



2025 DRAFT Consolidated Financial Statements
And Independent Auditor's Report thereon

Fiscal Year Ending December 31, 2025

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**City of West Kelowna
December 31, 2025**

Management's Responsibility for Financial Reporting

City of West Kelowna Council has delegated responsibility for the preparation and fair presentation of these consolidated financial statements, and for the integrity and objectivity of the financial information they contain, to City management. Management is responsible for preparing these consolidated financial statements in accordance with Canadian public sector accounting standards and for establishing and maintaining such internal controls as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. In preparing these consolidated financial statements, management makes informed judgments and estimates and applies accounting policies consistently with those used in the preceding year.

The City of West Kelowna's independent auditors, BDO Canada LLP, have audited these consolidated financial statements in accordance with Canadian generally accepted auditing standards. Those standards require that the auditors plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements; the procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. The auditors' opinion is presented in the Independent Auditor's Report.

In management's opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the City of West Kelowna as at December 31, 2025 and the results of its operations, changes in net debt and its cash flows for the year then ended, in accordance with Canadian public sector accounting standards.

Lisa Siavashi, CPA, CMA
Chief Financial Officer
May 12, 2026

City of West Kelowna

Statement of consolidated financial position

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Financial Assets		
Cash and cash equivalents (Note 2)	\$ 41,073,088	\$ 57,113,301
Property taxes receivable	5,700,159	5,150,394
Accounts receivable (Note 3)	16,359,089	19,330,644
Municipal Finance Authority Debt Reserve Fund (Note 1(m))	558,873	-
	<u>63,691,209</u>	<u>81,594,339</u>
Financial Liabilities		
Accounts payable and accrued liabilities (Note 4)	13,481,753	19,782,990
Security deposits	14,728,887	15,893,431
Deferred revenue (Note 5)	11,107,424	7,474,003
Deferred development cost charges (Note 6)	6,545,824	19,398,866
Short-term and equipment debt (Note 7)	11,114,301	41,854,013
Long-term debt (Note 8)	36,754,570	6,105,248
Asset retirement obligations (Note 9)	1,871,788	1,789,130
	<u>95,604,547</u>	<u>112,297,681</u>
Net debt	<u>(31,913,338)</u>	<u>(30,703,342)</u>
Non-financial assets		
Tangible capital assets (Note 10)	519,223,170	504,709,706
Inventory	407,434	613,899
Prepaid expenses	2,236,886	1,206,129
	<u>521,867,490</u>	<u>506,529,734</u>
Accumulated Surplus (Schedule 2)	<u>\$ 489,954,152</u>	<u>\$ 475,826,392</u>

Contingent liabilities and commitments (Notes 14 and 16)

Lisa Siavashi, CPA, CMA
Chief Financial Officer

Gord Milsom
Mayor, City of West Kelowna

City of West Kelowna

Statement of consolidated operations and accumulated surplus

Year ended December 31, 2025, with comparative information for 2024

	2025	2025 Budget (Note 17)	2024
Revenue			
Taxation (Note 11)	\$ 50,112,841	\$ 50,250,056	\$ 46,264,221
Sale of services and regulatory fees	34,589,157	34,664,528	31,674,877
Government transfers (Note 12)	2,463,246	7,409,978	3,887,847
Other (Note 13)	24,705,564	1,940,070	8,600,014
Total Revenue	111,870,808	94,264,632	90,426,959
Expenses (Schedule 3)			
General Government	22,361,324	22,033,141	20,293,412
Protective Services	25,166,121	22,566,488	21,400,167
Solid Waste	2,205,304	1,962,266	1,981,465
Development	2,289,167	2,510,528	1,964,161
Transportation	11,047,708	10,277,773	11,125,683
Parks, Recreation & Culture	11,305,330	10,787,950	10,339,596
Water Services	15,557,722	13,909,375	15,452,962
Sewer Services	7,498,343	7,504,656	7,290,607
Other	312,029	352,475	169,881
Total Expenses	97,743,048	91,904,652	90,017,934
Annual surplus	14,127,760	2,359,980	409,025
Accumulated surplus, beginning of year	475,826,392	475,826,392	475,417,367
Accumulated Surplus, end of year	\$ 489,954,152	\$ 478,186,372	\$ 475,826,392

City of West Kelowna

Statement of consolidated changes in net debt

Year ended December 31, 2025, with comparative information for 2024

	2025	2025 Budget	2024
		(Note 17)	
Annual Surplus	\$ 14,127,760	\$ 2,359,980	\$ 409,025
Acquisition of tangible capital assets	(30,272,787)	(24,352,929)	(36,022,399)
Amortization of tangible capital assets	15,541,116	15,541,116	13,849,006
Accretion	82,658	82,658	
Disposal of tangible capital assets	135,549	-	27,829
Net change in prepaid expenses and inventory	(824,292)	-	404,410
	(1,209,996)	(6,369,175)	(21,332,129)
Net debt, beginning of year	(30,703,342)	(30,703,342)	(9,371,213)
Net debt, end of year	\$ (31,913,338)	\$ (37,072,517)	\$ (30,703,342)

City of West Kelowna

Statement of consolidated cash flows

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used for)		
Operating activities		
Annual Surplus	\$ 14,127,760	\$ 409,025
Non-cash items:		
Amortization of tangible capital assets	15,541,116	13,849,006
Accretion	82,658	79,008
Actuarial adjustments on sinking funds	(618,850)	(497,859)
Disposal of tangible capital assets	113,032	27,829
(Increase) decrease in		
Accounts receivable and property taxes	2,421,790	748,950
Prepaid expenses and inventory	(824,292)	404,410
Increase (decrease) in		
Accounts payable and accrued liabilities	(6,301,238)	(4,120,277)
Security deposits	(1,164,544)	(2,547,991)
Deferred development cost charges	(12,853,042)	2,527,486
Deferred revenue	3,633,421	634,779
	<u>14,157,811</u>	<u>11,514,366</u>
Financing activities		
Proceeds from debt	37,271,030	8,212,993
Repayment of debt	(37,196,267)	(2,313,359)
	<u>74,763</u>	<u>5,899,634</u>
Capital activities		
Acquisition of tangible capital assets and work in progress	(30,272,787)	(36,022,399)
Decrease in cash and cash equivalents	<u>(16,040,213)</u>	<u>(18,608,399)</u>
Cash and cash equivalents, beginning of year	57,113,301	75,721,700
Cash and cash equivalents, end of year	\$ 41,073,088	\$ 57,113,301
<hr/> Supplementary cash flow information		
Interest Earned	\$ 2,093,974	\$ 3,247,600

City of West Kelowna
Notes to Financial Statements
December 31, 2025

1. Summary of significant accounting policies

The following is a summary of the City's significant accounting policies:

a) Nature of operations

The City of West Kelowna ("the City") is a local government situated in the province of British Columbia, Canada. The City is subject to the laws and regulations of the provincial statutes of the Community Charter, the Local Government Act. West Kelowna was officially incorporated as Westside District Municipality on December 6, 2007. In 2008, the name was changed to District of West Kelowna. On June 26, 2015, West Kelowna was reclassified from District to Municipality. At that time, the City had become British Columbia's 51st city. The City provides community services to its taxpayers and is responsible for creating and maintaining an infrastructure to serve a population in excess of the full time residents.

b) Basis of consolidation

The consolidated financial statements reflect the assets, liabilities, revenue and expenses of all municipal organizations, committees and Boards which are owned or controlled by the City. All inter-entity transactions and balances have been eliminated. The controlled organizations include:

West Kelowna Economic Development Corporation

c) Segregation of Operations

The City's resources and operations are segregated into General, Water, Sewer, Storm Drainage, Statutory Reserve and Nonstatutory Reserve Funds for accounting and financial reporting purposes. The consolidated financial statements include all of the accounts of these funds. All interfund transactions and balances have been eliminated within the financial statements.

d) Basis of accounting

The consolidated financial statements are prepared using the accrual basis of accounting and are the responsibility of and prepared by management in accordance with Canadian public sector accounting standards ("PSAS"). Expenses are recognized as they are incurred and measurable based on receipt of goods and services and/or the creation of a legal obligation to pay. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

e) Cash and cash equivalents

Management classifies all term deposits and investments with a maturity of 3 months or less that are cashable on demand as cash equivalents.

f) Financial Instruments

All financial instruments, are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

When investment income is externally restricted, the investment income is recognized as revenue in the period in which the resources are used for the purpose specified.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost.

City of West Kelowna
Notes to Financial Statements
December 31, 2025

1. Summary of significant accounting policies (continued)

g) Tangible capital assets

Tangible capital assets are initially recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. The City does not capitalize interest associated with the acquisition or construction of tangible capital assets. The cost, less residual value, of the tangible capital assets, excluding land, is amortized on a straightline basis over their estimated useful lives as follows:

Asset class	Estimated useful life
Buildings	5-50 years
Drainage	10-50 years
Other tangible capital assets	5-25 years
Sewer infrastructure	20-100 years
Transportation	20-50 years
Vehicles and equipment	3-20 years
Water infrastructure	15-100 years

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are also recorded as revenue.

The City has numerous works of art located throughout the City which are not reflected in these consolidated financial statements due to the subjectivity as to their value.

Tangible capital assets constructed and contributed by developers are recorded at their fair value and are capitalized into tangible capital assets and reflected in the statement of operations and accumulated surplus as revenue.

h) Work in progress

Work in progress represents capital projects under construction but not yet completed and are recorded at cost. Work in progress is not amortized. Amortization of these assets will commence when the asset is put into service.

i) Prepaid expenses and inventory

Prepaid expenses consist of amounts paid related to future years' expenses. Inventory consists of supplies held for construction use and are recorded at lower of cost or replacement cost

j) Employee future benefits

The City and its employees make contributions to the Municipal Pension Plan. As this plan is a multiemployer plan, the City's contributions are expensed as incurred.

Sick leave and other retirement benefits are also available to the City's employees. The ALGEU Collective Agreement allows for the accumulation of sick leave to a maximum of 100 days, it is expensed in the year it is accumulated. Earned sick leave vests after 10 years of employment and is paid to a maximum of 50 days. Accrued earned sick leave and vacation pay is included in wages and payroll liabilities.

City of West Kelowna
Notes to Financial Statements
December 31, 2025

1. Summary of significant accounting policies (continued)

k) Deferred development cost charges ("DCC's")

Pursuant to the provisions of the Local Government Act, DCC's are held for the purpose for which the charges have been imposed. When projects are completed, the DCC's are recognized as revenue. Because these funds are restricted in nature they are shown as a liability.

l) Debt

Outstanding debt is reported net of applicable sinking fund balances.

Interest on debt is charged to current operations. Interest charges are accrued for the period from the date of the latest interest payment to the end of the year.

m) Municipal Finance Authority debt reserve deposits

The City obtains its long-term debt through the Municipal Finance Authority ("MFA"). As a condition of borrowing and as required by legislation, a debt reserve fund is to be established in the amount of one-half the average instalment of principal and interest as set out in the lending agreements. The reserve is funded in part by cash, being the withholding of 1% of the total issue proceeds. The total debt reserve fund cash as at December 31, 2025 is \$558,873 (2024 - \$298,713). The remainder is funded by a demand note whereby the City may be required to loan certain amounts to the Municipal Finance Authority. The total demand loan as at December 31, 2025 is \$1,146,021 (2024 - \$542,873). These demand notes are contingent in nature and are not reflected in the accounts of the City.

n) Reserve funds

Non-statutory reserves represent an appropriation of surplus for specific purposes as determined by Council. Reserves for future expenses represent funds that are available to temporarily finance operations until planned revenues (i.e. property taxes, grants, etc.) are received, or for other operating or capital purposes as determined by Council. Statutory reserves have been established by bylaw in accordance with the Community Charter and their use is restricted by legislation.

City of West Kelowna
Notes to Financial Statements
December 31, 2025

1. Summary of significant accounting policies (continued)

o) Revenue

Revenue with performance obligation(s) are recognized when, or as, the City has satisfied the performance obligation either through a point in time or over a period of time. The City satisfies the performance obligation(s), when control of the benefits associated with the promised goods or services has passed to the payor. Revenues included under exchange transactions are, but not limited to:

- Revenue recognition on engineering fees, planning & development permits, recreation program fees, and property lease revenues are recognized over time as the performance obligations are satisfied.
- Revenue recognition on sales of property, fees for recreation classes, business licenses, fees for goods and services are recognized at a specific point in time when the performance obligations are satisfied.

Revenue from transactions with no performance obligation is recognized at the realizable value when the City has the authority to claim or retain an inflow of economic resources and a past event giving rise to a claim or economic resources has occurred. Revenue included under non-exchange transactions are, but not limited to:

- Developer contributions, tax penalties & arrears, and bylaw violation revenues are involuntary transactions and are recognized at the transaction price when the City has the authority to claim an inflow of economic resources.

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized. Taxes receivable are recognized net of an allowance for anticipated uncollectable amounts.

Contributions or other funding received which has externally imposed restrictions are initially accounted for as deferred revenue and then recognized as revenue when used for the specific purpose.

Contributions received in-kind are recognized as revenue in the period received at the fair market value at the time of the contribution.

p) Government Transfers

Government transfers are recognized as revenue in the consolidated financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

q) Budget figures

The budget figures are from the City's 10-Year Financial Plan Bylaw, adopted before May 15th of each year. Subsequent amendments have been authorized by Council to reflect changes in the budget as required by law. Such amendments are not reflected in the financial statement budget figures.

City of West Kelowna
Notes to Financial Statements
December 31, 2025

1. Summary of significant accounting policies (continued)

r) Measurement of uncertainty

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts, and disclosure of, assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Areas requiring the use of management estimates relate to the determination of payroll liabilities, the existence and measurement of any contingent liabilities, asset retirement obligations and tangible capital asset estimated useful life and related amortization expense. Actual results could differ from management's best estimates as additional information becomes available. Adjustments, if any, will be reflected in the consolidated financial statements in the period that the change in estimate is made.

s) Liability for contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all of the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the City is directly responsible and accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

The liability includes all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring.

t) Asset retirement obligations

A liability for an asset retirement obligation is recognized when there is a legal obligation to incur retirement costs in relation to a tangible capital asset: 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 liability is recorded at the amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. The liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate. Upon the initial measurement of an asset retirement obligation, a corresponding asset retirement cost is added to the carrying value of the related tangible capital asset if it is still in productive use. The cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

City of West Kelowna
Notes to Financial Statements
December 31, 2025

1. Summary of significant accounting policies (continued)

u) Segmented disclosure

A segment is defined as distinguishable activity of group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of the standard.

The City of West Kelowna is a diversified municipal government that provides a wide range of services to its citizens. The City's operations and activities are organized and reported by funds and departments. The General Fund reports on operations, funded primarily by property taxes, which include services provided by the City such as general government services, protective services, solid waste, public health and housing, development, transportation, and parks, recreation and cultural services. The utility operations are comprised of the water, sewer and storm drainage systems, each accounting for its own operations and programs within their own funds. Operating results reported by the following segments are included in Schedule 3.

The various segments are described as follows:

i) General government services

This segment is responsible for a number of different functions including Legislative Services, Administration, Finance, Information Services and the West Kelowna Economic Development Corporation. Legislative services involves staff working closely with Council and community partners to coordinate the delivery of a wide range of functions and services. Administration is responsible for the Human Resources function, which oversees the recruitment and retention of people, management of labour relations, administration of collective agreements, employee compensation and benefit programs, staff training and development, employee health and safety and Work Safe BC regulations. Finance is responsible for the requisition of tax revenues from the Province and other taxing authorities and all treasury and accounting functions. Information Services includes an all-encompassing computer database and mapping system for properties in the City, which is used by City departments, other government agencies and members of the public. The West Kelowna Economic Development Corporation was established to enhance and promote development within the City boundaries.

ii) Protective services

This segment is responsible for all the various services provided by the RCMP, Fire Services and Bylaw Enforcement designed to protect the lives and property of both citizens and visitors with a focus on emergency response, law enforcement, search and rescue, education and prevention.

iii) Solid Waste

Captures the costs of the contract for garbage, recycling, and yard waste pick up at residential locations, along with the cost of replacement carts.

iv) Development services

This segment is responsible for delivering health, planning and development services to the City. The specific functions include planning, building permits and inspections, business licensing, design and engineering services as well as tourism and economic development.

v) Transportation services

This segment is responsible for roads and maintenance, street lighting, traffic management, transit, and storm drainage.

City of West Kelowna
Notes to Financial Statements
December 31, 2025

1. Summary of significant accounting policies (continued)

u) Segmented disclosure (continued)

vi) Parks, recreation and cultural services

This segment is responsible for recreational program design, delivery and management, municipal facilities/parks development and maintenance and museum operations, as well as coordination of many recreational/sporting activities and groups.

vii) Water services

This segment is responsible for the operation and maintenance of the five water systems that provide water services to the residents and businesses within the municipal boundaries of the City

viii) Sewer services

This segment is responsible for the operation and maintenance of the sewer collection system within the municipal boundaries of the City.

ix) Other

This segment includes the operation and maintenance of the Westbank Cemetery.

2. Financial assets - cash and cash equivalents

Cash and cash equivalents held by the City include cash with an average interest rate of 4.01% (2024- 5.62%).

3. Financial assets - Accounts receivable

	<u>2025</u>	<u>2024</u>
Federal government	\$ 800,083	\$ 1,221,998
Provincial government	5,471,557	7,962,161
Sewer fees	3,259,192	3,670,455
Utility fees	6,145,804	5,702,010
Other	682,453	774,020
	<u>\$ 16,359,089</u>	<u>\$ 19,330,644</u>

4. Liabilities - Accounts payable and accrued liabilities

	<u>2025</u>	<u>2024</u>
Trade	\$ 2,907,931	\$ 5,737,920
Wages and payroll	3,954,847	3,948,249
Accrued liabilities	1,749,931	2,105,934
Receiver General	1,718,040	1,713,324
School Tax	573,697	1,747,687
Other governments	2,338,941	3,929,137
Other	238,366	600,739
	<u>\$ 13,481,753</u>	<u>\$ 19,782,990</u>

City of West Kelowna
Notes to Financial Statements
December 31, 2025

5. Liabilities - Deferred revenue

	2025	2024
Balance, beginning of year	\$ 7,474,003	\$ 6,839,224
Deferred revenue received	9,467,670	5,873,658
Revenue Recognized	(5,834,249)	(5,238,879)
Balance, end of year	<u>\$ 11,107,424</u>	<u>\$ 7,474,003</u>

Deferred revenue is comprised of the following:

	2025	2024
Property taxes	\$ 5,484,612	\$ 4,917,133
Recreation program fees	326,830	298,593
Cemetery perpetual care fund	368,016	331,655
Utility fees	294,068	352,213
Building permits	348,832	-
Province of BC - Child Care New Spaces	1,447,271	1,200,000
Other	622,472	97,500
Business licenses	150,066	144,845
Cemetery maintenance fund	150,422	132,064
CMHC - Housing Accelerator Funding	1,914,835	-
	<u>\$ 11,107,424</u>	<u>\$ 7,474,003</u>

6. Liabilities - Deferred development cost charges ("DCC's")

	2025	2024
Balance, beginning of year	\$ 19,398,866	\$ 16,871,380
Contributions from developers	1,382,667	1,976,590
Interest on investments	554,030	911,213
Bylaw expenditures	(14,789,739)	(360,317)
Balance, end of year	<u>\$ 6,545,824</u>	<u>\$ 19,398,866</u>

DCC's are comprised of the following:

	2025	2024
Roads	\$ 969,206	\$ 6,256,666
Water	871,409	7,429,735
Parks	5,159,457	5,772,239
Sewer	(246,480)	173,797
Storm Sewer	(207,768)	(233,571)
	<u>\$ 6,545,824</u>	<u>\$ 19,398,866</u>

City of West Kelowna
Notes to Financial Statements
December 31, 2025

7. Liabilities - Short-Term & Equipment debt

	Current interest rate (%)	Year of Maturity	Balance, beginning of year	Additions	Sinking fund payments	Balance, end of year
Short Term Debt						
MFA loan #0001-0	2.80	2026	\$ 840,553		\$ 369,700	\$ 470,853
MFA loan #0002-01	2.80	2026	2,285,554	-	515,685	1,769,869
MFA loan #0002-01	2.80	2027	1,227,906		354,327	873,579
MFA bylaw #289	2.80	2026	23,500,000		23,500,000	-
MFA bylaw #290	2.80	2027	11,000,000		11,000,000	-
MFA bylaw #313	2.80	2029	3,000,000	5,000,000		8,000,000
			<u>\$ 41,854,013</u>	<u>\$ 5,000,000</u>	<u>\$ 35,739,712</u>	<u>\$ 11,114,301</u>

Interest is charged on a daily floating rate basis and compounded monthly. Interest paid during the year was \$1,231,143 (2024 - \$1,940,485).

Estimated principal payments on short term debt, excluding Bylaw 313 for the duration of the term are as follows:

2026	2027	2028	2029
\$ 1,223,881	\$ 1,027,557	\$ 649,553	\$ 213,325

Bylaw 313 is a temporary interim borrowing loan (up to 5 year term) with interest only payments. When the interim period is complete, it will transfer into long-term debt with annual interest and principle repayments.

The maximum borrowing for each bylaw is as follows:

Bylaw 313 - Fire Hall 32 Temporary Borrowing Agreement	\$ 8,000,000
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8. Liabilities - Long-term debt

	Current interest rate (%)	Year of Maturity	Balance, beginning of year	Additions	Sinking fund payments	Actuarial adjustment (Note 13)	Balance, end of year
General fund							
MFA issue #95	0.91	2025	\$ 225,889	\$ -	\$ 134,007	\$ 91,882	\$ -
MFA issue #105	4.10	2029	2,706,033	-	277,414	222,193	2,206,426
MFA issue #166	4.13	2050	-	11,000,000	-	-	11,000,000
			<u>2,931,922</u>	<u>11,000,000</u>	<u>411,421</u>	<u>314,075</u>	<u>13,206,426</u>
Water fund							
MFA issue #101	3.39	2027	49,570	-	10,174	5,863	33,533
MFA issue #103	3.79	2028	37,539	-	4,720	4,120	28,699
MFA issue #167	3.73	2050	-	21,597,000	-	-	21,597,000
Province of BC	4.95	2027	2,032,755	-	783,245	-	1,249,510
			<u>2,119,864</u>	<u>21,597,000</u>	<u>798,139</u>	<u>9,983</u>	<u>22,908,742</u>
Sewer fund							
MFA issue #95	0.91	2025	63,365	-	37,591	25,774	-
MFA issue #99	1.53	2026	2,728	-	659	677	1,392
MFA issue #99	1.53	2028	179,494	-	43,434	44,554	91,506
MFA issue #101	3.39	2027	525,431	-	107,846	62,147	355,438
MFA issue #101	3.39	2027	123,074	-	25,260	14,557	83,257
MFA issue #101	3.39	2027	159,370	-	32,711	18,850	107,809
			<u>1,053,462</u>	<u>-</u>	<u>247,501</u>	<u>166,559</u>	<u>639,402</u>
Total long-term debt			<u>\$ 6,105,248</u>	<u>\$ 32,597,000</u>	<u>\$ 1,457,061</u>	<u>\$ 490,617</u>	<u>\$ 36,754,570</u>

City of West Kelowna
Notes to Financial Statements
December 31, 2025

8. Liabilities - Long-term debt (continued)

The requirements for future repayments of principal and estimated actuarial adjustments on existing debt for the next five years and thereafter are as follows:

	2026	2027	2028	2029	2030	Thereafter & actuarial adjustments
General Fund	\$ 557,955	\$ 557,955	\$ 557,955	\$ 557,955	\$ 280,541	10,694,065
Water Fund	1,388,423	992,484	555,524	550,804	550,804	18,870,703
Sewer Fund	209,910	165,817	-	-	-	263,675
	<u>\$2,156,288</u>	<u>\$ 1,716,256</u>	<u>\$ 1,113,479</u>	<u>\$ 1,108,759</u>	<u>\$ 831,345</u>	<u>\$ 29,828,443</u>

9. Asset retirement obligation:

The City's asset retirement obligation consists of the following obligations:

The City owns and operates several buildings that are known to contain asbestos as well as sewer pipes, which various regulations require specific considerations upon asset retirement. The City recognized an obligation relating to the removal and disposal of the asbestos in these buildings and sewer pipes as estimated at December 31, 2025. The buildings all have an estimated useful life of 6-40 years from the date of completion of construction, of which various number of years remain. Sewer pipes have an estimated useful life of 70 years, again with various numbers of year remaining. The estimated costs of \$1,871,788 (2024 - \$1,789,130) is the present value of expected future expenditures using a discount rate of 4.62% (2024 - 4.62%) per annum.

	2025	2024
Opening balance	\$ 1,789,130	\$ 1,710,122
Accretion expense	82,658	79,008
Closing asset retirement obligation	<u>\$ 1,871,788</u>	<u>\$ 1,789,130</u>

10. Tangible capital assets and work in progress

	2025 Net book value	2024 Net book value
General		
Land	\$ 111,243,279	\$ 111,243,279
Buildings	76,984,613	51,783,833
Equipment	13,464,068	11,786,007
Engineering structures	<u>125,794,599</u>	<u>118,084,751</u>
	<u>327,486,559</u>	<u>292,897,870</u>
Water infrastructure	<u>129,780,088</u>	<u>117,375,035</u>
Sewer infrastructure	<u>50,515,212</u>	<u>48,580,135</u>
Tangible capital assets	<u>\$ 507,781,859</u>	<u>\$ 458,853,040</u>
Work in progress	<u>\$ 11,441,311</u>	<u>\$ 45,856,666</u>
Tangible capital assets and work in progress (Schedule 1)	<u>\$ 519,223,170</u>	<u>\$ 504,709,706</u>

Additions to work in progress for the year totaled \$2,645,937 (2024 - \$22,866,235). There were no contributed assets for 2025 or 2024.

City of West Kelowna
Notes to Financial Statements
December 31, 2025

11. Taxation - net

Taxation revenue comprises the following amounts collected less transfers to other governments:

	2025	2024
General municipal purposes	\$ 50,112,841	\$ 46,264,221
Collections for other governments		
Provincial Government - Schools	23,843,635	22,542,959
Central Okanagan Regional Hospital District	3,551,257	3,360,417
Regional District of the Central Okanagan	5,170,082	4,850,874
British Columbia Assessment Authority	671,211	634,913
Municipal Finance Authority	3,606	3,518
	<u>83,352,632</u>	<u>77,656,902</u>
Transfers to other governments		
Provincial Government - Schools	23,843,635	22,542,959
Central Okanagan Regional Hospital District	3,551,257	3,360,417
Regional District of the Central Okanagan	5,170,082	4,850,874
British Columbia Assessment Authority	671,211	634,913
Municipal Finance Authority	3,606	3,518
	<u>33,239,791</u>	<u>31,392,681</u>
	\$ 50,112,841	\$ 46,264,221

12. Government transfers

	2025	2024
Provincial unconditional transfers		
Other	\$ 454	\$ 563,634
Provincial conditional transfers		
Other	240,507	1,150,972
Federal unconditional transfers		
Traffic fine revenue sharing grant and Federal grants	516,103	467,059
Federal conditional transfers		
Gas tax community works fund	<u>1,706,182</u>	<u>1,706,182</u>
Total transfers from other governments	<u>\$ 2,463,246</u>	<u>\$ 3,887,847</u>

City of West Kelowna
Notes to Financial Statements
December 31, 2025

13. Revenue - other

	2025	2024
DCC contributions (Note 6)	\$ 14,789,739	\$ 360,317
Cost recoveries	7,090,621	4,936,779
Interest	1,550,077	2,630,774
Actuarial adjustment on long-term debt (Note 8)	490,617	497,859
Donations	68,103	6,859
Gain/Loss on Assets	2,525	69,610
Other	713,882	97,816
	<u>\$ 24,705,564</u>	<u>\$ 8,600,014</u>

14. Contingent liabilities

Regional District of Central Okanagan

Regional District debt is, under the provisions of the Local Government Act, a direct, joint and several liability of the City and each member municipality within the Regional District, including the City of West Kelowna. The loan agreements with the Regional District of Central Okanagan and the Municipal Finance Authority provide that if at any time the scheduled payments provided for in the agreements are not sufficient to meet the Authority's obligation with respect to such borrowing, the resulting deficiency becomes a liability of the member municipalities. As at December 31, 2025, the City does not anticipate being required to assume any of the Regional District's debt. The balance of MFA debt held through the Regional District at December 31, 2025 was \$119,082,000 (2024 - \$95,221,000).

Municipal Insurance Association

The City is a participant in the Municipal Insurance Association of British Columbia (the "Association"). Should the Association pay out claims in excess of premiums received, it is possible that the City, along with the other participants, would be required to contribute toward the deficit. Management does not consider external payments under this contingency to be likely and therefore no amounts have been accrued.

Legal actions

The nature of the City's operations are such that the City is subject to potential or ongoing litigation, the outcome of which is not determinable at this time. Accordingly, no provision has been made in the accounts for these actions. The amount of loss, if any, arising from ongoing litigation will be recorded in the accounts in the period in which the loss amount is known or can be reasonably estimated. The City has insurance policies and financial reserves to offset associated risks.

City of West Kelowna
Notes to Financial Statements
December 31, 2025

15. Municipal Pension Plan

The City and its employees contribute to the Municipal Pension Plan (a jointly trustee 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 provided 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 valuation for the Municipal Pension Plan as at December 31, 2024, indicated a \$2,765 million funding surplus for basic pension benefits on a going concern basis.

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

The City paid \$2,740,861 (2024 - \$2,495,365) for employer contributions while employees contributed \$2,358,187 (2024 - \$2,139,612) 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 the individual employers participating in the plan.

16. Commitments

The City has entered into various operating leases for equipment and payments under contracts for services with terms varying from one to five years. The total lease commitments payable in each of the next five years are as follows:

2026	\$	3,394,073
2027		3,432,665
2028		3,436,406
2029		3,436,406
2030		3,436,406
	\$	17,135,956

City of West Kelowna
Notes to Financial Statements
December 31, 2025

16. Commitments (continued)

Letters of Credit

The City is holding letters of credit in the amount of \$26,904,764 (2024- \$27,077,773), which are received as security related to performance deposits.

Operating Line

The City has revolving credit facilities with one Canadian chartered bank providing for borrowing of up to \$6,000,000. The facilities bear interest at the bank prime rate less 0.5% and are due on demand. As at December 31, 2025, \$nil (2024- \$nil) has been drawn on these facilities.

17. Budget

The budget amounts presented reflect the statutory financial plan as adopted by Council on March 11, 2025, adjusted for amortization and other items for comparability with the actual results. The following table reconciles the balanced statutory financial plan to the budget surplus reported on the statement of operations and accumulated surplus.

Surplus as per 10 year Financial Plan Bylaw No. 0323, 2025	\$	-
Adjust for non-operating items included in Financial Plan:		
Acquisition of tangible capital assets		24,352,929
Repayment of principal portion of debt		(2,696,267)
Net transfers to reserves		(3,755,566)
		<u>17,901,096</u>
Adjust for operating items excluded in Financial Plan:		
Amortization		<u>(15,541,116)</u>
Budget surplus as per the statement of operations and accumulated surplus	<u>\$</u>	<u>2,359,980</u>

18. Financial Instruments

Financial Instrument Risk Management

The City is exposed to credit risk, liquidity risk, and interest rate risk from its financial instruments. This note describes the City's objectives, policies, and processes for managing those risks and the methods used to measure them. Further qualitative and quantitative information in respect of these risks is presented below and throughout these consolidated financial statements.

There have not been any changes from the prior year in the City's exposure to above risks or the policies, procedures and methods it uses to manage and measure the risks.

City of West Kelowna
Notes to Financial Statements
December 31, 2025

18. Financial Instruments (continued)

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The City is exposed to credit risk through its cash, accounts receivable, and portfolio investments.

The City manages its credit risk by holding cash at federally regulated chartered banks with all deposits fully guaranteed. The City measures its exposure to credit risk based on how long amounts have been outstanding and based on historical experience regarding collections. The maximum exposure to credit risk at the financial statement date is the carrying value of its cash and accounts receivable as outlined in Note 4. Accounts receivable arise primarily as a result of utilities, and grants receivable. Based on this knowledge, credit risk of cash and accounts receivable are assessed as low.

Liquidity risk

Liquidity risk is the risk that the City will encounter difficulty in meeting obligations associated with financial liabilities. The City is exposed to liquidity risk through its accounts payable, long-term debt, short-term debt and equipment financing.

The City manages this risk by holding investments with its primary banking institution, having the ability to increase tax rates per bylaw in order to increase cash, and by monitoring cash activities and expected outflows through budgeting and maintaining investments that may be converted to cash in the near-term if unexpected cash flows arise. Also to help manage the risk, the City has in place a planning, budgeting and forecasting process to help determine the funds required to support the normal operating requirements. Funding, whether through reserves or financing, for capital projects is secured before being proposed in the financial plan. The City's five-year financial plan is approved by the Mayor and Council, which includes operational activities and capital investments. The City measures its exposure to liquidity risk based on results of cash forecasting and expected outflows and extensive budgeting.

During the current and prior periods, cash balances have decreased as a result of the planned drawdown and utilization of short-term financing obtained in prior periods. These funds were intentionally deployed over a two-year period to support capital and operating expenditures, in accordance with the City's approved financial plan.

As a result of the utilization of short-term financing in prior periods, the City will incur future cash outflows for repayment and interest. In the current period, this debt was converted to long-term debt with scheduled repayments over its term. The majority of these repayments are expected to be funded through parcel tax revenues, such that related inflows from ratepayers are expected to offset the outflows, resulting in minimal net impact on future cash flows. The associated cash flows have been incorporated into the City's financial planning and forecasting processes.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The City is exposed to interest rate risk through its long-term and short-term debt and through its equipment financing.

The City manages interest rate risk on its long-term debt by holding all debt through MFA at a fixed rate, with refinancing typically being completed at the ten or fifteen year mark. Therefore, fluctuations in market interest rates would not impact future cash flows and operations relating to long-term debt. See Note 8 for interest rates and maturity dates for long term debt.

City of West Kelowna

Schedule 1 - Schedule of consolidated tangible capital assets and work in progress

December 31, 2025

	Land	Land improvements	Buildings	Other tangible capital assets	Equipment and vehicles	Transportation	Drainage infrastructure	Water infrastructure	Sewer infrastructure	Work in progress	Total
Cost:											
Balance, beginning of year	\$ 111,243,279	\$ 18,879,863	\$ 71,376,184	\$ 1,473,774	\$ 29,698,819	\$ 282,120,746	\$ 8,067,801	\$ 160,820,461	\$ 70,983,079	\$ 45,856,666	\$ 800,520,672
Additions	-	660,027	27,835,121	48,408	2,447,575	13,645,587	590,734	16,324,340	3,136,350	2,645,937	67,334,079
Disposals	-	-	(433,190)	-	(36,646)	(415,531)	-	-	-	(37,061,292)	(37,946,659)
Balance, end of year	111,243,279	19,539,890	98,778,115	1,522,182	32,109,748	295,350,802	8,658,535	177,144,801	74,119,429	11,441,311	829,908,092
Accumulated amortization:											
Balance, beginning of year	-	(8,384,129)	(19,592,351)	(482,207)	(17,912,812)	(180,401,703)	(3,189,394)	(43,445,426)	(22,402,944)	-	(295,810,966)
Amortization expense	-	(1,119,711)	(2,602,008)	(49,898)	(1,888,638)	(5,764,311)	(282,238)	(2,715,697)	(1,201,273)	-	(15,623,774)
Effects of Disposals	-	-	316,390	-	36,646	396,782	-	-	-	-	749,818
Balance, end of year	-	(9,503,840)	(21,877,969)	(532,105)	(19,764,804)	(185,769,232)	(3,471,632)	(46,161,123)	(23,604,217)	-	(310,684,922)
Net book value, end of year	\$ 111,243,279	\$ 10,036,050	\$ 76,900,146	\$ 990,077	\$ 12,344,944	\$ 109,581,570	\$ 5,186,903	\$ 130,983,678	\$ 50,515,212	\$ 11,441,311	\$ 519,223,170

Schedule 1 - Schedule of tangible capital assets and work in progress

December 31, 2024

	Land	Land improvements	Buildings	Other tangible capital assets	Equipment and vehicles	Transportation	Drainage infrastructure	Water infrastructure	Sewer infrastructure	WIP	2024 TOTAL
Cost:											
Balance, beginning of year	\$ 111,243,279	\$ 17,736,856	\$ 46,807,419	\$ 1,473,774	\$ 28,144,378	\$ 275,968,255	\$ 7,981,534	\$ 160,820,461	\$ 70,946,856	\$ 43,968,695	\$ 765,091,507
Additions	-	1,143,007	24,568,765	-	1,807,448	6,492,718	86,267	-	36,223	22,866,235	57,000,663
Disposals	-	-	-	-	(253,007)	(340,227)	-	-	-	(20,978,264)	(21,571,498)
Balance, end of year	111,243,279	18,879,863	71,376,184	1,473,774	29,698,819	282,120,746	8,067,801	160,820,461	70,983,079	45,856,666	800,520,672
Accumulated amortization:											
Balance, beginning of year	-	(7,445,606)	(18,328,451)	(434,244)	(16,310,102)	(175,195,331)	(2,827,466)	(40,722,798)	(21,263,367)	-	(282,527,365)
Amortization expense	-	(938,523)	(1,263,900)	(47,963)	(1,854,317)	(5,520,170)	(361,928)	(2,722,628)	(1,139,577)	-	(13,849,006)
Effects of Disposals	-	-	-	-	251,607	313,798	-	-	-	-	565,405
Balance, end of year	-	(8,384,129)	(19,592,351)	(482,207)	(17,912,812)	(180,401,703)	(3,189,394)	(43,445,426)	(22,402,944)	-	(295,810,966)
Net book value, end of year	\$ 111,243,279	\$ 10,495,734	\$ 51,783,833	\$ 991,567	\$ 11,786,007	\$ 101,719,043	\$ 4,878,407	\$ 117,375,035	\$ 48,580,135	\$ 45,856,666	\$ 504,709,706

City of West Kelowna
Schedule 2 - Schedule of consolidated accumulated surplus
December 31, 2025

	Balance, beginning of year	Transfer to	Transfer from	Interest	Balance, end of year
Reserves					
<u>General Fund</u>					
Community projects	\$ 4,669,284	\$ 1,706,182	\$ (1,670,707)	\$ 238,815	\$ 4,943,574
Fire	287,561	-	-	11,531	299,092
Future expenses	2,200,434	533,500	(858,601)	97,746	1,973,079
Infrastructure	718,121	1,570,289	(1,040,461)	42,426	1,290,375
Municipal facilities	2,312,851	1,200,000	(2,312,000)	70,450	1,271,301
Unrestricted	(29,086,866)	34,302,250	(32,490,714)	71,555	(27,203,775)
Policing	1,460,977	-	(165,987)	55,257	1,350,247
Property acquisition	550,884	-	(521,572)	10,458	39,770
Recreation	675,176	107,116	-	29,223	811,515
Road maintenance and snow clearing	933,245	-	-	37,424	970,669
Storm drainage	223,858	62,592	-	10,232	296,682
Capital Reserve	12,049,682	5,624,800	(7,280,940)	450,208	10,843,750
Equipment Replacement	3,269,527	1,118,998	(1,023,345)	133,026	3,498,206
Main City Software Platform	1,352,230	250,000	-	59,237	1,661,467
Fire Department Equipment	1,806,927	766,444	(1,823,450)	51,265	801,186
Growing Communities Fund	8,639,122	-	(5,164,141)	242,925	3,717,906
<u>Water Fund</u>					
Rose Valley	10,839,405	2,290,153	(1,112,897)	458,264	12,474,925
Powers Creek	2,447,622	948,977	(1,063,901)	95,845	2,428,543
<u>Sewer Fund</u>					
Sewer Reserve	2,318,476	755,909	(723,566)	93,619	2,444,438
	27,668,516	51,237,210	(57,252,282)	2,259,506	23,912,950
Investment in non-financial assets					
Investment in Tangible Capital Assets					
General	343,975,517	46,221,933	(24,018,937)	-	366,178,513
Water	84,302,940	17,188,028	(24,333,686)	-	77,157,282
Sewer	19,879,419	4,084,230	(1,258,242)	-	22,705,407
	448,157,876	67,494,191	(49,610,865)	-	466,041,202
Accumulated surplus	\$ 475,826,392	\$ 118,731,401	\$ (106,863,147)	\$ 2,259,506	\$ 489,954,152

City of West Kelowna

Schedule 3 - Schedule of consolidated segment disclosure

Year ended December 31, 2025

	General Government	Protective Services	Solid Waste	Development	Transportation	Parks, Recreation, and Culture	Water and Sewer Services	Other	2025 TOTAL
Revenue									
Taxation	\$ 14,502,998	\$ 16,885,751	\$ 1,479,696	\$ 1,535,966	\$ 7,412,698	\$ 7,585,555	\$ 500,814	\$ 209,363	\$ 50,112,841
Sale of Services	1,037,679	1,644,131	2,471,368	642,963	859,887	1,780,385	25,982,252	170,492	34,589,157
Government Transfers	1,931,689	-	516,103	-	454	-	15,000	-	2,463,246
Investment Income & Actuarial Adjustment	1,864,152	-	-	-	-	-	176,542	-	2,040,694
Developer Contributions	-	-	-	-	6,224,868	1,187,000	7,377,871	-	14,789,739
Other	1,182,737	3,883,085	-	111,710	107,405	2,234,869	352,800	-	7,872,606
Gain/Loss on Assets	2,525	-	-	-	-	-	-	-	2,525
Total Revenue	20,521,780	22,412,967	4,467,167	2,290,639	14,605,312	12,787,809	34,405,279	379,855	111,870,808
Expenses by Object									
Salaries, wages and employee benefits	5,942,301	14,305,752	37,698	1,616,668	3,478,487	4,791,106	6,358,504	201,988	36,732,504
Material, goods and supplies	374,300	422,525	99,647	18,476	370,718	298,061	3,008,653	31,798	4,624,178
Property service cost	2,265,174	732,660	2,067,959	205,475	6,381,457	3,310,240	7,612,455	27,820	22,603,240
Professional service cost	835,738	9,040,035	-	345,973	761,353	2,372,756	502,791	140	13,858,786
Other, expenses	382,497	159,589	-	102,575	55,693	406,469	4	-	1,106,827
Fiscal expenses (interest pmts, etc)	12,537,429	505,560	-	-	-	126,698	5,425,731	50,283	18,645,701
Accretion Expense	23,885	-	-	-	-	-	147,927	-	171,812
Total Expense	22,361,324	25,166,121	2,205,304	2,289,167	11,047,708	11,305,330	23,056,065	312,029	97,743,048
Annual surplus (deficit) for the year	\$ (1,839,544)	\$ (2,753,154)	\$ 2,261,863	\$ 1,472	\$ 3,557,604	\$ 1,482,479	\$ 11,349,214	\$ 67,826	\$ 14,127,760

Schedule of Operations by Segment

Year ended December 31, 2024

	General Government	Protective Services	Solid Waste	Development	Transportation	Parks, Recreation, and Culture	Water and Sewer Services	Other	2024 TOTAL
Revenue									
Taxation	13,786,907	14,538,809	1,346,164	1,334,408	7,558,548	7,024,497	559,475	\$ 115,413	46,264,221
Sale of Services	943,112	3,130,905	2,422,141	637,587	896,216	1,653,541	21,819,769	171,606	31,674,877
Government Transfers	3,420,335	-	467,058	-	454	-	-	-	3,887,847
Investment Income	2,999,916	-	-	-	-	-	128,716	-	3,128,632
Developer Contributions	-	-	-	-	(35,025)	395,342	-	-	360,317
Other	170,214	3,713,545	-	29,971	16,222	1,111,063	440	-	5,041,455
Gain/Loss on Assets	69,610	-	-	-	-	-	-	-	69,610
Total Revenue	21,390,094	21,383,259	4,235,363	2,001,966	8,436,415	10,184,443	22,508,400	287,019	90,426,959
Expenses by Object									
Salaries, wages and employee benefits	5,648,789	12,451,949	40,830	1,574,398	3,076,920	4,422,695	5,864,266	58,807	33,138,654
Material, goods and supplies	390,294	485,965	88,293	12,839	325,027	291,885	3,091,464	21,893	4,707,660
Property service cost	2,274,724	679,246	1,852,342	70,056	6,469,531	3,021,272	7,872,401	40,761	22,280,333
Professional service cost	619,296	7,386,049	-	288,730	1,209,592	2,354,553	240,697	140	12,099,057
Other, expenses	452,662	114,453	-	12,898	44,613	133,005	41,898	-	799,529
Fiscal expenses (interest pmts, etc)	10,881,702	282,505	-	5,240	-	116,186	5,478,623	48,280	16,812,536
Accretion Expense	25,945	-	-	-	-	-	154,220	-	180,165
Total Expense	20,293,412	21,400,167	1,981,465	1,964,161	11,125,683	10,339,596	22,743,569	169,881	90,017,934
Annual surplus (deficit) for the year	1,096,682	(16,908)	2,253,898	37,805	(2,689,268)	(155,153)	(235,169)	117,138	409,025

City of West Kelowna
Schedule 4 - Growing Communities (unaudited)
December 31, 2025

	<u>2025</u>
Opening balance	\$ 8,639,122
Interest allocation	242,925
Spent during the year	<u>(5,164,141)</u>
Ending balance	<u>\$ 3,717,906</u>

City of West Kelowna
Schedule 5 - Ministry of Housing Capacity Funding (unaudited)
December 31, 2025

	<u>2025</u>
Prior year ending balance	\$ 301,215
Spent during the year	<u>(56,137)</u>
Ending balance	<u>\$ 245,078</u>