



The Corporation of the City of Courtenay

# Bylaw No. 3211

## A bylaw for the City of Courtenay Five-Year Financial Plan for the Period 2026 to 2030

### WHEREAS

- A. Section 165 of the *Community Charter* requires that every municipality must have a five-year financial plan that is adopted annually, by bylaw, before the annual property tax bylaw is adopted and that the financial plan must set out the objectives, and policies of the municipality for the planning period in relation to the funding sources, the proportion of total revenue from the funding sources, the distribution of property value taxes among the property classes and the use of permissive tax exemptions;
- B. Section 166 of the *Community Charter* requires that, before adopting a bylaw under section 165, a Council must undertake a process of public consultation regarding the proposed financial plan; and
- C. Council for the City of Courtenay has complied with section 166 of the *Community Charter*.

NOW THEREFORE the Council of the City of Courtenay, in open meeting assembled, enacts as follows:

- A. 2026 – 2030 Financial Plan Bylaw No. 3211, 2026 that authorizes all revenue and expenditures for the period 2026 – 2030

### Citation

1. This Bylaw shall be cited as “**2026 – 2030 Financial Plan Bylaw No. 3211, 2026**”.

### Application

2. The attached schedules A and B form part of this Bylaw.

### Severability

3. If any portion of this Bylaw is declared invalid by a court of competent jurisdiction, then the invalid portion must be severed and the remainder of the Bylaw is deemed valid.

Read a first time this 11th day of February, 2026

Read a second time this 11th day of February, 2026

Read a third time this 11th day of February, 2026

Adopted this 25th day of February, 2026

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Mayor Bob Wells

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Corporate Officer Adriana Proton

## Schedule A

| Revenue                                 | 2026                   | 2027                    | 2028                    | 2029                    | 2030                    |
|---|------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Property Taxation                       | \$ (39,544,200)        | \$ (45,365,000)         | \$ (52,032,200)         | \$ (53,889,800)         | \$ (55,668,300)         |
| Frontage and Parcel Taxes               | (4,459,600)            | (4,814,200)             | (5,220,800)             | (5,705,300)             | (6,090,000)             |
| Fees and Charges                        | (28,975,100)           | (30,948,100)            | (33,060,700)            | (35,491,000)            | (37,754,900)            |
| Government Transfers                    | (5,695,200)            | (15,108,700)            | (5,423,800)             | (6,832,300)             | (7,554,800)             |
| Other Revenue                           | (4,739,100)            | (8,966,900)             | (11,624,100)            | (5,351,600)             | (4,572,100)             |
| <b>Total Revenue</b>                    | <b>\$ (83,413,200)</b> | <b>\$ (105,202,900)</b> | <b>\$ (107,361,600)</b> | <b>\$ (107,270,000)</b> | <b>\$ (111,640,100)</b> |
| <b>Expenses</b>                         |                        |                         |                         |                         |                         |
| General Government Expenses             | \$ 6,049,900           | \$ 5,557,200            | \$ 5,866,600            | \$ 6,072,400            | \$ 6,473,400            |
| Fire Services                           | 3,618,800              | 3,941,500               | 4,537,600               | 4,942,000               | 5,261,000               |
| Police Services                         | 10,243,700             | 10,560,800              | 10,895,000              | 11,244,200              | 11,607,800              |
| Engineering Services                    | 2,721,100              | 1,709,300               | 1,765,100               | 1,859,500               | 1,859,500               |
| Operational Services                    | 9,756,000              | 10,173,300              | 10,781,500              | 11,406,800              | 11,732,800              |
| Solid Waste Services                    | 4,025,700              | 4,142,200               | 4,286,600               | 4,501,600               | 4,733,400               |
| Development Services                    | 3,726,000              | 3,128,300               | 3,323,300               | 3,437,100               | 3,412,600               |
| Recreational and Cultural Services      | 10,926,400             | 10,179,500              | 10,601,400              | 10,842,400              | 11,225,700              |
| Sewer Services                          | 9,784,200              | 9,835,500               | 10,105,700              | 10,410,700              | 10,725,100              |
| Water Services                          | 11,074,800             | 11,806,300              | 12,693,800              | 13,633,800              | 14,195,500              |
| Financial Services                      | 3,998,700              | 4,171,700               | 4,030,900               | 4,182,000               | 4,433,200               |
| Gaming Expenses                         | 492,500                | 492,500                 | 492,500                 | 475,500                 | 475,500                 |
| Debt Interest                           | 1,459,600              | 2,331,600               | 3,572,300               | 4,522,300               | 4,526,200               |
| Amortization                            | 7,584,845              | 7,584,845               | 7,584,845               | 7,584,845               | 7,584,845               |
| <b>Total Expenses</b>                   | <b>\$ 85,462,245</b>   | <b>\$ 85,614,545</b>    | <b>\$ 90,537,145</b>    | <b>\$ 95,115,145</b>    | <b>\$ 98,246,545</b>    |
| <b>Operating Deficit / (Surplus)</b>    | <b>\$ 2,049,045</b>    | <b>\$ (19,588,355)</b>  | <b>\$ (16,824,455)</b>  | <b>\$ (12,154,855)</b>  | <b>\$ (13,393,555)</b>  |
| <b>Transfers and Acquisitions</b>       |                        |                         |                         |                         |                         |
| Equity in Capital Assets                | \$ (7,584,845)         | \$ (7,584,845)          | \$ (7,584,845)          | \$ (7,584,845)          | \$ (7,584,845)          |
| Principal Payments                      | 1,118,800              | 1,854,300               | 2,089,600               | 3,302,100               | 3,280,300               |
| Capital Acquisitions                    | 43,088,000             | 47,142,500              | 64,382,300              | 12,261,500              | 10,167,000              |
| Borrowing                               | (23,500,000)           | (14,521,700)            | (46,000,000)            | -                       | (1,000,000)             |
| Transfer to Reserve                     | 8,213,000              | 9,531,400               | 12,064,300              | 13,763,200              | 15,982,800              |
| Transfer from Reserve                   | (23,384,000)           | (16,833,300)            | (8,126,900)             | (9,587,100)             | (7,451,700)             |
| <b>Total Transfers and Acquisitions</b> | <b>\$ (2,049,045)</b>  | <b>\$ 19,588,355</b>    | <b>\$ 16,824,455</b>    | <b>\$ 12,154,855</b>    | <b>\$ 13,393,555</b>    |
| <b>(Surplus) / Deficit</b>              | <b>\$ -</b>            | <b>\$ -</b>             | <b>\$ -</b>             | <b>\$ -</b>             | <b>\$ -</b>             |

## Schedule B

### Objectives and Policies for Schedule “B”

In accordance with section 165 (3.1) of the *Community Charter*, the City of Courtenay is required to include in the Five-Year Financial Plan, objectives, and policies regarding each of the following

- The proportion of total revenue that is proposed to come from that funding source
- the distribution of property value taxes among the property classes that may be subject to the taxes
- the provision of development potential relief under section 198.1 of the *Community Charter*
- the use of permissive tax exemptions

### ***Proportion of Revenue by Source***

#### Property Tax

- The City of Courtenay will attempt to keep the proportional share of revenue from property taxes at a level similar to the average of comparable municipalities.
- Where new sources of revenue are made available to the City from senior governments, wherever possible these revenues will be used to reduce dependency on property taxation revenue.

#### Frontage & Parcel Tax

- Parcel taxes will be used whenever Council determines that they are more appropriate than property taxes.

#### Fees & Charges

- Wherever possible, fees & charges will be used to assign costs to those who benefit from the service provided. The proportion of costs recovered by fees and charges will vary with the nature of the service provided.

#### Transfers from other Governments and Agencies

- The City will ensure that all government transfers are used in accordance with the terms and conditions attached to the funding and that all reporting requirements are met.
- Unconditional government transfers will be considered as general revenue in the financial plan

#### Other Sources of Revenue

- The City will continue to seek other sources of revenue in order to reduce reliance on property taxes.

#### Proceeds of Borrowing

- Borrowing will be considered when determining the funding sources of large capital projects that provide benefits to taxpayers over a long period of time.

#### Proportions of Total Revenue by Source

| 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%         |
| <b>Total</b>              | <b>\$ 92,656,200</b> | <b>100.0%</b> | <b>\$ 106,913,200</b> | <b>100.0%</b> |

## 2026 Distribution of Property Tax Revenue by Class

| Property Class    | Tax Revenue          | % of Total Tax | Property                 |                       |
|-------------------|----------------------|----------------|--------------------------|-----------------------|
|                   |                      |                | Assessment \$ Value      | % of Total Assessment |
| 1 Residential     | \$ 26,086,289        | 66.0%          | \$ 9,204,663,712         | 89.1%                 |
| 2 Utilities       | 140,848              | 0.4%           | 3,522,600                | 0.0%                  |
| 3 Supportive Hous | -                    | 0.0%           | -                        | 0.0%                  |
| 5 Light Industry  | 131,978              | 0.3%           | 12,991,400               | 0.1%                  |
| 6 Commercial      | 13,151,497           | 33.3%          | 1,107,251,682            | 10.7%                 |
| 8 Recreational    | 32,687               | 0.1%           | 5,850,700                | 0.1%                  |
| 9 Farm            | 901                  | 0.0%           | 669,505                  | 0.0%                  |
| <b>Total</b>      | <b>\$ 39,544,200</b> | <b>100.0%</b>  | <b>\$ 10,334,949,599</b> | <b>100.0%</b>         |

**Permissive Tax Exemptions**

- A permissive tax exemption is strictly at the discretion of the City of Courtenay Council. After careful consideration of all applications Council may approve a full, a partial, or no tax exemption. The tax exemption may vary for the different applicants.
- The cumulative value of permissive tax exemptions shall not exceed 2% of the total tax levy of the previous year.
- The Annual Municipal Report for 2025 contains a list of permissive exemptions granted to not-for-profit institutions that form a valuable part of our community. These include religious institutions, historical societies, service societies and recreational organizations.