



The Corporation of the City of Courtenay

# Briefing Note

**To:** Council  
**From:** Director of Finance  
**Subject:** Budget Engagement 2026

**File No.:** 1700-20  
**Date:** February 11, 2026

**PURPOSE:**

To provide Council with information from the online budget engagement that ran January 6, to January 27, 2026.

**BACKGROUND:**

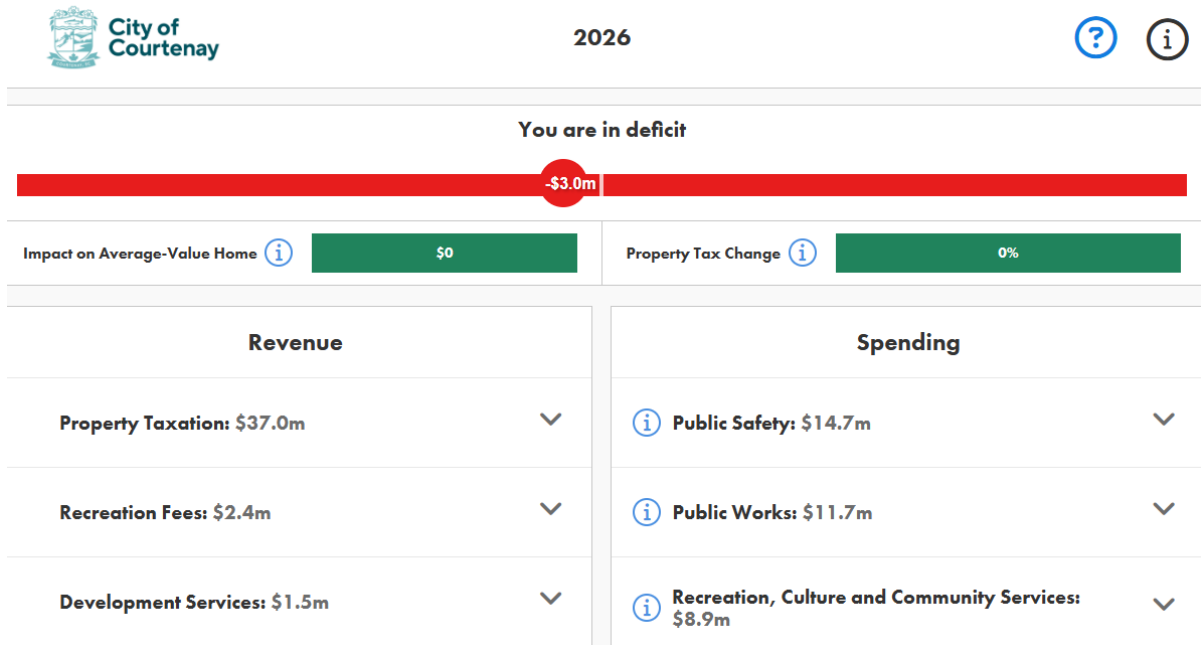
For the 2024 Financial Plan the City moved the engagement process online through a budget engagement tool called Balancing Act. Residents are presented with many options on revenue and services of the City that they can choose to increase or decrease. Respondents must provide a balanced budget they simply cannot reduce all taxes and increase all services. For the 2026 Financial Plan the City continued with online engagement.

**DISCUSSION:**

**Simulation Design**

The budget simulation was designed around a simplified Financial Plan that is reflective of 2026 Financial Plan. This includes both revenue and expenditures for the General and Utility Funds.

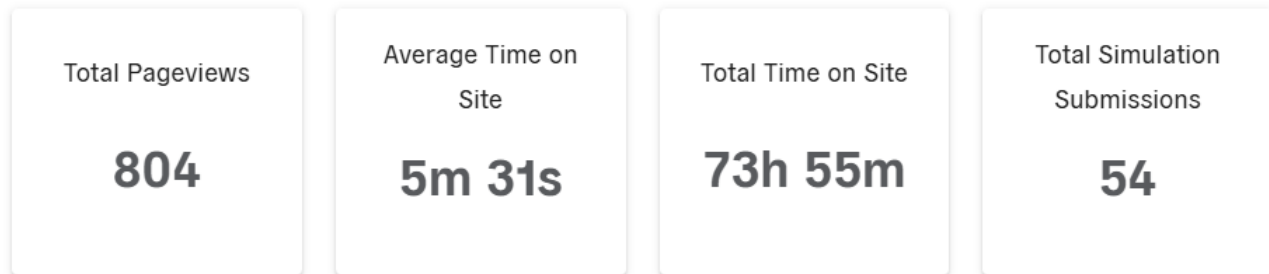
Budgets were grouped by functional area (i.e. Public Safety, Recreation) and respondents could increase or decrease revenue and expenditure allocations at the department level. Prior to submitting their budget, they needed to balance the budget (revenue greater or equal to expenditures).



A change for 2026 was starting the simulation from an unbalanced budget, the goal was to force respondents to make decision to balance the budget. In prior years the simulation started from a balance budget perspective which permitted respondents to make no changes prior to submission if they so desired.

### Results

The engagement efforts for the 2026 Financial Plan was successful and although fewer submissions received the engagement tool saw an increased amount of time on the site. As noted in the engagement analytics below, the budget simulation garnered a total of 804 (1,088-2025) unique viewings, averaging 5:31 minutes (4:49-2025) per engagement. This equates to a total of 73 hours (87-2025) of budget engagement and exploration of revenue and expenditures scenarios.

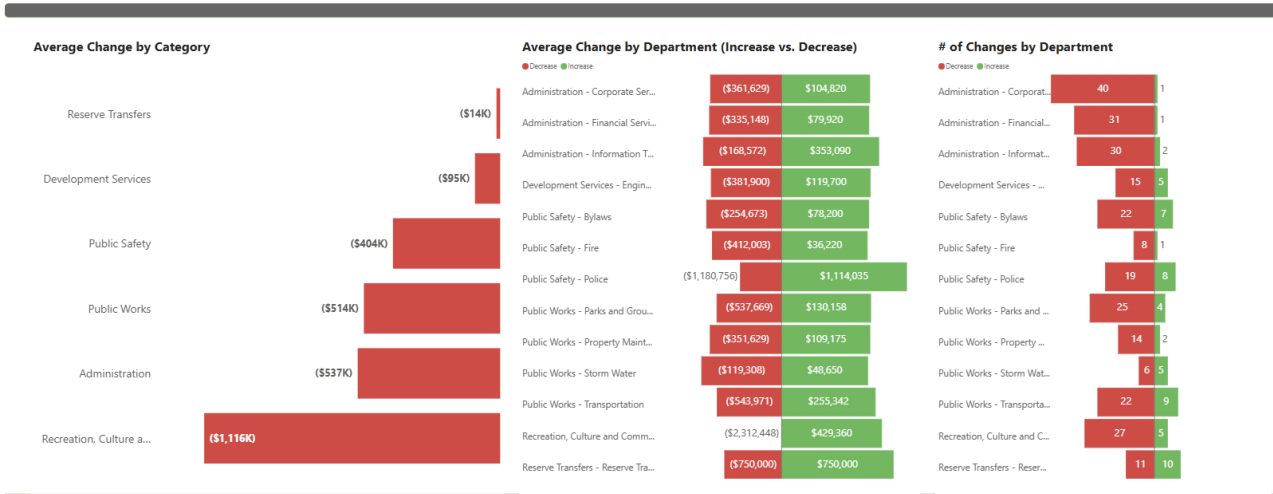
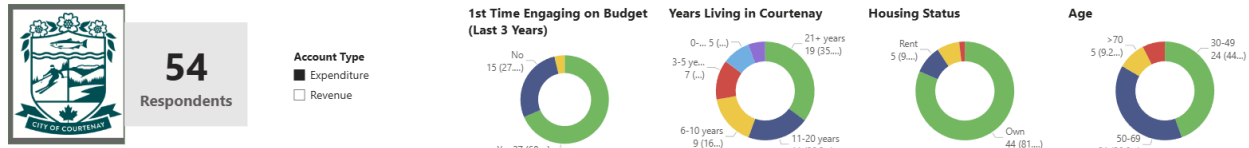


A total of 54 (72 - 2025) individuals submitted their budget for the City to learn about their preferences and comments on the 2026 Financial Plan. Although 54 submissions seem like a low figure, we must consider how much interest was generated by the prior methods of in person budget engagement. An additional benefit that to this approach was the active engagement through the balance budget tool as opposed to previous passive engagement. Attending and listening to a budget presentation in person is not active engagement as there is limited ability to provide feedback. Historically budget presentations have not been well attended, with only a handful of people attending. If there were 10 attendees, this would have resulted in 20 hours of engagement assuming a 2-hour presentation. Online budget engagement provided 73 hours of active engagement where residents had the opportunity to provide direct feedback moving the engagement from an informative approach to a more engaging approach.

Below is a link to the results of this submission in a budget visualization report:

<https://app.powerbi.com/view?r=eyJrIjojOWQ2MzY5YWItZDJkYy00M2ViLTlkMjAtNzIzMTc3YjQ4ZDQ5IiwidCI6IjI5ZmFiZDkxLTYyYzYtNDRhOS1hOGMzLTUxZTM2ZTFhNWUwMyIsImMiOiZ9>

This information link will be made available on the City's website in the 2026 to 2030 Financial Plan area.

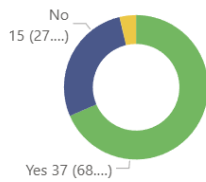


The top row the visualisation provides details on the four questions asked (voluntarily) regarding:

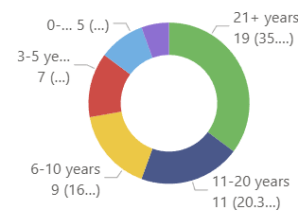
- Is this the 1<sup>st</sup> time engaged with the City of Courtenay on the Budget in the last 3 years?
  - 69% of respondents answered yes (76% - 2025)
- How many years lived in Courtenay?
  - 35% - 21 Years or more (27% - 2025)
  - 20% - 11-20 years
  - 16% - 6-10 Years (17% - 2025)
  - 13% - 3-5 Years (16% - 2025)
  - 9% - 0-2 Years
- Housing Status (own, rent or other)
  - 81% own their home (72% - 2025)
- Age
  - 44% - 34-49 years (38% - 2025)
  - 39% - 50-69 years (35% - 2025)
  - 10% - 70+ years

By clicking any one of these questions you can see these different groups responses to the budget simulation. The tool will display only the information from the group selected; this allows you to better understand how different years living in Courtenay, Housing Status or Age impact survey results.

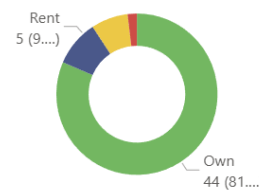
**1st Time Engaging on Budget (Last 3 Years)**



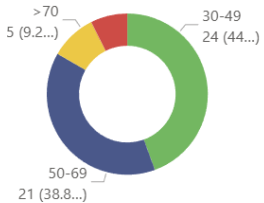
**Years Living in Courtenay**



**Housing Status**



**Age**

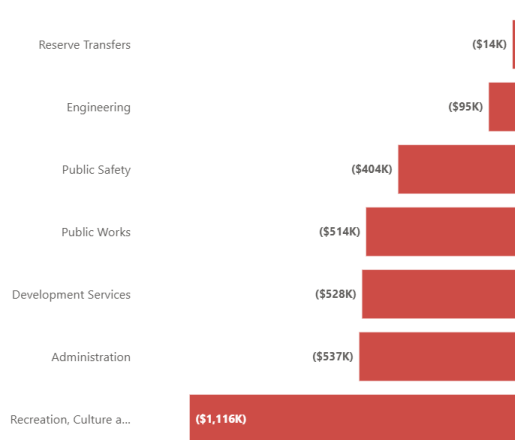


**Average Change by Category –** This summarizes the total average change in a given category, this includes those who increase and decrease the category.

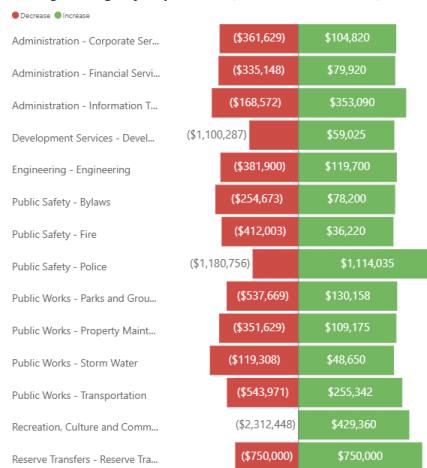
**Average Change by Department (Increase vs. Decrease) –** This summarises the average change for those who selected an increase or decrease it is not the average of both increase and decrease.

**# of Changes by Department –** This summarizes the number of times a person selected a decrease or increase, it does not calculate the amount it simply quantifies the number of increase/decrease survey results.

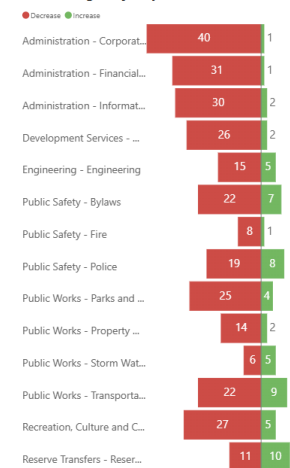
**Average Change by Category**



**Average Change by Department (Increase vs. Decrease)**



**# of Changes by Department**



**Average Change by Category**

The average change by category summarizes the total average change in a given category, this includes respondents who increased or decreased a given category. Overall, the expenditure category with the highest average increase in funding did not exist this year, this is likely due to the simulation starting from a deficit position. The category with the smallest decrease was transfers to reserve. The expenditure categories with highest average decrease in funding was Recreation, Culture and Community Services followed by City Administration.

**Average Change by Department**

The average change by department summarizes the average increase and decrease (separately) by department. This is not an average of increases and decreases combined, it is the average of all respondents to choose to increase an area or all respondents who choose to decrease an area. This method better shows the desires of respondents with a common response. At the department level, the highest average increase in funding was Public Safety – Police with an increase of \$1.1M followed by

Transfers to Reserves at \$750K. The 3<sup>rd</sup> largest increase was to Recreation Culture and Community Services at \$429K. The expenditure categories with highest average decrease in funding was Recreation Culture and Community Services at \$2.3M, Public Safety – Police \$1.2M, and Development Services \$1.1M.

This commonality of most popular increase and decreases shows the polarized opinion on what services the City should provide.

### Property Taxes

Property taxes are the highest revenue source for the City of Courtenay and the most visible tax for most residents. Respondents were provided the option of increasing or decreasing property taxes to balance the budget and shown the implications on the average-valued home for making each one percent change in tax revenue collected.

Impact on Average-Value Home 	\$66	Property Tax Change 	3%
--	------	---	----

Overall, most respondents decided to increase the property tax collection amount (25 respondents), followed by 19 respondents electing to have no change property taxes and 10 respondents decreasing property taxes.

The budget simulation requires that you submit a balanced budget, therefore, reductions in property taxes will likely lead to reductions in expenditures in department budgets. For respondents decreasing property taxes, the highest average decrease to a department to balance the budget was in Recreation Culture and Community Services (\$2.4M) followed by Development Services (\$1.15M). In the prior year it was Recreation Culture and Community Services (\$663K) followed by Transportation (\$404K)

Below is a table showing the differences of average changes based upon property tax response. Each column the table summarizes the date of respondents who chose to decrease, increase or have no change to property taxes. This method of analysis data helps show commonality services that would be impacted given a choice on taxation change.

**AVERAGE CHANGE BY DEPARTMENT BASED UPON PROPERTY TAX DECISION**

*Property Taxes is Courtenay's primary source of revenue for the General Fund. This table looks at the changes made in relation to the property tax rate submitted by the simulation respondent. Respondents were grouped into one of three categories: (1) Decreased, (2) Increased or (3) No Change to the Property Tax Rate.*

	Decrease Property Taxes	Increase Property Taxes	No Change to Property Taxes	All Respondents
<b>RESPONDENTS</b>	10	25	19	54
<b>REVENUE</b>	<b>(2,322,384)</b> ▼	<b>2,335,855</b> ▲	<b>117,155</b> ▼	<b>692,564</b>
Other Revenue - Operating Reserves	(300,000) ▼	90,000 ▲	118,421 ▲	27,778
Property Taxes - Increase/Decrease	<b>(2,109,000)</b> ▼	<b>2,175,600</b> ▲	-	<b>616,667</b>
Recreation Fees - Recreation	86,616 ▲	70,255 ▲	(1,266) ▼	48,120
<b>EXPENDITURES</b>	<b>(6,602,471)</b> ▼	<b>(841,704)</b> ▲	<b>(4,537,742)</b> ▼	<b>(3,208,970)</b>
<b>Administration</b>	<b>(1,054,900)</b> ▼	<b>(239,538)</b> ▲	<b>(657,029)</b> ▼	<b>(537,426)</b>
Corporate Services	(450,726) ▼	(132,073) ▲	(344,803) ▼	(265,932)
Financial Services	(451,548) ▼	(71,928) ▲	(210,316) ▼	(190,920)
Information Technology	(152,626) ▼	(35,537) ▲	(101,911) ▼	(80,574)
<b>Development Services</b>	<b>(1,149,020)</b> ▼	<b>(64,534)</b> ▲	<b>(809,782)</b> ▼	<b>(527,581)</b>
<b>Engineering</b>	<b>(94,050)</b> ▲	<b>(6,840)</b> ▲	<b>(211,500)</b> ▼	<b>(95,000)</b>
<b>Public Safety</b>	<b>(833,377)</b> ▼	<b>(265,573)</b> ▲	<b>(361,273)</b> ▲	<b>(404,394)</b>
Bylaws	(194,005) ▼	(33,166) ▲	(120,326) ▼	(93,619)
Fire	(14,488) ▲	(27,527) ▲	(127,723) ▼	(60,367)
Police	(624,884) ▼	(204,880) ▲	(113,223) ▲	(250,409)
<b>Public Works</b>	<b>(1,016,754)</b> ▼	<b>(49,713)</b> ▲	<b>(860,898)</b> ▼	<b>(514,211)</b>
Parks and Grounds	(293,446) ▼	(70,048) ▲	(433,443) ▼	(239,279)
Property Maintenance	(224,305) ▼	-	(129,547) ▼	(87,119)
Storm Water	(9,035) ▼	4,726 ▲	(26,337) ▼	(8,752)
Transportation	(489,968) ▼	15,610 ▲	(271,571) ▼	(179,061)
<b>Recreation, Culture and Community Services</b>	<b>(2,379,370)</b> ▼	<b>(275,506)</b> ▲	<b>(1,558,313)</b> ▼	<b>(1,116,469)</b>
<b>Reserve Transfers</b>	<b>(75,000)</b> ▼	<b>60,000</b> ▲	<b>(78,947)</b> ▼	<b>(13,889)</b>

- Reduced by more than 2 times the average
- Reduced by more than 5 times the average
- Increased by more than 2 times the average
- Increased by more than 5 times the average

Continued from 2025 is the number of respondents who selected an increase to property tax outweighed the number who selected a decrease. This shows continued willingness to pay for the services that the City currently provides versus a reduction in service and a reduction in taxation.

These variations in average department changes demonstrate the trade-offs necessary when revenue is increased or decreased. Additionally, it shows that some residents support property tax increases and the areas where they support additional funding being invested.

A reminder that this data can be sliced and diced in a multitude of ways and the best method to see this data is through the online visualize tool found in the link below:

<https://app.powerbi.com/view?r=eyJrIjojOWQ2MzY5YWItZDJKYy00M2ViLTlkMjAtNzIzMTc3YjQ4ZDQ5liwidCI6IjI5ZmFmZDkxLTYyYzYtNDRhOS1hOGMzLTUxZTM2ZTFhNWUwMyIsImMiOjZ9>

## Summary of Comments

In the simulation two open ended questions were asked, the information below has been summarized from the responses.

### *What do you like best about Courtenay?*

Residents overwhelmingly love Courtenay for its:

- Nature and recreation
- Small-town charm
- Friendly community
- Walkable downtown and local businesses
- Climate and geographic location

With smaller themes around:

- Cultural growth potential
- Good public amenities
- Appreciation for community-oriented governance

### *What can Courtenay do better?*

The feedback is diverse, and often polarized, but overarching themes include:

Most Common Concerns

- Taxes and spending priorities
- Downtown safety and social issues
- Active transportation and traffic safety
- Trust and communication with Council

Emerging Opportunities

- Improved transparency can build trust
- Infrastructure and revitalization can reduce pain points
- Community-focused services can boost support
- Stronger cycling/transit networks have broad backing

## **POLICY ANALYSIS:**

No direct policy impact from information provided however feedback from budget engagement will help influence and inform future Financial Plans.

## **FINANCIAL IMPLICATIONS:**

No direct financial impact from information provided, however feedback from budget engagement will help influence and inform future Financial Plans.

## **ADMINISTRATIVE IMPLICATIONS:**

Limited Administrative impacts as Financial Planning is part of the Finance departments core duties.

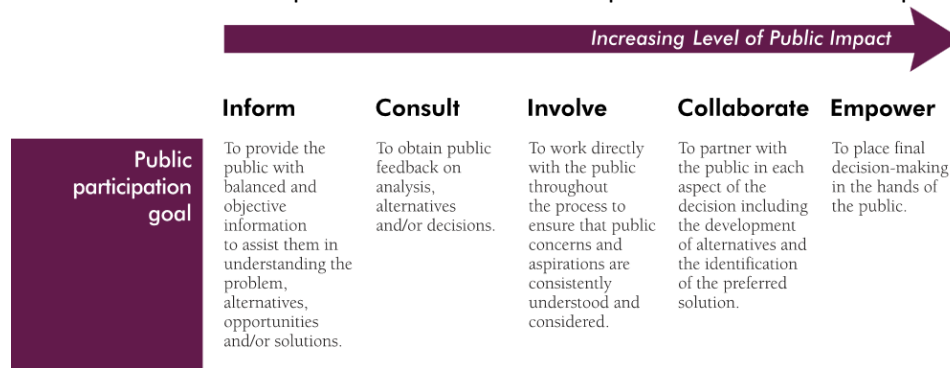
## **STRATEGIC PRIORITIES REFERENCE:**

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 involve the public based on the IAP2 Spectrum of Public Participation:



© International Association for Public Participation [www.iap2.org](http://www.iap2.org)

**RECOMMENDATION:** THAT Council receive the Budget Engagement 2026 briefing note.

**ATTACHMENTS:**

1. None

Prepared by: Adam Langenmaier, BBA, CPA, CA, Director of Finance

Concurrence: Geoff Garbutt, M.P.I., MCIP, RPP, City Manager (CAO)