

CITY OF COURTENAY

BYLAW NO. 3130, 2024

**A bylaw for the City of Courtenay
Five-Year Financial Plan for the period 2024 to 2028 inclusive**

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

- A. the Council of the City of Courtenay, in open meeting assembled, enacts as follows:
 - 1. This bylaw may be cited for all purposes as **“2024 – 2028 Consolidated Financial Plan Bylaw No. 3130, 2024”**
 - 2. Schedules A and B attached hereto and forming part of this bylaw are hereby declared to be the Five-Year Financial Plan of the City of Courtenay for the years 2024 to 2028 inclusive.
 - 3. “The 2023 – 2027 Consolidated Financial Plan Bylaw No. 3096, 2023” is hereby repealed.

Read a first time this day of April, 2024

Read a second time this day of April, 2024

Read a third time this day of April, 2024

Finally passed and adopted this day of May, 2024

Mayor

Deputy Corporate Officer

City of Courtenay
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 Schedule A

Revenue	2024	2025	2026	2027	2028
Property Taxation	\$ 34,007,000	\$ 37,818,000	\$ 40,576,400	\$ 43,642,200	\$ 46,186,200
Frontage and Parcel Taxes	3,516,400	3,478,800	3,496,000	3,513,500	3,522,500
Fees and Charges	25,517,600	26,663,700	27,827,200	29,145,800	30,214,600
Government Transfers	7,581,300	4,443,900	4,777,300	10,011,310	4,930,100
Other Revenue	4,160,100	8,835,300	4,455,200	9,207,700	3,604,800
Total Revenue	\$74,782,400	\$81,239,700	\$81,132,100	\$95,520,510	\$88,458,200

Expenses					
General Government	\$ 5,484,300	\$ 4,807,900	\$ 5,131,500	\$ 5,275,100	\$ 5,449,900
Fire Services	3,305,000	3,382,700	3,633,200	3,992,600	4,078,600
Police Services	8,625,800	8,849,000	9,049,900	9,272,400	9,522,700
Engineering Services	1,756,000	875,600	915,300	935,700	977,600
Operational Services	11,447,700	11,017,600	11,137,500	11,158,500	11,369,200
Solid Waste Services	4,179,900	4,067,000	4,254,900	4,452,300	4,659,200
Development Services	3,430,500	2,496,800	2,576,400	2,928,700	3,188,600
Recreational & Cultural Services	6,909,700	6,978,100	7,129,700	7,305,300	7,388,900
Sewer Services	8,913,100	9,210,500	9,559,000	9,624,800	9,900,000
Water Services	10,094,200	10,424,600	10,833,400	11,224,400	11,665,500
Financial Services	3,282,700	3,297,700	3,403,300	3,493,800	3,614,100
Gaming	387,500	387,500	387,500	387,500	387,500
Debt Interest	799,000	1,708,200	2,530,700	3,151,300	3,667,600
Amortization	7,038,200	7,038,200	7,038,200	7,038,200	7,038,200
Total Operating Expenses	\$ 75,653,600	\$ 74,541,400	\$ 77,580,500	\$ 80,240,600	\$ 82,907,600
Operating (Deficit) / Surplus	\$ (871,200)	\$ 6,698,300	\$ 3,551,600	\$ 15,279,910	\$ 5,550,600

Transfers and Acquisitions					
Equity in Capital Assets	\$ 7,038,200	\$ 7,038,200	\$ 7,038,200	\$ 7,038,200	\$ 7,038,200
Principal Payments	(986,900)	(1,225,400)	(2,131,700)	(2,221,100)	(2,628,100)
Capital Acquisitions	(34,370,300)	(41,012,000)	(15,290,500)	(40,229,000)	(10,732,000)
Borrowing	12,426,000	28,000,000	5,662,200	20,621,690	1,750,000
Transfer to Reserve	(5,414,300)	(6,699,600)	(5,977,000)	(7,625,200)	(8,439,400)
Transfer from Reserve	22,178,500	7,200,500	7,147,200	7,135,500	7,460,700
Total Transfers and Acquisitions	\$ 871,200	\$ (6,698,300)	\$ (3,551,600)	\$ (15,279,910)	\$ (5,550,600)

(Deficit) / Surplus	\$ -	\$ -	\$ -	\$ -	\$ -
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Schedule B

Objectives and Policies for Schedule “B” Bylaw 3130

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.

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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	2023		2024	
	Amount (\$)	% of Total Revenue	Amount (\$)	% of Total Revenue
Property Tax	\$ 31,145,000	43%	\$ 34,007,000	39%
Frontage and Parcel Tax	3,355,100	5%	3,516,400	4%
Fees and Charges	22,551,400	31%	25,517,600	29%
Transfers from Other Govt	7,350,700	10%	7,581,300	9%
Other Sources	2,622,700	4%	4,160,100	5%
Borrowing	5,278,000	7%	12,426,000	14%
Total	\$ 72,302,900	100%	\$ 87,208,400	100%

2024 Distribution of Property Tax Revenue by Class

Property Class	Tax Revenue	% of Total Tax	Property	
			Assessment \$ Value	% of Total Assessment
1 Residential	\$ 22,286,879	65.5%	\$ 8,749,078,150	89.1%
2 Utilities	134,292	0.4%	3,357,300	0.0%
3 Supportive Housing	-	0.0%	-	0.0%
5 Light Industry	114,272	0.3%	12,236,600	0.1%
6 Commercial	11,449,078	33.7%	1,047,180,931	10.7%
8 Recreational	18,704	0.1%	5,142,400	0.1%
9 Farm	3,775	0.0%	1,389,174	0.0%
Total	\$ 34,007,000	100.0%	\$ 9,818,384,555	100.0%

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 2023 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.