, with a target of a fully trained and operational station by fall 2027.
RCMP service analysis – financial and HR implications	Planned	This project is on hold due to the temporary internal reassignment of the Director of Corporate Services.
Partner with RCMP to communicate public safety initiatives and priority policing activities	Planned	The Comox Valley RCMP provides quarterly policing statistics to Council and participates in the annual financial planning process. The RCMP Inspector also meets regularly with the Mayor and City Manager.
Promote a broad view of community safety across protective services, RCMP, fire services and bylaw enforcement	Planned	This work will support coordinated approaches to community safety, including bylaw updates, public space design and regulation, and improvements to accessibility and safety. The timeline has been extended into 2026.
Build capacity for emergency planning and local response	Ongoing	Internal capacity is being strengthened through staff training and increased organizational readiness, in anticipation of updated provincial regulations.

Bylaw services and adjudication

Bylaw Services continued to provide seven-day-a-week coverage from 8 a.m. to 5:45 p.m. throughout 2025, supporting timely responses to a wide range of community concerns.

The City's bylaw dispute adjudication system is now fully operational. It provides a more efficient and cost-effective way to resolve bylaw offences, reducing the need for court-based processes.

In 2025, Bylaw Services issued 105 Bylaw Offence Notices (BONs). No Municipal Ticket Information (MTI) notices were issued.

courtenay.ca/bylaws

RCMP public safety update

Overall calls for service in Courtenay decreased by two per cent in 2025, continuing a downward trend from recent years. Downtown calls declined by six per cent, reflecting ongoing coordination between the RCMP, City staff and community partners.

Violent crime remained relatively stable, with a modest two per cent increase year over year. Assault files rose by four per cent, while uttering threats declined by 13 per cent. Robbery and sex offences also saw decreases. East and west Courtenay recorded the highest number of violent crime files.

Property crime levels remained steady, with a one per cent increase from 2024. Auto theft, break-and-enter and theft from vehicle files all declined. Fraud investigations increased, reflecting a broader provincial trend.

Traffic enforcement activity increased by 17 per cent, including a rise in impaired driving enforcement. Drug trafficking investigations also increased as a result of targeted policing efforts.

The RCMP continues to focus on proactive enforcement, community safety and collaboration with local partners to address emerging trends and support a safe, resilient community.



Members of the Courtenay Fire Department

Courtenay Fire Department

Operations

In 2025, the Courtenay Fire Department continued to deliver reliable fire protection, emergency response and prevention services while adapting to changing service demands and community growth. The department responded to 1,306 incidents, a modest decrease from 2024, largely due to fewer open burning responses and ambulance assists. While overall call volume declined, incident complexity increased, reflected in higher volunteer response hours.

Service demand continued to shift east of the Courtenay River, reinforcing the importance of advancing the East Courtenay fire hall project to support response times and long-term service sustainability. Volunteer engagement remained strong, supported by more than 4,900 training hours and the progression of a new recruit class.

Fire prevention and public education efforts expanded, with 1,842 inspections completed and 191 public education events delivered across the service area. The department also supported regional wildfire response and emergency operations during the 2025 wildfire season, contributing to multi-agency response efforts on Vancouver Island.

These activities support community safety, emergency preparedness, and resilience across Courtenay and the surrounding fire protection district.

Training

In 2025, the Courtenay Fire Department continued to prioritize training to ensure operational readiness and responder safety.

Members completed more than 4,900 training hours, supporting core competencies in fire suppression, medical response, technical rescue and incident command.

Training activities included regular in-house drills, regional joint exercises and certification programs, strengthening interoperability with partner agencies.

A new recruit class progressed through foundation training, supporting volunteer capacity and long-term service sustainability.

Increased incident complexity reinforced the importance of ongoing skills development, particularly for multi-disciplinary and higher-risk responses.

The department's training program supports consistent service delivery while adapting to evolving community needs and response demands.

Fire prevention

Fire prevention and public education remained a key focus in 2025, supporting community safety and risk reduction. The department completed 1,842 fire inspections, including residential, commercial and institutional properties, to ensure compliance with fire safety regulations and identify hazards before incidents happen.

Public education efforts expanded, with 191 outreach and education events delivered across the community. These initiatives included school visits, community events, smoke alarm education and fire safety messaging tailored to seasonal and local risks. Through inspections, education and proactive engagement, the department continues to reduce preventable fires and support a safer, more resilient community.



Training exercise

Design work begins on new East Courtenay fire hall

In 2025, the City awarded the design contract for the new East Courtenay fire hall to Sahuri + Associates Architecture Inc., a firm with extensive experience in emergency service facilities across Western Canada.

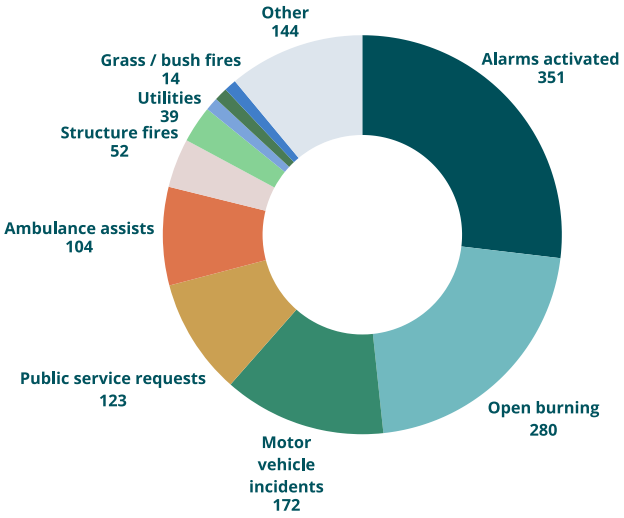
Located at 220 Waters Place on the existing training grounds, the new hall will strengthen fire protection for Courtenay's rapidly growing east side and improve response times as the community expands.

The facility will feature two drive-through apparatus bays (with space for a third), training and office areas, dorm rooms for on-shift firefighters and specialized decontamination spaces.

Designed to remain fully operational after an earthquake, the hall will enhance overall emergency preparedness and support volunteer firefighter recruitment.

Construction is expected to begin in 2026, with completion targeted for 2027.

courtenay.ca/east-courtenay-firehall



	2021	2022	2023	2024	2025
Emergency and non-emergency calls	1,053	1,202	1,455	1,395	1,306
Fire inspections	1,761	1,725	1,770	1,801	1,842
Full time staff	6	7	7	8	8
Paid-for-call firefighters	50	50	50	55	55
Provisional firefighters (waitlist)	11	10	20	10	12

Organizational well-being and sustainability

The City of Courtenay organization must be strong and sustainable to deliver the services and programs its citizens and businesses expect. It must be an employer of choice, attracting top talent in the sector.

Strategic priorities

2023–26	Status	Notes
Update City website	Complete	The new City of Courtenay website launched in July 2025, with a strong focus on accessibility and usability. It features clear navigation, improved search, mobile-friendly design and flexible tools, all based on a user-first approach aligned with internationally recognized accessibility standards. The website received an AVA Gold Award for website design.
Public Notice Bylaw	Complete	The Public Notice Bylaw modernizes how the City provides required public notices under the Community Charter and Local Government Act. Updated publication channels now include social media, in addition to the City's website and other required methods. The bylaw was adopted in February 2026.

Strengthening regional relationships through Treaty recognition

Local governments across the Comox Valley joined together to congratulate K'ómoks First Nation on the historic ratification of the K'ómoks Treaty and Constitution in March 2025.

The decision represents a significant step toward self-governance and deepens government-to-government relationships throughout the region. The treaty establishes a renewed framework for autonomy, land stewardship and long-term partnership.

Courtenay, along with neighbouring jurisdictions, affirmed its commitment to supporting K'ómoks First Nation through the transition to self-government and continuing collaborative work on shared priorities such as water, housing and infrastructure.

Resident telephone survey

The City continued its statistically valid *Your Courtenay, Your Voice* resident survey in November 2025, conducted by PRA Inc. The telephone survey gathers input from randomly selected residents aged 18 and older on City services, community priorities and overall quality of life.

Results from the survey will:

- Help shape strategic priorities and budgets.
- Highlight key community issues and services.
- Assess resident awareness of City programs and services.
- Uncover potential service gaps.
- Support continuous improvement within the City.

The City will conduct the resident survey annually until 2027 to build a five-year dataset, then every two years starting in 2029. Survey results were presented to Council in early 2026.

Engagement framework adopted to strengthen community participation

In 2025, Council approved the City of Courtenay's new engagement framework, a key good governance priority designed to strengthen how the City involves residents in municipal decision-making.

Building on the communication strategy adopted in 2024, the framework outlines a clear, consistent approach for planning and delivering engagement that is accessible, equitable and responsive to community needs.

Grounded in five guiding principles — listening to learn, equity, transparency, flexibility, and valuing relationships and reconciliation — the framework defines roles and responsibilities, recommended engagement methods, processes for mapping interest holders, feedback and reporting expectations, and considerations for engaging with urban Indigenous community members.

Government-to-government relations with First Nations will continue to be guided separately through a forthcoming Reconciliation Framework.

A phased implementation strategy will continue into 2026 to ensure the City has the capacity, tools and resources needed for a sustainable rollout across all departments.

This strategic approach will support consistent practices, improve internal efficiencies and enhance the quality of engagement on City projects and initiatives.

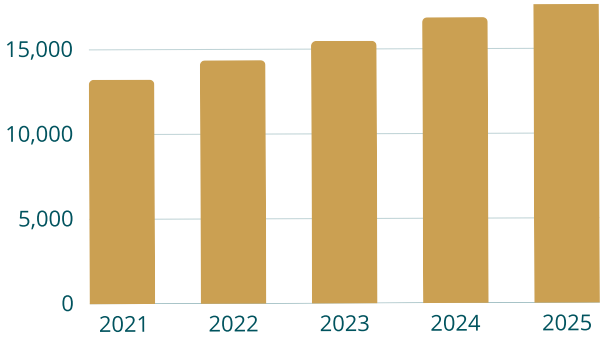
courtenay.ca/engage



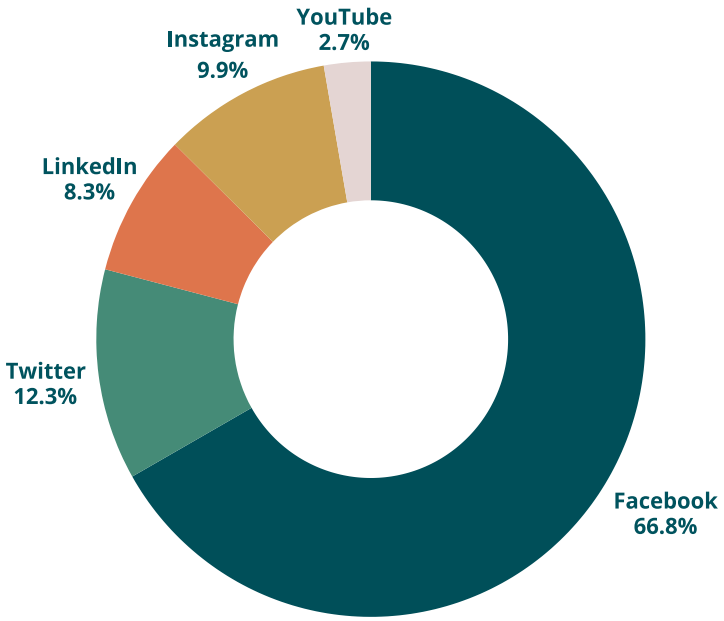
Courtenay City Hall



Social media followers



Where you follow us



Communications

Social media and evolving communications channels

In 2025, the City refined its approach to digital communications to ensure information remains clear, accessible and focused on service delivery.

Public commenting on Facebook and Instagram posts was disabled to maintain consistent moderation standards, while the City's X account is no longer actively maintained.

Facebook remains the City's largest social media channel, with growing audiences on Instagram and LinkedIn. The City's YouTube channel continues to provide access to Council meetings and informational videos, with more than 560 subscribers and an expanding video library.

In early 2026, the City launched a monthly e-newsletter to provide timely updates directly to residents.

Engagement efforts continue to prioritize the City's online platform, Engage Comox Valley, where community members can access project information, participate in surveys and provide input through moderated channels.

Award-winning website redesign

The City of Courtenay's redesigned municipal website, courtenay.ca, launched in July 2025 and has since received a Gold AVA Digital Award for excellence in digital design, accessibility and user experience.

Developed in collaboration with Victoria-based digital agency Upanup, the new website was shaped by community consultation, resident survey feedback and staff input. The redesign focused on improving access to information, supporting transparency and delivering a more user-friendly digital experience for residents, businesses and visitors.

Built to meet WCAG 2.2 Level AA accessibility standards, the site features improved navigation, enhanced search functionality, mobile-friendly design and a flexible content management system. It also prominently links to the City's engagement platform, making it easier for the public to participate in projects and policy development.

City staff received training to support long-term content management and accessibility best practices, helping ensure the website remains current, inclusive and responsive to evolving community needs.



Human resources

Training initiatives

Human Resources focused on strengthening organizational effectiveness in 2025 through improvements to processes, communication and workforce supports. This included continued progress on the Attendance Management Program (AMP).

After reviewing absenteeism trends, HR and leadership began shifting to a more proactive, supportive approach.

Work is ongoing to improve tracking, enhance early intervention and increase clarity and consistency in communication to better support employees and operational needs.

The City also advanced foundational work toward a future Human Resources Information System (HRIS) as part of broader corporate Enterprise Resource Planning (ERP).

This work aims to improve data consistency, streamline administrative processes and support more effective, data-informed decision-making over time.

Health and safety

The City maintains a strong commitment to occupational health and safety, supported by its WorkSafeBC Certificate of Recognition and participation in the BC Municipal Safety Association.

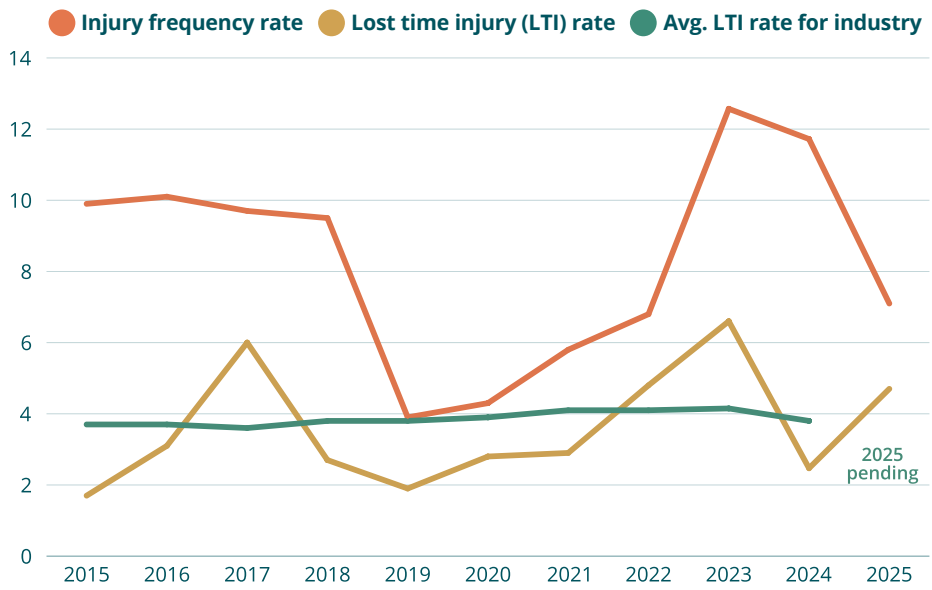
Recent audit results show continued improvement across several key areas. In 2026, the focus will be on strengthening communication across teams and departments, expanding training opportunities and enhancing Safe Work Procedures and documentation practices. Upgrades to Microsoft 365 will support improved access to safety resources and more effective document management.

Ten-year injury trends indicate that the recordable injury rate has improved in recent years. While there was a slight increase in lost time injuries in 2025, overall injury rates and audit performance remain at or better than municipal industry averages, reflecting the City's ongoing commitment to a safe and healthy workplace.



Staff emergency wardens

Injury and lost time rates

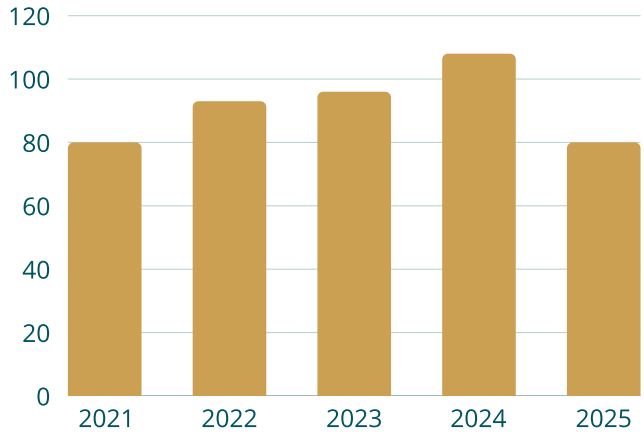


Recruitment

Recruitment activity in 2025 stabilized following elevated levels in the three years after the COVID-19 pandemic (2022–24). Fewer temporary vacancies and reduced staff movement contributed to a decrease in postings, reflecting a more stable workforce. At the same time, the City supported targeted internal placements, providing employees with development opportunities across departments.

The City continued to recruit for key roles supporting strategic priorities and service delivery, including a Culture and Events Coordinator and Asset Management Business Analyst. Recreation programs also required significant seasonal recruitment to support summer operations.

While overall demand decreased, some specialized roles remained difficult to fill and required longer posting periods. Human Resources continues to adapt recruitment strategies to attract and retain qualified candidates while ensuring responsible stewardship of public resources.





Financial sustainability

The long-term financial health of the City is central to ensuring services, facilities and infrastructure will be secure for current and future generations. Long-term asset management and financial planning are essential to the City's financial sustainability.



Strategic priorities

2023–26	Status	Notes
Advocate for review of small business taxes and differentiated tax rate	Ongoing	Ongoing advocacy regarding the review of small business taxes and the implementation of a differentiated tax rate.
Review City financial processes	Ongoing	The investment policy was adopted in 2022, followed by the procurement policy, including social and Indigenous procurement, in 2023. Several reserves were established or updated in 2024. Work continues on reserve updates, with additional reserve and permissive tax policies anticipated in the second quarter of 2026.
Review fees, charges and fines	Ongoing	The Fees and Charges Bylaw is updated regularly to reflect changes in services and operating costs for services like permits, facility rentals, utilities and more. Ongoing updates support fairness and transparency in how costs are shared between the City and the community.

Online budget engagement

How would you balance the budget for an entire city? The City of Courtenay has been offering residents the chance to give it a try through the Balancing Act budget simulation tool. Used for the 2024, 2025 and 2026 budget years, the tool is designed to give residents a better understanding of the City's complex annual budget process in a user-friendly, accessible format.

Residents can use the tool to make their budget choices for revenue and expenditures for the general and utility funds.

Budgets are grouped by function, such as public safety and recreation. Respondents can use the tool to increase or decrease revenues and expenses at the department level. To balance the budget, they can either shift budgets between categories, or raise or lower taxes — and share those choices with the City.



Financial reporting

Tax sale

In accordance with the Local Government Act, the City of Courtenay held its annual tax sale in September 2025. Tax sales are a statutory process required each year for properties with unpaid property taxes from the previous two years.

The sale is conducted by public auction, with properties offered at an upset price that includes outstanding taxes, penalties, interest and applicable fees.

Public notice of the tax sale was provided in accordance with provincial requirements, and the process was administered to ensure transparency, due diligence and compliance with legislative obligations.

2025–29 financial plan

Municipalities are required under the Community Charter to adopt a balanced five-year financial plan by May 15 each year.

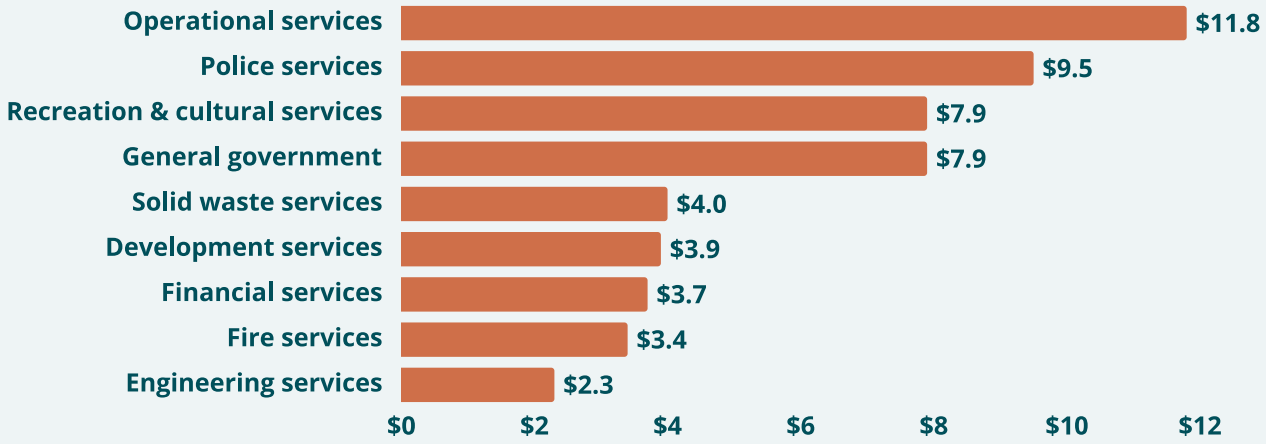
The City's 2025–29 financial plan includes all revenues and expenses within the general, water and sewer funds. This covers operating costs to maintain infrastructure and deliver services, as well as funding for major capital projects over the five-year period.

Property tax rates are established through the financial planning process based on the revenue required to maintain Council-approved service levels and respond to community priorities.

Public engagement for the 2025–29 plan included use of the City's online budget simulation tool, Balancing Act, along with open Council meetings and information posted to the City website prior to final adoption.

courtenay.ca/financial-plan

2025 general operating budget in $ millions



Key 2026 property tax dates

May 2026	• Property tax notices mailed
July 2, 2026	• Tax payments due • Provincial home owner grant applications due to the province • Tax deferment applications due to the province • Last day to avoid 10 per cent penalty on unpaid current taxes and unclaimed grants
July 3, 2026	• 10 per cent penalty added to all unpaid current taxes and unclaimed grants
Aug. 1, 2026	• Tax Instalment Preauthorized Payment Plan (TIPP) deductions start for the next taxation year
Sept. 28, 2026	• Statutory property tax sale for all properties three years in arrears of taxes
Dec. 31, 2026	• Last day to pay current year taxes prior to rollover into arrears category* • Last day to claim home owner grants and retroactive home owner grants

**Arrears and delinquent category taxes subject to daily interest*

courtenay.ca/tax



Property tax exemptions

Every year, the City of Courtenay receives applications from non-profit organizations that qualify for tax exemptions under the requirements of provincial legislation. For 2025, the following exemptions were approved by Council:

Registered owners	Exempt amount of City property taxes
Alano Club of Courtenay	$4,733
AVI Health & Community Services	1,316
Canadian Red Cross Society	2,498
City of Courtenay - Leased Office Space	7,953
Comox Valley Canoe Racing Club	654
Comox Valley Centre of the Arts	29,606
Comox Valley Child Development Association	18,937
Comox Valley Children's Day Care Society	508
Comox Valley Curling Club	11,481
Comox Valley Family Services Association	9,137
Comox Valley Food Bank Society	2,520
Comox Valley Project Watershed	2,614
Comox Valley Recovery Centre Society	3,573
Comox Valley Rowing Club	666
Comox Valley Transition Society	6,491
Community Justice Centre of the Comox Valley	1,456
Courtenay Airpark Society	48,232
Courtenay & District Historical Soc. In Trust	3,565
Courtenay & District Museum	16,458
Courtenay Elks Lodge	3,328
Courtenay Kiwanis Village Society	19,668
Courtenay Marina Society	18,179
Dawn to Dawn Action on Homelessness Society	1,692
Eureka Support Society	4,199
Glacier View Lodge Society	41,714
Habitat for Humanity V.I. North Society	497
John Howard Society of North Island	8,956
L'Arche Comox Valley	7,008
Lush Valley Food Action Society	7,647
Nature Trust of BC - McPhee Meadows	1,965
Nesting Place Society	2,477
Old Church Theatre Society	11,754
Puddleduck Early Learning Society	1,146
Royal Cdn. Legion, Courtenay Br. (Pacific) No. 17	12,704
Salvation Army	2,994
Sid Williams Theatre	26,568
Stepping Stones Recovery House for Women Soc.	647
Upper Island Women of Native Ancestry	903
Wachiay Friendship Centre	20,983
Y.A.N.A Fund Society	1,225
Youth for Christ Comox Valley	992
Total non-profit annual tax exemptions	**$369,644**

Council adopted a 10-year permissive tax bylaw to exempt the following properties. The 2025 value of properties exempt is as follows:

Island Corridor Foundation	$89,749
M'Akola Housing Society	23,709
Nature Trust of B.C. – Arden Rd	5,806
Nature Trust of B.C. - Sandpiper Park	13,397
Project Watershed Society - Kus-kus-sum	50,041
Total 10-year bylaw exemptions	**$182,702**

Provincial Legislation (the Community Charter) statutorily exempts the building and the land on which the building stands, for places of worship, specific seniors' housing, hospitals and private schools. Council may, by bylaw, permissively exempt the land surrounding the building. In 2025, Council adopted a bylaw to exempt the following surrounding lands:

Anglican Synod Diocese of BC	$3,802
Bishop of Victoria-Catholic Church	2,063
Central Evangelical Free Church	6,187
Courtenay Fellowship Baptist Church	2,125
Elim Gospel Hall	2,641
Foursquare Gospel Church of Canada	7,685
Grace Baptist Church	408
Kingdom Hall of Jehovah Witnesses	1,215
LDS Church	4,564
Lutheran Church	1,713
River Heights Church Society	2,246
Salvation Army Canada West	4,318
Seventh Day Adventist Church	1,255
St. George's Church	1,359
New Life Apostolic Church	1,255
Total permissive surrounding statutory land tax exemptions	**$40,574-**
Total permissive tax exemptions - overall	**$592,920**

Financial statements



The Corporation of the City of Courtenay

Management's responsibility for financial reporting

The preparation of information in these consolidated financial statements is the responsibility of management.

The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards and are outlined under "Significant Accounting Policies" in the notes to the financial statements.

Management maintains a system of internal accounting controls to provide reasonable assurance that assets are safeguarded and that transactions are authorized, recorded and reported properly.

Management also maintains a program of proper business compliance.

MNP LLP, the City's independent auditors, have audited the accompanying consolidated financial statements. Their report accompanies this statement.



Adam Langenmaier, BBA, CPA, CA
Director of Financial Services

To the Mayor and Council of the City of Courtenay:

Opinion

We have audited the consolidated financial statements of the City of Courtenay (the "City"), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statements of operations, net financial assets and cash flows and related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2025, and the results of its consolidated operations, change in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information, consisting of an annual report, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the City's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the City or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Nanaimo, British Columbia

May 13, 2026

Chartered Professional Accountants

MNP LLP

The Corporation of the City of Courtenay

Consolidated Statement Of Financial Position - Statement A

As at December 31, 2025

	2025	2024
FINANCIAL ASSETS		
Cash on Hand and on Deposit (Schedule 5)	44,679,115	37,708,254
Receivables (Note 1j)	6,996,179	5,147,372
Term Deposits and Pooled Funds (Schedule 5)	57,247,411	60,845,702
Municipal Finance Authority Debt Reserve Fund (Note 11)	341,552	-
	109,264,257	**103,701,328**
FINANCIAL LIABILITIES		
Accounts Payable (Note 1k)	16,502,921	11,925,452
Trust and Other Deposits	5,936,643	6,005,891
Deferred Revenue - Development Cost Charges (Note 8)	16,631,471	15,468,690
Deferred Revenue - Other (Note 10)	3,873,044	3,103,021
Short-Term Debt (Note 20)	4,250,000	7,176,000
Long-Term Debt (Note 3b, Schedule 4)	12,383,940	8,948,196
Asset Retirement Obligation (Note 13)	254,700	466,932
Capital Leases (Note 18)	2,872,176	3,173,144
	62,704,895	**56,267,326**
NET FINANCIAL ASSETS	**46,559,362**	**47,434,002**
NON-FINANCIAL ASSETS		
Inventories	586,204	552,217
Prepaid Expenses	708,597	672,733
Tangible Capital Assets (Note 15 & Schedule 3)	206,743,906	196,461,574
	208,038,707	**197,686,524**
ACCUMULATED SURPLUS (Schedule 2)	**254,598,069**	**245,120,526**

CONTINGENT LIABILITIES AND COMMITMENTS (NOTE 3)
CONTRACTUAL RIGHTS (NOTE 17)



Adam Langenmaier, BBA, CPA, CA
Director of Financial Services

The accompanying notes are an integral part of these consolidated financial statements.

The Corporation of the City of Courtenay

Consolidated Statement Of Operations - Statement B

For the year ended December 31, 2025

	2025 Budget	2025	2024
	(Note 16)		
REVENUE			
Taxes for Municipal Purposes	42,328,300	42,193,676	38,302,054
Sale of Services	23,150,100	23,685,756	21,909,428
Revenue From Own Sources	4,920,800	4,479,416	4,615,097
Federal Transfers	1,347,000	3,474,638	1,374,904
Provincial Transfers	4,540,300	1,822,074	2,849,236
Other Local Government Transfers	1,229,293	1,501,528	971,896
Contributions	100,000	1,370,620	1,831,235
Investment Income and Taxation Penalties	2,197,600	3,831,420	4,211,915
Other	896,000	1,122,297	2,208,378
Gain on Sale of Tangible Capital Assets	-	370,460	15,012
TOTAL REVENUE	**80,709,393**	**83,851,885**	**78,289,156**
EXPENSES			
General Government Services	10,748,677	7,540,608	6,462,153
Protective Services	15,182,916	13,110,729	13,490,936
Transportation Services	11,955,815	11,015,540	9,421,450
Sewer and Water Facilities	22,329,275	21,483,587	19,509,757
Environmental Health Services	4,906,938	4,310,431	4,679,605
Public Health and Welfare Services	776,486	722,420	536,672
Environmental Development Services	3,545,256	3,045,114	2,767,030
Recreational and Cultural Services	14,088,690	13,145,913	12,155,636
TOTAL EXPENSES	**83,534,053**	**74,374,342**	**69,023,239**
ANNUAL SURPLUS (DEFICIT)	**(2,824,660)**	**9,477,543**	**9,265,917**
ACCUMULATED SURPLUS AT BEGINNING OF YEAR	**245,120,526**	**245,120,526**	**235,854,609**
ACCUMULATED SURPLUS AT END OF YEAR	**$242,295,866**	**$254,598,069**	**$245,120,526**

The accompanying notes are an integral part of these consolidated financial statements.

The Corporation of the City of Courtenay

Consolidated Statement Of Change in Net Financial Assets - Statement C

For the year ended December 31, 2025

	2025 Budget	2025	2024
	(Note 16)		
ANNUAL SURPLUS (DEFICIT)	(2,824,660)	9,477,543	9,265,917
Acquisition of tangible capital assets	(28,709,456)	(17,730,949)	(14,648,795)
Amortization of tangible capital assets	7,040,000	8,085,537	7,584,845
Losses and other adjustments to tangible capital assets	-	41,041	59,267
Change in asset retirement obligations	-	-	(136,132)
Change in capital leases	-	-	(3,462,792)
Proceeds on sale of tangible capital assets	-	382,383	35,509
Developer tangible capital asset contribution	-	(1,060,341)	(1,124,946)
	(21,669,456)	(10,282,330)	(11,693,044)
Change in prepaid expenses	-	(35,864)	(132,639)
Change in inventory of supplies	-	(33,990)	(271,561)
	-	(69,854)	(404,200)
CHANGE IN NET FINANCIAL ASSETS	(24,494,116)	(874,640)	(2,831,327)
NET FINANCIAL ASSETS AT BEGINNING OF YEAR	**47,434,002**	**47,434,002**	**50,265,329**
NET FINANCIAL ASSETS AT END OF YEAR	**$22,939,886**	**$46,559,362**	**$47,434,002**

The accompanying notes are an integral part of these consolidated financial statements.

The Corporation of the City of Courtenay

Consolidated Statement Of Cash Flow - Statement D

For the year ended December 31, 2025

	2025	2024
CASH PROVIDED BY (APPLIED TO) FINANCING TRANSACTIONS		
OPERATING TRANSACTIONS		
Annual Surplus	9,477,543	9,265,917
Changes in non-cash items		
Amortization	8,085,537	7,584,845
Change in receivables	(1,848,807)	(903,577)
Change in accounts payable	4,577,469	1,749,174
Change in trust and other deposits	(69,248)	(760,925)
Change in deferred revenue	1,932,804	928,781
Change in inventories	(33,987)	(132,640)
Change in prepaids	(35,864)	(271,561)
Net (gains)/losses and other adjustments to tangible capital assets	41,041	59,267
Developer tangible capital asset contribution	(1,060,341)	(1,124,946)
Increase in Municipal Finance Authority Debt Reserve Fund	(341,552)	-
Municipal Finance Authority of BC actuarial adjustments	(396,525)	(484,696)
	20,328,069	**15,909,639**
CAPITAL TRANSACTIONS		
Cash used to acquire tangible capital assets	(17,730,949)	(14,648,795)
Asset retirement obligation remediation	(212,232)	-
Proceeds on sale of tangible capital assets	382,383	35,509
	(17,560,798)	**(14,613,286)**
INVESTING TRANSACTIONS		
Change in Investments	3,598,291	698,955
Cash provided by (applied to) Investing Transactions	**3,598,291**	**698,955**
FINANCING TRANSACTIONS		
Repayment of short-term debt	(4,676,000)	-
Repayment of long-term debt	(843,732)	(986,177)
Repayment of capital lease	(300,968)	(289,648)
Short-term debt proceeds	1,750,000	7,176,000
Long-term debt proceeds	4,676,000	-
Cash applied to Financing Transactions	605,300	5,900,175
INCREASE IN CASH ON HAND AND ON DEPOSIT	**6,970,861**	**7,895,483**
CASH ON HAND AND ON DEPOSIT AT BEGINNING OF YEAR	**37,708,254**	**29,812,771**
CASH ON HAND AND ON DEPOSIT AT END OF YEAR	**$44,679,115**	**$37,708,254**
Interest paid on outstanding debt and included in annual surplus above	**$879,804**	**$541,739**

The accompanying notes are an integral part of these consolidated financial statements.

Notes to Consolidated Financial Statements

Year ended December 31, 2025

The Corporation of the City of Courtenay ("the City") was incorporated in 1915 under the provisions of the British Columbia Municipal Act. Its principal activities are the provision of local government services to the residents of the Municipality.

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

It is the policy of the City to follow Canadian public sector accounting standards and to apply such principles consistently. The consolidated financial statements include the operations of General, Water Utility, Sewer, Capital, and Reserve Funds. Transactions between these funds have been eliminated on consolidation. The consolidated financial statements have been prepared using guidelines issued by the Public Sector Accounting Board of CPA Canada. The financial resources and operations of the City have been consolidated for financial statement purposes and include the accounts of all of the funds and equity in tangible capital assets of the City. As part of the supplementary information, the resources and operations of the City are segregated into various funds for accounting and financial reporting purposes, each being treated as a separate entity with responsibility for the stewardship of the assets allocated to it.

(b) Revenue and Expense Recognition

Expenses are recorded in the period in which the goods or services are acquired and a liability is incurred.

Amortization is based on the estimated useful lives of tangible capital assets.

Following are the types of revenue received and a description of their recognition:

Taxes for Municipal Purposes are recognized in the year levied.

Sale of Services and Revenue from own Sources are recognized when the performance obligation has been satisfied, provided the amount can be estimated and collection is reasonably assured.

The City recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the City recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Contributions are recorded when the event giving rise to the contribution occurs.

Developer cost contribution revenue is recorded in the year that it is used to fund a capital project and has been authorized by bylaw.

(c) Accrued Payroll Benefits

Earned but unpaid vacation is fully accrued and recorded in the consolidated financial statements.

Post employment benefits are accrued and recorded in the consolidated financial statements. This amount is provided by an actuary engaged by the City.

(d) Use of Estimates

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Accounts receivables are stated after evaluation of their collectability. Post employment benefits are calculated by an actuary. Amortization is based on the estimated useful lives of tangible capital assets. Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the City of Courtenay is responsible for. Asset retirement obligations are estimated based on the best information available related to the costs associated with retiring, decommissioning or otherwise removing an asset from productive service. These estimates and assumptions are reviewed periodically and as adjustments become necessary, they are reported in earnings in the periods in which they become known.

(e) Non-financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(f) Inventories

Inventories are valued at the lower of cost and replacement cost.

(g) Tangible Capital Assets

Tangible capital assets are recorded at cost, net of capital asset disposals, write-downs and amortization. Tangible capital asset expenditures exceeding the following thresholds per major category are capitalized. The average useful life is applied straight line to calculate amortization.

Major Asset Category	Threshold	Average Useful Life
Land	$1	Indefinite
Land Improvements	$10,000	Varies from 10 to 40 years
Building	$10,000	Varies from 25 to 60 years
Vehicles, Machinery/Equipment	$5,000 to $10,000	Varies from 5 to 25 years
Engineering Structures		
Roads	$5,000 to $50,000	Varies from 10 to 60 years
Water	$5,000 to $10,000	Varies from 8 to 80 years
Sewer	$10,000	Varies from 8 to 60 years
Other – Includes Storm	$10,000	Varies from 25 to 75 years
Capital Leases	$10,000	Over the life of the lease
Other Tangible Capital Assets (includes IT software)	$5,000	5 years

Carrying costs directly attributable to the acquisition, construction or development activity, excluding interest costs, are capitalized to the point in time the asset is substantially complete and ready for use. Contributed tangible capital assets are recorded at their fair value on the date of contribution. Assets under construction are not amortized until the asset is in use.

(h) Financial Instruments

The City of Courtenay recognizes its financial instruments when the City becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at fair value.

At initial recognition, the City may irrevocably elect to subsequently measure any financial instrument at fair value. Courtenay has made such an election during the year.

The City subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price negotiations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses. Interest income is recognized in the statement of operations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating annual surplus. Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

All financial assets except derivatives are tested annually for impairment. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost, and/or amortized cost, to reflect losses

in value are not reversed for subsequent increases in value. Reversals of any net measurements of financial assets measured at fair value are reported in the statement of remeasurement gains and losses.

The City of Courtenay has not presented a statement of remeasurement gains and losses as it does not have any items giving rise to remeasurement gains (losses).

(i) Debt Charges

Interest payments are charged against current fund balances in the period they become payable and have been accrued to December 31, 2025. Principal payments are applied directly to loan balances in the period they accrue.

(j) Receivables

Following is a breakdown of receivables outstanding at December 31, 2025 with 2024 comparatives:

	2025	2024
Federal Government	$2,340,876	$177,495
Provincial Government	382,124	405,348
Regional and other Local Governments	234,806	272,497
Property Taxes	1,771,452	1,734,418
Other	2,266,921	2,557,614
Total Receivables	**$6,996,179**	**$5,147,372**

(k) Accounts Payable

Following is a breakdown of accounts payable and accrued liabilities outstanding at December 31, 2025 with 2024 comparatives:

	2025	2024
Federal Government	$2,230,169	$3,583,879
Provincial Government	910,330	1,056,783
Regional and other Local Governments	2,663,043	967,769
Employee Retirement Benefits (Note 12)	1,491,800	1,424,300
Trade and accrued liabilities	9,207,579	4,892,721
Total Accounts Payable	**$16,502,921**	**$11,925,452**

(l) Liability for Contaminated Sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when; contamination exceeding an environmental standard exists, the City of Courtenay is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at December 31, 2025.

At each financial reporting date, the City of Courtenay reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period when revisions are made. The City of Courtenay continues to rec-

ognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

(m) Asset Retirement Obligations

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or component thereof) at the financial statement date when there is a legal obligation for the City to incur retirement costs in relation to a tangible capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at December 31, 2025.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset.

At each financial reporting date, the City reviews the carrying amount of the liability. Changes to the liability arising from revisions to the timing are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

The City continues to recognize the liability until it is settled or otherwise extinguished.

Disbursements made to settle the liability are deducted from the reported liability when they are made.

(n) Capital Leases

Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of the property to the City are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs, e.g., insurance, maintenance costs, etc. The discount rate used to determine the present value of the lease payments is the lower of the City's rate for incremental borrowing or the interest rate implicit in the lease.

All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

(o) Recent Accounting Pronouncements

In October 2023, the Public Sector Accounting Board issued PS 1202 Financial Statement Presentation, which establishes a new reporting model intended to enhance the understandability of financial statements and improve the usefulness of information for users.

This standard is effective for the City for fiscal years beginning on or after January 1, 2027, with earlier adoption permitted. Additional guidance is expected to be issued to support implementation.

Management is currently assessing the impact of adopting this standard on the City's future financial statements.

2. CHANGE IN ACCOUNTING POLICY

(a) MFA Debt Reserve Fund and Sinking Fund Earnings

Effective January 1, 2025, the City updated its accounting treatment related to debt issued through the Municipal Finance Authority of British Columbia.

Previously, contributions to the MFA Debt Reserve Fund (DRF) were recorded as an expense in the year of issuance. Going forward, DRF contributions related to outstanding and new debentures are recognized as financial assets, reflecting the City's right to receive repayment upon maturity of the related debt.

In addition, sinking fund (actuarial) earnings allocated by MFA were previously netted against debt servicing costs. These amounts are now recognized as investment income in the year earned, with a corresponding reduction to long-term debt. This change has been applied prospectively. The impact of the change is not considered material to prior periods.

3. CONTINGENT LIABILITIES AND COMMITMENTS

(a) Under the provisions of the Local Government Act, regional district debt is a direct, joint and several liability of the regional district and its member municipalities, including the City. Accordingly, the City is contingently liable for its share of any such obligations. Readers are referred to the Comox Valley Regional District's audited financial statements for further information.

(b) Principal repayments on long-term debt currently held in each of the next five years are estimated as follows:

2026	$918,767
2027	814,211
2028	505,005
2029	505,005
2030	454,250
Thereafter	**9,186,702**
	$ 12,383,940

(c) The Municipality is obligated to collect and transmit the tax levies of the following bodies:

- Provincial Government – Schools
- Comox Valley Regional District
- Comox-Strathcona Regional Hospital District
- Municipal Finance Authority
- British Columbia Assessment Authority
- Vancouver Island Regional Library
- Downtown Courtenay Business Improvement Area

These levies are not included in the revenues of the Municipality.

(d) As at December 31, 2025, there existed outstanding claims against the City. These claims have been referred to legal counsel and to the City's liability insurers. It is not possible to determine the City's potential liability, if any, with respect to these matters. Management has determined that any potential liabilities arising from these outstanding claims are not significant.

4. PENSION LIABILITY

The employer and its employees contribute to the Municipal Pension Plan (a jointly trusteed pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2024, the plan has about 273,000 active members and approximately 133,000 retired members. Active members include approximately 47,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2024, indicated a $2,675 million funding

surplus for basic pension benefits on a going concern basis.

The next valuation will be as at December 31, 2027.

The City of Courtenay paid $1,527,459 for employer contributions to the plan in fiscal 2025. Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

5. HOST FINANCIAL ASSISTANCE AGREEMENT

The City of Courtenay is a host community for a casino gaming facility operated under agreement with the British Columbia Lottery Corporation. The City receives a percentage of the net gaming income generated by the Chances Courtenay Gaming Centre to be used for public benefit through a quarterly unrestricted transfer from the Province of British Columbia.

6. CANADA COMMUNITY-BUILDING FUND

The City received transfers of Canada Community Building Fund (CCBF) through the Union of BC Municipalities. The use of the funding is established by a funding agreement between the local government and the Union of British Columbia Municipalities.

Funds may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects, as specified in the funding agreements.

The City of Courtenay received the first contribution of CCBF in 2005 and reports the balance in a General Fund Reserve – New Works Canada Community Building Fund (Schedule 2) until it is used to fund the specified projects outlined in the funding agreement. Interest is accrued and allocated monthly to the balance.

Following is a schedule of CCBF receipts and disbursements received in 2025 with comparatives to 2024.

	2025	2024
Opening Balance of Unspent Funds	**$2,230,288**	**$2 ,265,143**
Additions:		
Amounts Received During the Year	1,357,484	1,357,484
Interest Earned	80,816	107,534
Deductions:		
Amount Spent on Projects	**(1,592,250)**	**(1,499,873)**
Closing Balance of Unspent Funds	**$2,076,338**	**$2,230,288**

7. GROWING COMMUNITIES FUND

The Growing Communities Fund (GCF) was provided to local governments to assist with increasing the local housing supply with investments in community infrastructure and amenities. The GCF may be used towards one-off costs needed to build required infrastructure and amenities rather than funding ongoing or operational activities. These funds are to be incremental to currently planned investments and should accelerate the delivery of capital projects. The GCF provided a one-time total of $1 billion in grants to all 161 municipalities and 27 regional districts in British Columbia.

The City of Courtenay received $7,655,000 in March 2023 and reports the balance in a General Fund Reserve – Growing Communities Reserve Fund (Schedule 2) until it is used to fund eligible costs. Interest is accrued and allocated monthly to the balance.

Following is a schedule of the GCF receipts and disbursements received in 2025 with comparatives to 2024.

	2025	2024
Opening Balance of Unspent Funds	**$7,964,862**	**$7,763,486**
Additions:		
Interest Earned	264,377	354,799
Deductions:		
Playground Development	(563,198)	(46,354)
Small Tool Electrification	(25,000)	(74,944)
Eastside Fire Hall	(270,760)	(32,125)
6th Street Bridge	(2,555,000)	-
McPhee Meadows	(1,100,000)	-
Lake Trail Multi-Use Pathway	(250,000)	-
Bill Moore Park	(3,321)	-
Park Improvements	(39,080)	-
Closing Balance of Unspent Funds	**$3,422,880**	**$7,964,862**

8. DEFERRED REVENUE - DEVELOPMENT COST CHARGES

In order to conform to the Public Sector Accounting Standards of CPA Canada, the unspent development cost charges have been recorded as a liability. Following is a breakdown of cash increases and decreases for the General, Water, and Sewer development costs charge reserves for 2025 and 2024.

2025 Development Cost Charge Reserves

	General BL #2840	Water Utility BL #2840	Sewer Utility BL #2840	Sewer Utility BL #1638	2025 Total

Balance Forward	$12,094,112	$1,033,864	$2,301,656	$39,059	$15,468,690
Increases					
Interest	405,224	34,521	77,013	1,296	518,054
Other Contributions	467,169	43,536	134,021	-	644,726
	872,393	78,057	211,034	1,296	1,162,780
Ending Balance Deferred Revenue - DCC	**$12,966,505**	**$1,111,921**	**$ 2,512,690**	**$40,355**	**$16,631,471**

2024 Development Cost Charge Reserves

	General BL #2840	**Water Utility** BL #2840	**Sewer Utility** BL #2840	**Sewer Utility** BL #1638	**2024 Total**
Balance Forward	$11,244,321	$962,245	$2,120,644	$37,352	$1 4,364,562
Increases					
Interest	523,031	44,821	99,546	1,707	669,104
Other Contributions	326,760	26,798	81,466	-	435,024
	849,791	71,619	181,012	1,707	1,104,128
Ending Balance Deferred Revenue - DCC	**$12,094,112**	**$1,033,864**	**$2,301,656**	**$39,059**	**$15,468,690**

9. TRUST AND ENDOWMENT FUNDS

The Cemetery Perpetual Care Fund has been assigned to the City to be administered as directed by statute. The City holds the assets for the benefit of, and stands in fiduciary relationship to, the beneficiary. Following is a summary of the financial position and activities for 2025 and 2024, which has been excluded from the City's consolidated financial statements.

CEMETERY PERPETUAL CARE FUND FINANCIAL POSITION	2025	2024	CEMETERY PERPETUAL CARE FUND FINANCIAL ACTIVITIES	2025	2024
Financial Assets			**Revenue**		
Cash on Hand	$ 219,181	$ 196,702	Fees Levied	$ 15,813	$ 13,831
Term Deposits	291,648	283,697	Interest Revenue	14,617	22,154
Net Financial Position	$ 510,829	$ 480,399	**Excess Revenue over Expenditure**	$ 30,430	$ 35,985

10. DEFERRED REVENUE – OTHER

Other Deferred Revenue recorded in the Liability section of the City's Consolidated Financial Statements consists of the revenues related to business license revenue levied and Government transfers received prior to revenue recognition criteria being met. Following is a breakdown of the change in this balance for 2025 and 2024:

	2025	**2024**
Opening Balance	**$3,103,021**	**$3,278,368**
Additions to Deferred Revenue	3,887,025	3,083,642

	2025	2024
Revenue Recognized	(3,117,003)	(3,258,988)
Ending Balance Deferred Revenue Other	**$3,873,044**	**$3,103,021**

11. MFA DEBT RESERVE FUNDS

The City secures its long-term borrowing through the Municipal Finance Authority of British Columbia via the regional district. MFA provides financing for regional districts and their member municipalities and is required to establish a Debt Reserve Fund (DRF) for each debt issue.

Each regional district, through its member municipalities that share in the proceeds of a debt issue, is required to contribute to the DRF in amounts set out in the debt agreements. These contributions are comprised of a cash deposit and a non-interest-bearing demand note commitment.

The DRF is held by MFA and is used to ensure the security of its debt obligations. Interest earned on the fund, net of administrative costs, is allocated to the regional districts. If at any time MFA does not have sufficient funds to meet its obligations, the DRF may be utilized and the regional district may be required to restore the fund. The City is contingently liable for its share of any such deficiency through its participation in the regional district. As the demand notes are contingent in nature and the City does not currently believe that they will be required, no amount has been recorded in the financial statements.

Upon maturity of a debt issue, the unused portion of the DRF established for that issue is returned to the City. As at December 31, 2025, the City's total DRF deposits held by MFA were $341,552 and are recorded as financial assets in the financial statements.

12. EMPLOYEE RETIREMENT BENEFIT LIABILITY

Employees with 10 years of continuous service retiring under the terms of the Municipal Superannuation Act are entitled to a payout of up to 72 days of their accumulated unused sick leave bank and up to a maximum of 8 additional severance days for each year of service in which the employee used no sick leave. Additionally, upon death of the employee, the bank, up to a maximum of 72 days, will be payable to the employee's life benefit beneficiary. The value of this liability is calculated by an Actuary engaged by the City and reflects the likelihood that all eligible City employees will become entitled to this benefit. Actuarial valuation assumptions for 2025 were based on an interest (discount) rate of 4.4% per annum (2024 – 4.3%) and an inflation rate of 2.5% (2024 – 2.5%). The estimated employee retirement benefit liability at December 31, 2025 is $1,491,800 (2024 - $1,424,300) and is included in the accounts payable balance on Statement A.

Following is a breakdown of the benefit liability:

	2025	2024
Accrued benefit liability at beginning of year	$1,424,300	$1,343,900
Expense	142,000	140,500
Benefit Payments	(74,500)	(60,100)
Accrued benefit liability at end of year	**$1,491,800**	**$1,424,300**

13. ASSET RETIREMENT OBLIGATION

The City owns and operates assets that have retirement obligations associated with them:

Well Decommissioning Obligation:

The Groundwater Protection Regulation provides specific guidelines for decommissioning wells, which give rise to a retirement obligation. The City has recognized an asset retirement obligation related to three wells that will be required to be decommissioned at the end of their useful lives.

Underground Tank Obligation:

The Storage Tank Systems for Petroleum Products and Allied Petroleum Products Regulations dictate the requirements for the proper removal and disposal of underground fuel storage tanks upon the expiration of their useful life. This legislated regulation gives rise to an asset retirement obligation for the City for any underground fuel tanks they own.

Asbestos Obligation:

Asbestos and other designated hazardous materials represent a health hazard upon disturbance and, as a result, carry a legal obligation to remove them when a facility undergoes a significant renovation or demolition. The City owns and operates several facilities that are known to have asbestos which will need to be abated upon retirement.

Lead Remediation Obligation:

Certain facilities contained lead-based materials, including lead paint and related components, that required remediation upon demolition in accordance with environmental and occupational health regulations. The City previously recognized an asset retirement obligation for these legally required remediation activities.

Asset Retirement Obligation	Well Decommissioning	Underground Tank Removal	Asbestos Abatement	Lead Abatement	Total Asset Retirement Obligation
Balance, Beginning of year	$45,000	$52,700	$307,672	61,560	$466,932
Settlements	-	-	(150,672)	(61,560)	(212,232)
Ending Balance, end of year	**$45,000**	**$52,700**	**$157,000**	**-**	**$254,700**

During 2025, asbestos abatement obligations and the lead remediation obligation related to demolished buildings were settled as part of a capital redevelopment project. Settlement amounts reflect demolition activities that included the removal of hazardous materials in accordance with regulatory requirements. As at December 31, 2025, no remaining liability exists for lead remediation.

14. CONSOLIDATED SEGMENT DISCLOSURE BY SERVICE

The City of Courtenay Consolidated Financial Statements includes the financial activities of various services made available to the community. Following is a description of the types of services included in each of the main service segments of the City's financial statements. A detailed summary of the 2025 revenues and expenses with 2024 comparatives for each segment can be found in Schedule 1 of the accompanying financial statements.

General Government Services: Provide services related to general corporate and legislative administration as well as human resources, information technology, financial management, and revenues received from the Province related to gaming.

Protective Services: Includes services related to providing fire protection, bylaw enforcement, and building inspection to the City, as well as the City's share of expenses related to providing police protection to the Comox Valley.

Transportation Services: Includes the delivery of municipal public works services related to planning, development and maintenance of roadway systems, street lighting, and other public works and engineering related services.

Environmental Health Services: Includes services related to the collection of garbage, recycling, and yard waste, as well as environmental testing and monitoring.

Public Health and Welfare Services: Includes cemetery services and costs related to public and social housing.

Environmental Development Services: Includes services related to planning, zoning, sustainability, and hotel taxes, as well as actions relating to homelessness.

Recreational and Cultural Services: Provides recreation and leisure services to the community and includes parks and facilities that allow for fitness, aquatic, cultural, and other activities for the public to enjoy.

Water Utility Services: Provides for the delivery of water to users and includes the planning, development and maintenance of the City's water infrastructure.

Sewer Utility Services: Provides for the delivery of sewerage removal and includes the planning, development and maintenance of the City's sewer infrastructure.

15. TANGIBLE CAPITAL ASSET DETAILS (See Schedule 3 for further details)

Contributed capital assets received and recognized in the year from developers, for various infrastructure works and related land and parks, and recorded in the consolidated financial statements in 2025 is $1,060,341 ($1,124,946 in 2024).

Tangible capital assets include land under the City's roads, recorded at a nominal amount.

Art and historic treasures are displayed at various city facilities and consist of paintings, historical photographs, sculptures, carvings, and other cultural artefacts. These items have not been included in tangible capital assets due to the inability of estimating future benefits associated with such property.

16. RESTATEMENT OF 2025 BUDGET

The budget amounts presented throughout these consolidated financial statements are based upon the Five-Year Financial Plan approved by Council on March 12, 2025 except in regard to budget amounts for amortization, tangible capital assets, and the use of debt, reserves and prior year surpluses.

The summary below shows the adjustments to the *2025-2029 Financial Plan Bylaw No. 3165, 2025* adopted by Council on March 12, 2025 and reflected in these consolidated financial statements:

Adjustments to 2025 Budgeted Annual Surplus

Budgeted Surplus per Council approved Budget	
Purchase of Capital Assets	28,709,456
Amortization Budgeted	(7,040,000)
Transfer from Reserves	(15,838,716)
Transfer to Reserves	3,838,100
Use of Prior Year Surplus	(7,023,100)
Debt Issues in Financial Plan	(6,300,000)
Debt principle repayments in Financial Plan	829,600
Budgeted Deficit per Consolidated Statement of Operations	**$(2,824,660)**

17. CONTRACTUAL RIGHTS

Following is the breakdown of the contractual rights at December 31, 2025:

Contractual Right with	Description of Contractual Right	2026	2027	2028	2029	Total
Courtenay Fire Protection District	Fire Protection	734,341	748,720	853,618	907,140	$3,243,819

18. CAPITAL LEASES

Effective January 1, 2024, the City entered into a 10 year agreement with Emterra Environmental for the use of solid waste carts with monthly payments of $34,796. This lease is deemed to hold an interest rate of 3.84% which is in line with the Municipal Finance Authority's 10-year borrowing rate.

The required minimum lease payments over the next 8 years are as follows:

2026	417,556
2027	417,556

2028	417,556
2029	417,556
2030	417,556
2031	417,556
2032	417,556
2033	417,556
Total minimum lease payments	3,340,452
Less amounts representing interest	(468,276)
Present value of net minimum capital lease payments	**$2,872,176**

The interest expense for the current year was $116,588 (2024: $127,909)
Tangible capital assets of $3,462,792 have been recorded in relation to the capital lease. As at December 31, 2025, accumulated amortization of the asset is $692,559 and the net book value is $2,770,233.

19. FINANCIAL INSTRUMENTS

The City is exposed to various risks through its financial assets and liabilities. The following analysis provides an assessment of those risks at December 31, 2025. There have been no significant changes in exposure to these risks from the prior year.

Credit Risk
Credit risk primarily arises from cash, investments, accounts receivable, and Municipal Finance Authority debt reserve fund deposits. The risk exposure is limited to their carrying amounts as at the date of the statement of financial position.

Accounts receivable consist primarily of amounts due from other government organizations and residents. The City mitigates credit risk through regular monitoring and collection of outstanding balances, including the use of statutory collection remedies where applicable. Cash balances are held with reputable Canadian financial institutions, and investments are managed in accordance with the City's approved investment policy.

Historically, the City has not experienced significant losses in the collection of receivables, nor have counterparties defaulted on contractual obligations.

Interest Rate Risk
Interest rate risk arises when the fair value or future cash flows of a financial instrument fluctuate because of changes in market interest rates. Investments bear some interest rate risk but these risks are mitigated through the diversification of the portfolio.

Market Risk
Market risk arises when the value of an investment fluctuates as a result of changes in market prices, whether those changes are caused by factors specific to the individual investment, or factors affecting all securities traded in the market.

The City manages its market risk by holding cash balances with top-rated Canadian Schedule I financial institutions. Investments are managed following the investment policy which is approved by the City Council. The City periodically reviews its investments and is satisfied that the investments are being managed in accordance with the investment policy.

Liquidity Risk
Liquidity risk is the risk that the City will not be able to meet its obligations as they become due. The City manages liquidity risk by monitoring actual and forecasted cash flows and maintaining adequate levels of working capital to ensure all its obligations can be met when they fall due.

20. SHORT-TERM DEBT

The City has entered into short-term borrowing agreements through the Municipal Finance Authority, pursuant to loan authorization bylaws to finance certain capital expenditures. The interest rate on the borrowing varies throughout the year based on mar-

The Corporation of the City of Courtenay

Consolidated Schedule of Segment Disclosure by Service - Schedule 1

Year ended December 31, 2025

	General Government Services		Protective Services		Transportation Services		Environmental Health Services	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
REVENUE								
Taxation	38,059,314	34,771,606	-	-	-	-	-	-
Sales of Services	-	-	848,622	921,436	-	-	4 ,031,427	3,895,926
Revenue from Own Sources	-	-	777,204	687,335	221,156	251,179	-	-
Government Transfers	1,055,864	1,147,102	263,611	304,079	3 ,829,465	1 ,621,874	-	-
Other Revenue	157,344	117,012	-	-	202,720	177,152	-	-
Other Contributions			-	-	617,504	679,472	262,970	258,290
Interest Earned	2,794,769	3,297,275	118,984	96,847	312,237	339,578	4,316	-
Gain on sale of TCA		-	6,235	-	360,000	-	-	-
Total Revenues	42,067,291	39,332,995	2,014,656	2,009,697	5,543,082	3,069,255	4,298,713	4,154,216
EXPENSES								
Salaries and Benefits	6,021,803	5,427,879	4,499,774	4,149,785	3,408,910	2,858,871	357,253	392,667
Goods and Services	848,098	786,887	8,174,654	8,951,461	3,160,478	2,512,990	3,041,471	3,363,854
Amortization Expense	226,880	210,377	414,430	392,926	4,049,910	3,800,143	795,119	793,135
Debt Servicing	76,275	4,629	21,871	(22,813)	212,330	33,135	116,588	127,909
Other Expenses	78,706	32,381	-	-	160,492	214,579	-	-
Loss on Disposal of TCA	288,846	-		19,577	23,420	1,732		2,040
Total Expenses	7,540,608	6,462,153	13,110,729	13,490,936	11,015,540	9,421,450	4,310,431	4,679,605
ANNUAL SURPLUS (DEFICIT)	**$34,526,683**	**$32,870,842**	**$(11,096,073)**	**$(11,481,239)**	**$(5,472,459)**	**$(6,352,195)**	**$(11,718)**	**$(525,389)**

The Corporation of the City of Courtenay

Consolidated Schedule of Segment Disclosure by Service - Schedule 1 (continued)

Year ended December 31, 2025

	Public Health & Welfare Services		Environmental Development Services		Recreational and Cultural Services	
	2025	2024	2025	2024	2025	2024
REVENUE						
Taxation	-	-	-	-	-	-
Sales of Services	-	-	-	-	-	-
Revenue from Own Sources	-	-	891,553	970,359	1,910,406	1,854,799
Government Transfers	521,843	704,958	416,599	818,528	710,858	599,495
Other Revenue	194,407	168,245	567,826	1,745,970	-	-
Other Contributions	-	-	18,163	285,000	79,512	257,279
Interest Earned	-	-	100,829	73,737	55,659	65,777
Gain on sale of TCA	-	-	-	-	4,225	15,012
Total Revenues	716,250	873,203	1,994,970	3,893,594	2,760,660	2,792,362
EXPENSES						
Salaries and Benefits	325,575	261,248	1,288,756	1,099,163	7,560,070	6,765,640
Goods and Services	333,980	222,241	1,754,539	1,666,070	4,150,167	4,129,594
Amortization Expense	62,865	53,183	1,095	1,095	1,217,722	1,160,601
Debt Servicing	-	-	-	-	144,453	35,741
Other Expenses	-	-	724	702	59,254	64,060
Loss on Disposal of TCA	-	-	-	-	14,247	
Total Expenses	722,420	536,672	3,045,114	2,767,030	13,145,913	12,155,636
ANNUAL SURPLUS (DEFICIT)	**$(6,170)**	**$336,531**	**$(1,050,145)**	**$1,126,564**	**$(10,385,253)**	**$(9,363,274)**

The Corporation of the City of Courtenay

Consolidated Schedule of Segment Disclosure by Service - Schedule 1 (continued)

Year ended December 31, 2025

	Water Utility Services		Sewer Utility Services		Consolidated	
	2025	2024	2025	2024	2025	2024
REVENUE						
Taxation	$1,529,772	$1,298,915	2,604,590	2,231,533	42,193,676	38,302,054
Sales of Services	10,156,325	9,466,333	8,649,382	7,625,733	23,685,756	21,909,428
Revenue from Own Sources	673,429	771,625	5,668	79,800	4,479,416	4,615,097
Government Transfers	-	-	-	-	6,798,240	5,196,036
Other Revenue	-	-	-	-	1,122,297	2,208,379
Other Contributions	111,150	188,064	281,322	163,130	1,370,620	1,831,235
Interest Earned	156,996	132,078	287,630	206,624	3,831,420	4,211,915
Gain on sale of TCA	-	-	-	-	370,460	15,012
Total Revenues	12,627,672	11,857,015	11,828,592	10,306,819	83,851,885	78,289,156
EXPENSES						
Salaries and Benefits	1,364,392	1,159,978	818,756	724,446	25,645,289	22,839,677
Goods and Services	9,304,189	8,617,860	1,691,509	1,558,707	32,459,085	31,809,664
Amortization Expense	599,719	601,315	717,797	572,070	8,085,537	7,584,845
Debt Servicing	9,180	(9,567)	299,107	15,919	879,804	184,953
Other Expenses	-	-	6,593,950	6,218,101	6,893,126	6,529,823
Loss on Disposal of TCA	19,364	50,930	65,624		411,501	74,279
Total Expenses	11,296,844	10,420,516	10,186,743	9,089,241	74,374,342	69,023,239
ANNUAL SURPLUS (DEFICIT)	**$1,330,828**	**1,436,499**	**$1,641,849**	**$1,217,578**	**$9,477,543**	**$9,265,917**

The Corporation of the City of Courtenay

Consolidated Schedule Of Accumulated Surplus & Reserves - Schedule 2

Year ended December 31, 2025

	2025	2024
Surplus		
Invested in Tangible Capital Assets	186,983,089	$176,697,300
General Operating Fund	20,308,931	20,189,826
General Capital Fund	337,585	335,154
Water Utility Operating Fund	7,262,465	7,131,468
Water Utility Capital Fund	108,869	108,869
Sewer Utility Operating Fund	4,688,671	3,788,789
Sewer Utility Capital Fund	571,706	21,706
Gaming Fund	1,584,359	2,162,988
Total Surplus	221,845,675	210,436,100
Reserves		
General Fund Reserves:		
Machinery and Equipment	1,824,107	2,293,707
Land Sale	81,458	161,212
New Works and Equipment	5,395,806	5,519,958
New Works - Canada Community Building Fund (Note 6)	2,076,338	2,230,288
General Asset Management Reserve	2,907,626	1,756,126
Risk Reserve	120,554	116,681
Public Parking	507,473	432,435
Parkland Acquisition	529,816	512,795
Police Contingency Reserve	2,584,230	2,487,174
Assessment Appeal	392,702	456,533
Housing Amenity	1,401,844	1,542,742
Tree Reserve	172,243	160,476
Parks, Recreation, Cultural and Seniors Facilities Amenity	807,700	800,778
Growing Communities Fund (Note 7)	3,422,880	7,964,862
Municipal and Regional District Tax Reserve	1,340,811	1,205,276
Snow and Ice Control Reserve	335,788	325,000
Solid Waste Reserve	528,679	130,022
Election Reserve	26,488	
	24,456,543	28,096,065
Water Utility Reserves:		
Water Utility	2,107,966	1,984,968
Water Asset Management Reserve	2,075,755	795,213
Machinery and Equipment	488,706	443,546
	4,672,427	3,223,727
Sewer Utility Reserves:		
Sewer Utility	1,331,837	1,202,340
Sewer Asset Management Reserve	1,283,522	1,234,603
Machinery and Equipment	1,008,065	927,691
	3,623,424	3,364,634
Total Reserves	32,752,394	34,684,426
ACCUMULATED SURPLUS (Statement A)	**254,598,069**	**$245,120,526**

The Corporation of the City of Courtenay

Consolidated Schedule of Tangible Capital Assets - Schedule 3

For the year ended December 31, 2025

COST	Land	Land Improvements	Buildings	Equipment/ Furniture/ Vehicles	Engineering Structures				Other Tangible Capital Assets	Total	2024
					Roads	Water	Sewer	Other			
Opening Balance Construction-in-progress (CIP)	2,926	36,313	290,324	18,498	754,160	49,230	3,313,106	571,553	-	$5,036,110	2,436,814
Add: Construction-in-progress	8,793	546,940	344,831	63,959	5,126,270	87,533	10,188	60,311	-	6,248,827	3,388,082
Less: Transfers into Service		(36,313)					(3,141,327)	(319,963)	-	(3,497,602)	(737,855)
Less: Writedowns & Reallocations	-	-	-	-	-	-	-	-	-	-	(50,932)
Closing Balance Construction-in-progress	11,719	546,940	635,155	82,457	5,880,430	136,764	181,968	311,901	-	7,787,334	5,036,110
Opening Balance Tangible Capital Assets	28,377,529	8,963,328	34,959,710	31,766,596	126,549,983	31,207,713	23,383,324	33,338,045	1,427,059	319,973,288	303,627,862
Add: Additions (including Transfers into Service)	2,150,151	781,153	621,128	3,172,040	3,446,747	241,862	3,074,784	2,470,037	82,165	16,040,068	16,722,439
Less: Disposals	-	-	(607,252)	(371,527)	(261,228)	(31,240)	(19,416)	(100)	(210,078)	(1,500,841)	(377,013)
Closing Balance Tangible Capital Assets and CIP	30,539,399	10,291,422	35,608,741	34,649,566	135,615,931	31,555,099	26,620,661	36,119,884	1,299,145	342,299,848	325,009,397
ACCUMULATED AMORTIZATION											
Opening Balance	-	4,701,395	16,538,410	15,755,079	62,656,626	10,103,784	3,865,231	13,675,914	1,251,385	128,547,824	121,296,145
Add: Amortization	-	329,565	891,548	1,717,892	3,174,688	571,460	425,209	905,506	69,667	8,085,537	7,584,845
Less: Accum Amortization on Disposals	-	-	(242,046)	(349,787)	(237,808)	(18,830)	(18,769)	(100)	(210,079)	(1,077,419)	(333,167)
	-	5,030,960	17,187,912	17,123,184	65,593,506	10,656,415	4,271,672	14,581,320	1,110,973	135,555,942	128,547,823
Net Book Value for year ended December 31, 2025	**$30,539,399**	**$5,260,462**	**$18,420,828**	**$17,526,382**	**$70,022,426**	**$20,898,684**	**$22,348,989**	**$21,538,564**	**$188,172**	**$206,743,906**	**$196,461,574**

The Corporation of the City of Courtenay

Consolidated Schedule of Debenture and Other Long-Term Debt - Schedule 4

Year ended December 31, 2025

Bylaw Number		Term Years	Maturity Date	Interest Rate %	Principal Outstanding Dec 31/24	Current Year Borrowing	Actuarial Adjustment	Princ. Payment	Principal Outstanding Dec 31/25
General Capital Fund									
Debenture Debt									
2304	Lerwick Road Ext. Prop Acquisition	25	2029	4.30	307,187	-	27,713	29,003	250,471
2354	Repaving Program	20	2025	0.32	31,423	-	-	31,423	-
2355	Lerwick Road Extension	25	2030	3.03	230,804	-	14,076	21,606	195,122
2425	Lerwick Road Construction	20	2026	1.53	99,923	-	24,803	24,179	50,941
2453	Police Property Acquisition	20	2027	1.53	198,389	-	49,244	48,005	101,140
2538	Native Sons Hall Renovation	15	2025	1.28	51,410	-	19,201	32,209	-
2680	Lewis Centre Renovation	15	2027	3.39	1,043,504	-	110,477	225,462	707,565
2681	Infrastructure Works - Road Paving	15	2027	3.39	387,588	-	41,034	83,743	262,811
2978	Fifth Street Bridge Rehabilitation	20	2041	2.58	2,981,270	-	9,422	136,483	2,835,365
3136	Strategic Land Acquisition	20	2045	3.73	-	2 ,176,000	-	-	2,176,000
					5,331,498	2 ,176,000	295,970	632,113	6,579,415
Water Capital Fund									
Debenture Debt									
2424	Water Extension - Lerwick Road	20	2026	1.53	83,269	-	20,669	20,149	42,451
TOTAL WATER CAPITAL FUND					83,269	-	20,669	20,149	42,451
Sewer Capital Fund									
Debenture Debt									
2305	Sewer Extension	25	2029	4.30	230,391	-	20,784	21,752	187,855
2353	Sewer Extension	25	2030	3.03	649,547	-	39,614	60,805	549,128
2423	Sewer Extension - Lerwick Road	20	2026	1.53	50,516	-	12,539	12,224	25,753
2985	Sewer Extension - Greenwood Trunk	25	2045	3.03	2,602,975	-	6,948	96,689	2,499,338
3093	1st Street Liftstation	20	2045	3.73	-	2 ,500,000	-	--	2,500,000
					3,533,429	2 ,500,000	79,885	191,470	5,762,074
TOTAL ALL CAPITAL FUNDS					**8,948,196**	**4,676,000**	**396,524**	**843,732**	**12,383,940**

The Corporation of the City of Courtenay

Consolidated Schedule Of Investments - Schedule 5

For the year ended December 31, 2025

	2025	2024
CASH ON HAND		
General Fund	$42,633,760	$35,791,046
Gaming Fund	2,045,355	1,917,208
Total Cash on Hand	**$44,679,115**	**$37,708,254**
TERM DEPOSITS AND POOLED FUNDS		
Municipal Finance Authority, Money Market Fund at fluctuating rate, no maturity date	28,167,559	27,380,381
Guaranteed Investment Certificates	2,527,476	7,663,231
Municipal Finance Authority, Pooled Government Focused Ultra-Short Bond	15,833,474	15,413,965
Municipal Finance Authority, Pooled BC Fossil Fuel Free Bond	10,718,902	10,388,125
Total Term Deposits and Pooled Funds	**57,247,411**	**60,845,702**
TOTAL CASH AND INVESTMENTS	**$101,926,526**	**$98,553,956**


CITY OF COURTENAY