



The Corporation of the City of Courtenay

Staff Report

To: Council

File No.: 1705-20/1715-20

From: Director of Finance

Date: Feb 11, 2026

Subject: 2026-2030 Financial Plan Bylaw 3211

PURPOSE:

To seek first, second and third reading of 2026-2030 Financial Plan Bylaw No. 3211, 2026.

BACKGROUND:

Per section 165 of the Community Charter a municipality must have a Financial Plan that is adopted annually by bylaw, the 2026-2030 Financial Plan Bylaw No. 3211, 2026 achieves this requirement of the Community Charter.

Council held Committee of the Whole meetings on November 26th and 27th, 2025 where details on the 2026-2030 Financial Plan were presented. Council provided the following direction at Committee of the Whole meeting:

- THAT the Committee of the Whole direct staff to return with information on financial plan tax change scenarios based on 5, 6, and 7% tax change options for 2026, using a \$6 to \$8.8 million minimum surplus balance target, and with excess surplus being used to smooth tax increases over the 2026-2030 Financial Plan.
- THAT the Committee of the Whole endorse the 2026-2030 Operating Plan as presented;
- THAT the Committee of the Whole endorse the 2026-2030 Capital Plan as presented;
- THAT the Committee of the Whole endorse the 2026-2030 Financial Plan as presented;
- AND THAT the Committee of the Whole direct staff to prepare the 2026-2030 Financial Plan bylaw for Council's consideration in 2026.

Council received additional information at the January 14th, 2026 regular Council meeting and provided the following direction:

- THAT Council direct staff to prepare the 2026-2030 Financial Plan using a surplus balance target of 15% of the 2025 General Fund budgeted spending and including tax funded capital and excluding expenditures with specific reserves; and
- THAT Council direct staff to prepare the 2026-2030 Financial Plan using a 6.0% tax change scenario for 2026 and that additional available surplus be applied through 2027-2030.

The 2026-2030 Financial Plan Bylaw No. 3211 captures all Council direction.

DISCUSSION and POLICY ANALYSIS:

"2026-2030 Financial Plan Bylaw No. 3211, 2026" authorizes the revenue to be collected and spending to be completed in the year. The Financial Plan bylaw must be adopted prior to the tax rate bylaw.

The 2026-2030 Financial Plan will provide authorization for spending through the 2026 Municipal Election in October. Furthermore, the 2026-2030 Financial Plan will continue to provide authorization for spending until an amended 2026-2030 Financial Plan is adopted or the 2027-2031 Financial Plan is adopted.

FINANCIAL IMPLICATIONS:

The Financial Plan is set to collect a total of \$83,413,200 in total revenue plus \$23,500,000 in borrowing towards capital projects. The table below outlines revenue sources from 2025 to 2026 as found in the Financial Plan bylaw.

Revenue Source	2025		2026	
	Amount	% of Total	Amount	% of Total
Property Tax	\$ 37,068,000	40.0%	\$ 39,544,200	37.0%
Frontage and Parcel	4,155,700	4.5%	\$ 4,459,600	4.2%
Fees and Charges	26,776,900	28.9%	\$ 28,975,100	27.1%
Transfers from Other Govt	8,505,400	9.2%	\$ 5,695,200	5.3%
Other Sources	4,800,200	5.2%	\$ 4,739,100	4.4%
Borrowing	11,350,000	12.2%	23,500,000	22.0%
Total	\$ 92,656,200	100.0%	\$ 106,913,200	100.0%

Property taxation although increasing in total levy, the portion that property taxation represents of all revenue sources for 2026 actually falls from 40% down to 37%. The reduction in taxation as a % of total revenue is linked to the increase in fees and charges and more substantially an increase in borrowing for 2026. The majority of borrowing for 2026 is for the East Side Firehall project which represents \$18M of the \$23.5M total borrowing. The remaining borrowing is split between two projects, Ryan Road Sidewalk \$2M and Braidwood Rd – Storm & Road component \$3.5M.

Average Residential Dwelling

The table below outlines the total impact of taxation, utilities and other taxing authorities on an average home in Courtenay. Due to timing, other taxing authorities impact on the average home has been estimated. The average home value is based on information released annually by BC Assessment. In Courtenay the average home value has increase by 2.9% to \$752,000 from \$731,000 in 2025. Overall, when we look at all residential properties within Courtenay the change in value is slightly lower at 1.3%, this includes all forms of residential properties, not just single residential dwellings.

Average Residential Dwelling					
	2025	2026	\$ Change	% Change	
Average Value	\$ 731,000	\$ 752,000	\$ 21,000		2.9%
General Tax rate	2.7031	2.8141	0.1110		4.1%
City Property Tax	\$ 1,975.97	\$ 2,116.22	\$ 140.25		7.1%
Total Variable tax	\$ 1,975.97	\$ 2,116.22	\$ 140.25		7.1%
Utilities					
	2025	2026	\$ Change	% Change	
Water User fee	\$ 624.00	\$ 682.00	\$ 58.00		9.3%
Water Frontage*	120.10	141.37	21.27		17.7%
Sewer User fee	478.00	520.00	42.00		8.8%
Sewer Frontage*	209.38	209.38	- 0.00		0.0%
Solid Waste	357.50	359.50	2.00		0.6%
Total Utilities	\$ 1,788.98	\$ 1,912.25	\$ 123.27		6.9%
Total City Property Charges	\$ 3,764.95	\$ 4,028.46	\$ 263.52		7.0%
Other Taxing Authorities - Estimated					
Library	\$ 108.99	\$ 117.70	\$ 8.72		8.0%
School	954.22	1,001.93	47.71		5.0%
CVRD (1)	564.81	610.00	45.18		8.0%
CSRHD	183.93	189.45	5.52		3.0%
MFA	0.14	0.15	0.00		1.0%
BCA	25.95	26.21	0.26		1.0%
Total Other Taxing Authorities	\$ 1,838.04	\$ 1,945.43	\$ 107.39		5.8%
Grand Total Property Charges	\$ 5,602.98	\$ 5,973.89	\$ 370.91		6.6%

Courtenay continues to provide good value for taxation and stable services to residents. Council has not provided direction to reduce services to reduce taxation. Looking at comparable communities Courtenay continues to be in a reasonable realm when compared to similar population sized communities along with local communities. The tables below compare Courtenay taxation in 2025 with other communities' taxation in 2025. The data is taken from BC Statistics and is the total charges on an average home within each community.

Comparable Communities 2025			Local Communities 2025		
Municipality	Population 2021	Property Tax	Municipality	Population 2021	Property Tax
White Rock	21,939	\$ 9,687	Qualicum Beach	9,303	\$ 6,946
Port Moody	33,535	\$ 9,315	Nanaimo	99,863	\$ 6,388
Squamish	23,819	\$ 7,374	Parksville	13,642	\$ 5,897
Langley	28,963	\$ 6,977	Campbell River	35,519	\$ 5,800
West Kelowna	36,078	\$ 6,830	Cumberland	4,447	\$ 5,776
Campbell River	35,519	\$ 5,800	Powell River	13,943	\$ 5,754
Penticton	36,885	\$ 5,740	Comox	14,806	\$ 5,743
Courtenay	28,420	\$ 5,717	Courtenay	28,420	\$ 5,717
North Cowichan	31,990	\$ 5,459	Port Alberni	18,259	\$ 5,060
Cranbrook	20,499	\$ 5,340			
Salmon Arm	19,432	\$ 4,945			
Fort St. John	21,465	\$ 3,419			

Appendices

Attached to this report are 4 appendices that provide additional detail to the Financial Plan bylaw.

Appendix 1 - 2026-2030 Financial Plan Detail

This appendix provides detail on the individual departments and utilities operating budgets. Revenue and expense for a given department is shown, this report allows users to see revenue that is directly linked to a specific department. The benefit of this report is it allows users to better understand the interaction of certain departments revenue and expenses and how although a department might generate revenue, it will still see a net tax subsidy.

Appendix 2 - 2026-2030 Capital Plan

This appendix provides detail on all capital projects. This appendix is broken down by year; this appendix also provides detail on each projects funding source(s). Note that in some limited circumstances a project will appear in the general, water and sewer sections as these projects have components that fall into all 3 areas.

Appendix 3 - 2026-2030 Special Projects

This appendix provides details on all special projects. A special project is one-time or semi-irregular project that is not part of the day-to-day operations of a specific department. A special project differs from a capital project as it does not result in a capital asset upon completion.

Appendix 4 - Capital Project Binder

This appendix provides additional individual detail on all capital projects. Appendix 2 – 2026-2030 Capital Plan has limited description of each project to the project name.

ADMINISTRATIVE IMPLICATIONS:

Upon adoption of a Financial Plan, spending identified within the plan becomes authorized. During the time between the adoption of a Financial Plan and the adoption of the Annual Tax Rate Bylaw, amendments will be made to align Council taxation direction with the revised roll received in April from BC

Assessment along with information regarding other taxing authorities. An amended Financial Plan bylaw and Tax Rate bylaw will be brought before Council for consideration in late April, to meet the May 15th statutory adoption deadline.

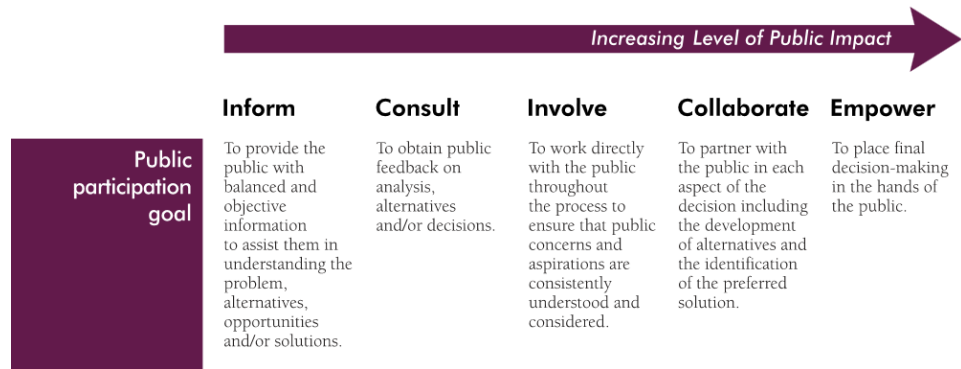
STRATEGIC PRIORITIES REFERENCE:

This initiative addresses the following cardinal directions:

COURTENAY WILL BE RESPONSIBLE FOR THE FUTURE by being more thoughtful, strategic, and efficient in all resources that we use whether it be land, energy, or public infrastructure, to ensure that actions deliver on multiple goals of fiscal responsibility, economic resilience, social equity, and ecological health.

PUBLIC ENGAGEMENT:

Staff would Consult the public based on the IAP2 Spectrum of Public Participation:



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OPTIONS:

1. THAT Council give first, second and third reading to 2026-2030 Financial Plan Bylaw No. 3211, 2026
2. THAT Council provide alternative direction to staff.

ATTACHMENTS:

- Appendix 1 - 2026-2030 Financial Plan Detail
- Appendix 2 - 2026-2030 Capital Plan
- Appendix 3 - 2026-2030 Special Projects
- Appendix 4 - Capital Project Binder

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