

CITY OF WHITEHORSE – STANDING COMMITTEES

Monday, June 15, 2026 – 5:30 p.m.

Council Chambers, City Hall

CALL TO ORDER

ADOPTION OF AGENDA

PROCLAMATIONS National Indigenous Peoples Day (June 21, 2026)

DELEGATIONS Barbara Hancock, President of Humane Society Yukon –
Presentation on Human Society Yukon

CITY OPERATIONS COMMITTEE – *Councillors Morris and Boyd*

1. New Business

COMMUNITY SERVICES COMMITTEE – *Councillors Gallina and Melnychuk*

1. New Business

PUBLIC HEALTH AND SAFETY COMMITTEE – *Councillors Boyd and Gallina*

1. New Business

CORPORATE SERVICES COMMITTEE – *Councillors Melnychuk and Middler*

1. Audited 2025 Financial Statements
2. Upcoming Procurements – For Information Only
3. Budget Amendment – Millenium Trail Realignment
4. New Business

CITY PLANNING COMMITTEE – *Councillors Middler and Hamilton*

1. New Business

DEVELOPMENT SERVICES COMMITTEE – *Councillors Hamilton and Morris*

1. New Business



PROCLAMATION
NATIONAL INDIGENOUS PEOPLES DAY
June 21, 2026

WHEREAS the city of Whitehorse is located on the Traditional Territories of the Kwanlin Dün First Nation and the Ta'an Kwäch'än Council, and is home to citizens of these as well as many other First Nations people; and

WHEREAS this day was first proclaimed in 1996 as an opportunity to honour, learn and celebrate the unique heritage, diversity, traditions and contributions of Indigenous Peoples across Canada; and

WHEREAS the City of Whitehorse wishes to recognize the valued contributions of Indigenous Peoples to Whitehorse's past, present and future, and the continued efforts of all parties to work together in pursuit of meaningful reconciliation;

NOW THEREFORE I, Deputy Mayor Anne Middler, do hereby proclaim June 21, 2026, to be National Indigenous Peoples Day in the city of Whitehorse.

Anne Middler
Deputy Mayor

CITY OF WHITEHORSE
CITY OPERATIONS COMMITTEE
Council Chambers, City Hall



Chair: Lenore Morris

Vice-Chair: Dan Boyd

June 15, 2026

Meeting #2026-12

1. New Business

CITY OF WHITEHORSE
COMMUNITY SERVICES COMMITTEE
Council Chambers, City Hall



Chair: Paolo Gallina

Vice-Chair: Eileen Melnychuk

June 15, 2026

Meeting #2026-12

1. New Business

CITY OF WHITEHORSE
PUBLIC HEALTH AND SAFETY COMMITTEE
Council Chambers, City Hall



Chair: Dan Boyd

Vice-Chair: Paolo Gallina

June 15, 2026

Meeting #2026-12

1. New Business

CITY OF WHITEHORSE
CORPORATE SERVICES COMMITTEE
Council Chambers, City Hall



Chair: Eileen Melnychuk **Vice-Chair:** Anne Middler

June 15, 2026

Meeting #2026-12

-
1. Audited 2025 Financial Statements
Presented By Svetlana Erickson, Manager, Financial Services
 2. Upcoming Procurements (July/August) – For Information Only
Presented by Svetlana Erickson, Manager, Financial Services
 3. Budget Amendment – Millenium Trail Realignment
Presented by Krista Mroz, Director, Community Services
 4. New Business

ADMINISTRATIVE REPORT

TO:	Corporate Services Committee
FROM:	Administration
DATE:	June 15, 2026
RE:	Audited 2025 Financial Statements

ISSUE

The 2025 Audited Financial Statements have been prepared as required under the *Municipal Act*.

REFERENCE

- [Municipal Act](#)
- Draft 2025 Audited Financial Statements (Attachment 1)
- 2025 Financial Analysis (Attachment 2)

HISTORY

Council adopted an Operating and Capital Budget for 2025 totalling \$240,519,344 (Note 16, Attachment 1). This figure includes the initially adopted budget as well as Council-approved amendments made throughout the year. Internal reports were developed for management to measure progress against the budget during the year, and quarterly variance reports were presented to Council after the second and third quarters.

Pursuant to the *Municipal Act*, the Financial Statements must be audited at year-end and submitted to Council and subsequently to the Government of Yukon by June 30 each year.

ALTERNATIVES

1. Accept the Draft 2025 Audited Financial Statements as presented; or
2. Refer the Draft 2025 Audited Financial Statements back to Administration

ANALYSIS

The City's auditors have completed their review of the attached statements, schedules, and notes (Attachment 1). They have confirmed that the Financial Statements fairly present the financial position of the City of Whitehorse as of December 31, 2025.

As of the end of 2025, the City's overall financial position has improved, with the accumulated surplus increasing by \$20,841,434 to \$562,834,813.

	2025	2024	Net Change
Financial assets	\$ 132,294,097	\$125,831,761	\$ 6,462,336
Liabilities	57,820,528	56,006,879	1,813,649
Net financial assets	\$ 74,473,569	\$ 69,824,882	\$ 4,648,687
Non-financial assets	488,361,244	472,168,497	16,192,747
Accumulated surplus	\$ 562,834,813	\$ 541,993,379	\$ 20,841,434

The accumulated surplus is further explained in Attachment 2 and Note 11 of Attachment 1, which provides a breakdown of reserves, investments in tangible capital assets, and general surplus.

While the City's reserves total \$77.43 million, most of the accumulated surplus has been invested in infrastructure, which is reported as tangible capital assets. The City's reserve and general surplus balances remain within acceptable ranges given the overall financial framework.

Total reserves	\$ 77,433,738
Surplus	
Invested in tangible capital assets	487,447,035
Debt	(11,212,345)
Net investment in tangible capital assets	\$ 476,234,690
General surplus	9,166,385
Accumulated surplus	\$ 562,834,813

Water and Sewer Utility

As the Water and Sewer Services operate as a separate utility, operating results must be reported separately, as shown in Schedule 2 of the Financial Statements (Attachment 1).

The schedule shows an operating deficit of \$ 614,450 which, in order to maintain the separation between taxpayer-funded activities and utility operations, must be funded by utility ratepayers. This can be accomplished either through a transfer from the Water and Sewer Reserve in 2026 or through future utility rate increases in future years.

The deficit resulted primarily from lower revenues as recoveries were less than initially projected. The 2025 budget included anticipated recoveries from prior-year utility surpluses and wage overlay savings. However, only \$374,728 of recoveries were realized and reported in the financial statements during the year, resulting in revenues falling short of budget expectations.

Despite the 2025 operating deficit of \$614,450, the Water and Sewer Reserve remain in a strong financial position, with a balance of \$13.98 million as of December 31, 2025.

It should be noted that the deficit allocated to ratepayers excludes amortization expense and gains or losses on disposal of assets. When these items are included, the utility reports an accounting deficit of \$5.68 million. Amortization is not included in the deficit funding calculation, as the City does not currently generate sufficient revenues to fund its annual amortization expense of \$22.76 million.

Management Letter

As part of their engagement, the City's auditors annually provide suggestions for improvements to the City's financial control systems. Current recommendations include:

- Process improvements related to the assessment of contaminated sites liabilities.
- Enhanced user access review, timely access revocation procedures, and a reduction in generic user accounts within corporate systems.

The City's auditors were pleased with the cooperation and assistance provided by City staff throughout the audit process.

Attachment 2 provides an overview of the City's benchmarks established by the Government Finance Officers Association. Additional details regarding these benchmarks will be included in the Annual Report to be published later this year.

ADMINISTRATIVE RECOMMENDATION

THAT Council approve the audited City of Whitehorse 2025 Financial Statements as presented, and

THAT \$614,450 be transferred from the Water and Sewer Reserve to fund the Water and Sewer Fund deficit.



Independent Auditor's Report

To the Mayor and Council of the City of Whitehorse

Opinion

We have audited the financial statements of the City of Whitehorse (the "City") which comprise the Statement of Financial Position as at December 31, 2025 and the Statements of Operations, Changes in Net Financial Assets, and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of this report. We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the City's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the City, or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with Canadian generally accepted auditing standards we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

Whitehorse, Yukon
[Date of Council approval]

CITY OF WHITEHORSE
Management's Report
For the year ended December 31, 2025



City of Whitehorse management is responsible for the integrity, relevance and comparability of the data in the accompanying financial statements.

The financial statements are prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. Preparing the statements necessarily includes some amounts based on the best estimates and judgments of management. Financial data elsewhere in the Annual Report is consistent with that of the financial statements.

To assist in meeting its responsibility, management maintains accounting, budget and other internal controls. These controls provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that the integrity of financial records is maintained. As well, it is the practice of the City to maintain the highest standard of ethics in all its activities.

BDO Canada LLP has audited the financial statements. Their report to the Mayor and City Council, stating the scope of their examination and opinion of the consolidated financial statements, follows.

Brittany Dixon
Director, Corporate Services
June 24, 2026

CITY OF WHITEHORSE
Statement of Financial Position
for the year ended December 31, 2025



	2025		2024	
Financial assets				
Cash	\$	83,034,959	\$	52,739,244
Investments (Note 2)		8,000,000		28,000,000
Accounts receivable (Note 3)		41,214,405		45,039,804
Other financial assets		44,733		52,713
Total financial assets	\$	132,294,097	\$	125,831,761
Liabilities				
Accounts payable (Note 4)	\$	20,606,285	\$	21,064,356
Employee future benefits (Note 5)		4,264,300		4,019,500
Asset retirement obligation (Note 6)		9,595,157		9,138,244
Deferred revenue (Note 7)		7,864,469		5,452,623
Debt (Note 8)		11,212,345		12,365,538
Deposits		4,277,972		3,966,618
Total liabilities	\$	57,820,528	\$	56,006,879
Net financial assets	\$	74,473,569	\$	69,824,882
Non-financial assets				
Tangible capital assets (Note 10)	\$	487,447,035	\$	471,340,119
Inventory		913,535		828,378
Prepaid expenses		674		-
Total non-financial assets	\$	488,361,244	\$	472,168,497
Accumulated surplus (Note 11)	\$	562,834,813	\$	541,993,379

The accompanying notes are an integral part of these financial statements

Approved by:

Svetlana Erickson, MBA, CPA, CGA
Manager, Financial Services

CITY OF WHITEHORSE
Statement of Operations
for the year ended December 31, 2025



	2025 Budget (Note 16)	2025 Actual	2024 Actual
Revenues (Schedule 1)			
Taxes and payments in lieu of taxes (Note 12)	\$ 56,316,135	\$ 55,858,604	\$ 53,025,323
Government transfers (Note 13)	93,094,036	49,682,795	34,449,828
Sales of goods and services (Note 14)	25,820,857	26,982,491	23,770,171
Licenses, permits, penalties and fines (Note 15)	4,633,643	4,618,379	3,870,773
Developers' contributions	900,000	236,154	716,176
Investment income	2,500,000	3,361,785	4,844,110
Other revenues	4,853,221	4,749,772	3,832,711
Total revenues	\$ 188,117,892	\$ 145,489,980	\$ 124,509,092
Expenses (Schedule 1)			
General government services	\$ 31,257,652	\$ 30,605,268	\$ 29,882,431
Protective services	14,557,318	13,974,368	13,812,518
Transportation services	32,738,468	32,815,011	31,585,697
Environmental services	23,325,249	23,136,652	21,821,794
Public health services	234,125	233,413	205,529
Community development services	3,939,351	3,927,198	4,040,485
Recreation and cultural services	19,033,009	19,956,636	19,634,359
Total expenses	\$ 125,085,172	\$ 124,648,546	\$ 120,982,813
Annual surplus	\$ 63,032,720	\$ 20,841,434	\$ 3,526,279
Accumulated surplus at beginning of year	\$ 541,993,379	\$ 541,993,379	\$ 538,467,100
Accumulated surplus at end of year (Note 11)	\$ 605,026,099	\$ 562,834,813	\$ 541,993,379

The accompanying notes are an integral part of these financial statements

CITY OF WHITEHORSE
Statement of Change in Net Financial Assets
for the year ended December 31, 2025



	2025 Budget (Note 16)	2025 Actual	2024 Actual
Annual surplus	\$ 63,032,720	\$ 20,841,434	\$ 3,526,279
Net acquisition of tangible capital assets	\$ (112,010,253)	\$ (38,946,179)	\$ (27,927,243)
Amortization of tangible capital assets	22,831,049	22,759,867	22,058,921
Loss (gain) on disposal of tangible capital assets	-	53,346	(186,048)
Proceeds on disposal of tangible capital assets	-	26,050	202,631
	<u>\$ (89,179,204)</u>	<u>\$ (16,106,916)</u>	<u>\$ (5,851,739)</u>
Acquisition of inventories of supplies	\$ -	\$ (913,535)	\$ (828,378)
Consumption of supplies inventories	-	828,378	821,770
Acquisition of prepaid expense	-	(674)	-
Use of prepaid expense	-	-	-
	<u>\$ -</u>	<u>\$ (85,831)</u>	<u>\$ (6,608)</u>
Change in net financial assets	\$ (26,146,484)	\$ 4,648,687	\$ (2,332,068)
Net financial assets at beginning of year	\$ 69,824,882	\$ 69,824,882	\$ 72,156,950
Net financial assets at end of year	\$ 43,678,398	\$ 74,473,569	\$ 69,824,882

The accompanying notes are an integral part of these financial statements

CITY OF WHITEHORSE
Statement of Cash Flows
for the year ended December 31, 2025



	2025 Actual	2024 Actual
Operating transactions		
Annual surplus	\$ 20,841,434	\$ 3,526,279
Items not utilizing cash		
Amortization	\$ 22,759,867	\$ 22,058,921
Loss (gain) on disposal of tangible capital assets	53,346	(186,048)
Accretion expense	456,913	435,154
Change in non-cash operating balances		
Accounts receivable	3,825,399	(17,688,709)
Other financial assets	7,980	(5,052)
Accounts payable	(458,071)	4,640,176
Employee future benefits	244,800	222,500
Deposits	311,354	770,223
Deferred revenue	2,411,846	3,151,156
Inventory	(85,157)	(6,608)
Prepaid expenses	(674)	-
Cash provided by operating transactions	<u>\$ 50,369,037</u>	<u>\$ 16,917,992</u>
Capital transactions		
Cash used to acquire tangible capital assets	\$ (38,946,179)	\$ (27,927,243)
Proceeds on disposal of tangible capital assets	26,050	202,631
Remediation of ARO	-	(401,510)
Cash provided by (applied to) capital transactions	<u>\$ (38,920,129)</u>	<u>\$ (28,126,122)</u>
Investing transactions		
Investments	\$ 20,000,000	\$ (8,000,000)
Cash provided by (applied to) investing transactions	<u>\$ 20,000,000</u>	<u>\$ (8,000,000)</u>
Financing transactions		
Debt repayment	(1,153,193)	(1,284,807)
Cash provided by (applied to) financing transactions	<u>\$ (1,153,193)</u>	<u>\$ (1,284,807)</u>
Increase/(decrease) in cash	\$ 30,295,715	\$ (20,492,937)
Cash at beginning of year	\$ 52,739,244	\$ 73,232,181
Cash at end of year	\$ 83,034,959	\$ 52,739,244

The accompanying notes are an integral part of these financial statements

CITY OF WHITEHORSE

Schedule 1 - Statement of Financial Activities - by Segment
for the year ended December 31, 2025

	Total All Funds								
	General Gov't Services	Protective Services	Transportation Services	Environmental Services	Public Health Services	Community Development	Recreation & Cultural Services		Total
Revenues	segments detailed in Note 19								
Taxes & Payments in Lieu of Taxes	\$ 55,469,710	\$ -	\$ 314,389	\$ 74,505	\$ -	\$ -	\$ -	\$ -	\$ 55,858,604
Government Transfers	43,042,512	-	3,381,844	1,113,008	-	422,644	1,722,787	-	49,682,795
Sales of Goods & Services	77,739	265,807	2,814,767	18,993,295	120,867	53,041	4,656,975	-	26,982,491
Licenses, Permits, Penalties & Fines	496,501	3,695,014	44,935	170,178	-	211,751	-	-	4,618,379
Developers Contributions	-	-	-	-	-	236,154	-	-	236,154
Investment Income	3,361,785	-	-	-	-	-	-	-	3,361,785
Other Revenue	2,521,719	67,470	302,035	1,692,888	-	35,150	130,510	-	4,749,772
Total:	\$ 104,969,966	\$ 4,028,291	\$ 6,857,970	\$ 22,043,874	\$ 120,867	\$ 958,740	\$ 6,510,272	\$ -	\$ 145,489,980
Expenses									
Salaries & Benefits	\$ 14,430,396	\$ 11,830,499	\$ 15,264,169	\$ 6,350,984	\$ 178,463	\$ 2,878,742	\$ 10,958,697	\$ -	\$ 61,891,950
Materials & Supplies	5,208,029	622,940	7,055,083	4,077,051	40,226	29,530	4,538,115	-	21,570,974
Professional Services	5,969,476	433,885	319,295	4,641,676	3,784	389,651	845,563	-	12,603,330
Public Relations	86,663	19,582	6,462	61,019	-	34,095	130,848	-	338,669
Community Grants	943,685	-	-	190,758	-	592,680	620,806	-	2,347,929
Interest	177,151	93,422	51,836	22,776	-	-	-	-	345,185
Amortization	3,556,747	897,149	10,162,051	5,313,618	10,940	-	2,819,362	-	22,759,867
Other	233,121	76,891	(43,885)	2,478,770	-	2,500	43,245	-	2,790,642
Total:	\$ 30,605,268	\$ 13,974,368	\$ 32,815,011	\$ 23,136,652	\$ 233,413	\$ 3,927,198	\$ 19,956,636	\$ -	\$ 124,648,546
Annual Surplus (Deficit)	\$ 74,364,698	\$ (9,946,077)	\$ (25,957,041)	\$ (1,092,778)	\$ (112,546)	\$ (2,968,458)	\$ (13,446,364)	\$ -	\$ 20,841,434

CITY OF WHITEHORSE

Schedule 1 - Statement of Financial Activities - by Segment
for the year ended December 31, 2024

Total All Funds									
	General Gov't Services	Protective Services	Transportation Services	Environmental Services	Public Health Services	Community Development	Recreation & Cultural Services		Total
Revenues									
	segments detailed in Note 19								
Taxes & Payments in Lieu of Taxes	\$ 52,538,202	\$ -	\$ 381,877	\$ 105,244	\$ -	\$ -	\$ -		\$ 53,025,323
Government Transfers	28,420,227	-	2,183,032	2,352,370	-	241,647	1,252,552		34,449,828
Sales of Goods & Services	77,670	223,085	1,683,620	16,971,151	114,663	68,338	4,631,644		23,770,171
Licenses, Permits, Penalties & Fines	382,640	3,133,266	61,305	124,982	-	168,580	-		3,870,773
Developers Contributions	-	-	-	-	-	716,176	-		716,176
Investment Income	4,844,110	-	-	-	-	-	-		4,844,110
Other Revenue	2,390,185	23,988	228,287	912,573	-	124,710	152,968		3,832,711
Total:	\$ 88,653,034	\$ 3,380,339	\$ 4,538,121	\$ 20,466,320	\$ 114,663	\$ 1,319,451	\$ 6,037,164		\$ 124,509,092
Expenses									
Salaries & Benefits	\$ 14,228,779	\$ 11,884,216	\$ 14,403,758	\$ 6,364,823	\$ 167,978	\$ 2,572,605	\$ 10,737,438		\$ 60,359,597
Materials & Supplies	4,993,860	613,176	6,806,511	3,525,997	37,008	118,162	4,265,228		20,359,942
Professional Services	5,749,725	180,145	690,575	4,007,981	-	723,318	851,777		12,203,521
Public Relations	127,513	15,359	25,455	72,768	-	57,142	161,819		460,056
Community Grants	896,406	-	-	197,613	-	565,173	875,665		2,534,857
Interest	186,353	117,975	82,680	25,680	-	-	-		412,688
Amortization	3,393,864	924,991	9,761,640	5,276,637	543	-	2,701,246		22,058,921
Other	305,931	76,656	(184,922)	2,350,295	-	4,085	41,186		2,593,231
Total:	\$ 29,882,431	\$ 13,812,518	\$ 31,585,697	\$ 21,821,794	\$ 205,529	\$ 4,040,485	\$ 19,634,359		\$ 120,982,813
Annual Surplus (Deficit)	\$ 58,770,603	\$ (10,432,179)	\$ (27,047,576)	\$ (1,355,474)	\$ (90,866)	\$ (2,721,034)	\$ (13,597,195)		\$ 3,526,279

CITY OF WHITEHORSE
Schedule 2 - Water & Sewer Utility
for the year ended December 31, 2025



	2025		2025		2024
	Budget		Actual		Actual
Revenues					
Administration					
Miscellaneous income	\$	326,590	\$	454,557	\$ 482,219
Water and Sewer Supply					
Flat rate sales	\$	7,991,537	\$	7,942,859	\$ 7,552,283
Metered rate sales		4,141,473		4,295,050	3,844,191
	\$	<u>12,133,010</u>	\$	<u>12,237,909</u>	\$ <u>11,396,474</u>
Water and Sewer Other					
Frontage charges	\$	74,339	\$	74,505	\$ 105,244
Penalties		175,000		155,310	111,545
Recoveries		1,450,569		374,728	401,553
	\$	<u>1,699,908</u>	\$	<u>604,543</u>	\$ <u>618,342</u>
Total revenues	\$	14,159,508	\$	13,297,009	\$ 12,497,035
Expenses					
Administration	\$	3,931,431	\$	3,246,003	\$ 3,247,677
Water system operations		5,341,029		5,971,269	5,556,812
Sewage collection and disposal		2,198,998		2,042,749	2,107,238
Water and sewer debt charges		74,339		22,776	25,680
	\$	<u>11,545,797</u>	\$	<u>11,282,797</u>	\$ <u>10,937,407</u>
Transfers to reserves					
Current year transfer	\$	2,613,711	\$	2,628,662	\$ 2,450,242
Total expenses	\$	14,159,508	\$	13,911,459	\$ 13,387,649
(Deficit) before amortization	\$	-	\$	(614,450)	\$ (890,614)
Amortization		-		5,060,885	5,002,277
(Deficit) after amortization	\$	-	\$	(5,675,335)	\$ (5,892,891)

CITY OF WHITEHORSE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

1. Significant Accounting Policies

(a) Basis of presentation

The Financial Statements of the City of Whitehorse are prepared in accordance with Canadian Public Sector Accounting Standards established by the Public Sector Accounting Board.

The financial statements are prepared using the accrual basis of accounting. Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. Expenses are recognized in the period goods and services are acquired and a legal obligation to pay is incurred, provided the amounts can be reasonably estimated.

(b) Reporting entity

The financial statements reflect the assets, liabilities, revenues, expenses and accumulated surplus of the reporting entity which comprises all the organizations that are accountable for the administration of their financial affairs and resources to the Council and are owned or controlled by the City. There are no external organizations that currently meet the criteria of forming part of the reporting entity. All inter-fund balances and transactions are eliminated.

(c) Revenue

Revenues from services such as water and sewer utilities, landfill usage, recreation services, and transit were determined as exchange transactions, as they include enforceable performance obligations. Revenue is recognized when the performance obligations are satisfied whether at a point in time or over a period of time.

Non-exchange transactions—such as penalties, fines, and some miscellaneous revenues—are recognized when the City has the authority to collect and a past transaction has given rise to the economic resource.

(d) Budget figures

Budget figures have been provided for comparison purposes. Given differences between the funding model and generally accepted accounting principles for local governments established by Canadian Public Sector Accounting Standards, certain budgeted amounts have been reclassified to reflect the presentation adopted under Canadian Public Sector Accounting Standards (Note 16).

(e) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Significant estimates include assumptions used in estimating useful life of tangible capital assets, valuation of contributed assets, collectability of accounts receivable, provisions for accrued liabilities, in performing actuarial valuations of employee future benefits, asset retirement obligations and liabilities for contaminated sites. Actual results could differ from these estimates.

CITY OF WHITEHORSE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

1. Significant Accounting Policies (Continued)

(f) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(g) Natural resources

Natural resources that have not been purchased are not recognized as assets in the financial statements.

(h) Works of art and cultural and historic assets

Works of art and cultural and historic assets are not recorded as assets in these financial statements. No significant works of art or cultural and historic assets are held by the City of Whitehorse.

(i) Tangible capital assets

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of an asset. The cost, less residual value, of the tangible capital assets, excluding land are amortized on a straight line basis over their estimated useful lives as follows:

Asset	Useful Lives
Land Improvements	10 - 99 years
Buildings	10 - 60 years
Equipment	3 - 30 years
Linear Assets	10 - 80 years

Amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use. Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the City's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

(j) Interest capitalization

Interest costs associated with the acquisition or construction of a tangible capital asset are not capitalized.

CITY OF WHITEHORSE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

1. Significant Accounting Policies (Continued)

(k) Leased tangible capital assets

Leases which transfer substantially all the benefits and risks incidental to ownership of the property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

(l) Inventories of supplies

Inventories of supplies held for consumption are recorded at the lower of cost and replacement cost and are written down when obsolete.

(m) Employee future benefits

Future benefits are comprised of severance payments based on an employee's years of service as detailed in Note 6. The costs of employee future benefits are actuarially determined using management's best estimates of average years of service, discount rate and future wage increases. Actuarial gains and losses are amortized on a straight-line basis over the expected average remaining service life of the employee groups. The most recent actuarial valuation of the City's future benefit obligations was completed as at December 31, 2023.

There is no pension liability recorded as the City contributes to a defined contribution registered retirement savings on behalf of its employees as detailed in Note 17.

(n) Asset retirement obligation

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 an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. This 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. This 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.

(o) Liability for contaminated sites

Under PS3260, governments are required to accrue a liability for the costs to remediate a contaminated site. Liabilities are recognized when an environmental standard exists, contamination exceeds the standard, the government has responsibility for the remediation, future economic benefits will be given up and a reasonable estimate can be made. Sites that are currently in productive use are considered contaminated sites if an unexpected event results in contamination. No liability has been recognized as at December 31, 2025.

CITY OF WHITEHORSE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

1. Significant Accounting Policies (Continued)

(p) Government transfers

Government transfers, which include legislative grants, are recognized as revenue in the 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. Government transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

(q) Taxation revenue

Property taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. Annual levies for non-optional municipal services and general administrative services are recorded as taxes for municipal services in the year they are levied. Property taxes receivable are recognized net of an allowance for anticipated uncollectable amounts. Levies imposed by other taxing authorities are not included as taxes for municipal purposes.

Through the Yukon's appeal process, property taxes may be adjusted by way of supplementary roll adjustments. The effects of these adjustments on taxes to the extent that they exceed initial estimates are recognized at the time they are awarded.

(r) Financial instruments

The City's financial instruments consist of cash, accounts receivable, investments, accounts payable, and long-term debt. All financial instruments are measured at cost or amortized cost on the statement of financial position, using the effective interest rate method to determine interest revenue or expense. Transaction costs are added to the carrying value for the financial instruments.

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

Unrealized gains and losses from changes in the fair value of financial instruments would be recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations. As the City has no financial instruments reported at fair value, no statement of remeasurement gain or loss is presented in these financial statements.

2. Investments

The City's investments consists of two GICs maturing between June 12, 2026 and June 28, 2027, with interest rates between 4.40% and 4.48%.

CITY OF WHITEHORSE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

3. Accounts Receivable

	2025	2024
Trade accounts and other receivables	\$ 10,253,069	\$ 9,813,854
Government of Yukon transfers receivables	19,901,193	33,568,920
Other due from government		
Government of Canada	9,619	13,194
Government of Yukon	10,929,230	1,563,147
First Nation Governments	121,294	80,689
Total accounts receivable	\$ 41,214,405	\$ 45,039,804

4. Accounts Payable

	2025	2024
Construction and trade payables	\$ 9,732,157	\$ 12,193,044
Holdback payable	3,648,145	1,839,227
Salaries and benefit payable	7,134,330	6,939,958
Other payables	91,653	92,127
Total accounts payable	\$ 20,606,285	\$ 21,064,356

5. Employee Future Benefits

The City provides severance benefits to employees leaving the service of the City, based upon employees' years of service as detailed in the various employment agreements. Information with respect to the City's employee future benefits obligation is as follows:

	2025	2024
Accrued severance obligation, beginning of year	\$ 3,738,700	\$ 3,507,700
Service cost	349,200	339,000
Interest cost	197,100	185,000
Benefits paid	(293,000)	(293,000)
Actuarial (gain) loss	-	-
Accrued severance obligation, end of year	\$ 3,992,000	\$ 3,738,700
Unamortized actuarial gain (loss)	272,300	280,800
Accrued employee future benefits liability	\$ 4,264,300	\$ 4,019,500

The significant actuarial assumptions adopted in measuring the City's accrued severance obligations are as follows:

	2025	2024
Discount rates	5.00%	5.00%
Expected wage and salary increases	3.00%	3.00%

CITY OF WHITEHORSE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

5. Employee Future Benefits (Continued)

Actuarial gains and losses are changes in the value of the accrued severance obligation arising when actual experience of the plan differs from expectation or when changes in actuarial assumption are necessary. Actuarial gains and losses are amortized over a period equal to the employee's average remaining service lifetime of 13 years; commencing in the period following the determination of the adjustment.

6. Asset Retirement Obligation

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

(a) Asbestos abatement obligation

The City owns and operates several buildings known to contain asbestos, which poses a health hazard and is subject to legal obligation to remove it. In accordance with PS 3280 – Asset Retirement Obligations, the City has recognized a liability for the removal and post-removal care of asbestos. The buildings have estimated useful lives of 60 years from the date of construction completion, with varying remaining lifespans with a total estimated undiscounted cost of remediation \$1,701,576.

(b) Landfill closure and post-closure costs

The City owns and operates a landfill for which a liability has been recorded under PS 3280 - Asset Retirement Obligations. Closure of the landfill is currently anticipated in 2055, with post-closure monitoring required for an additional 25 years thereafter with a total estimated undiscounted cost of remediation \$36,379,400.

(c) Wells decommissioning obligation

The City owns a well that will require decommissioning at the end of its useful life, in accordance with Yukon regulations. A liability for well decommissioning has been recognized under PS 3280 – Asset Retirement Obligations. The well has an estimated useful life of 40 years and, as of January 1, 2025, is fully amortized.

(d) Fuel tank decommissioning obligation

The City owns several fuel tanks that will require decommissioning at the end of their useful lives, in compliance with Yukon regulations. A liability has been recorded under PS 3280 – Asset Retirement Obligations. The fuel tanks have estimated useful lives ranging from 20 to 40 years.

The asset retirement liability has been estimated using a net present value methodology based on the assumptions outlined above. A discount rate of 5.00% per annum (2024 – 5.00%) was used for the net present value calculation. Related asset retirement costs are being amortized on a straight-line basis over the remaining useful lives of the assets.

CITY OF WHITEHORSE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

6. Asset Retirement Obligation (Continued)

Changes in the asset retirement obligation in the year are as follows:

Asset Retirement Obligation	Asbestos remediation		Landfill		Wells		Fuel Tanks		2025
Opening balance	\$	1,199,702	\$	7,822,698	\$	18,045	\$	97,799	\$ 9,138,244
Accretion expense		59,985		391,135		903		4,890	456,913
Closing balance	\$	1,259,687	\$	8,213,833	\$	18,948	\$	102,689	\$ 9,595,157

Asset Retirement Obligation	Asbestos remediation		Landfill		Wells		Fuel Tanks		2024
Opening balance	\$	1,544,084	\$	7,450,189	\$	17,185	\$	93,142	\$ 9,104,600
Remediation of ARO		(401,510)		-		-		-	(401,510)
Accretion expense		57,128		372,509		860		4,657	435,154
Closing balance	\$	1,199,702	\$	7,822,698	\$	18,045	\$	97,799	\$ 9,138,244

Significant estimates and assumptions are used in determining asset retirement obligations. Actual costs may differ from recorded amounts due to uncertainties affecting the timing and amount of future expenditures. As additional information becomes available, estimates of cash flows, timing, and discount rates may change. Any resulting adjustments are recorded prospectively as changes to the asset retirement obligation and the related tangible capital asset.

7. Deferred Revenue

Deferred revenue consists of the following:

	Balance 31-Dec-24		Amounts Received		Revenue Recognized		Balance 31-Dec-25
Prepaid Local Improvement Charges	337,194	\$	13,218	\$	(41,924)	\$	308,488
Government Transfers	3,703,374		3,141,800		(808,568)		6,036,606
Business Licenses	15,806		34,081		(15,806)		34,081
Parks & Recreation Facility Fees	922,226		2,520,436		(2,359,817)		1,082,845
Trust Accounts	474,023		56,328		(127,902)		402,449
Total	\$ 5,452,623	\$	5,765,863	\$	(3,354,017)	\$	7,864,469

CITY OF WHITEHORSE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

8. Debt

Debt is issued on the credit and security of the City of Whitehorse.

	2025	2024
Balance, as at January 1	\$ 12,365,538	\$ 13,650,345
Less: Principal repayments	(1,153,193)	(1,284,807)
Balance, as at December 31	\$ 11,212,345	\$ 12,365,538

It is composed of debentures payable to the Yukon Government and loans payable to the Royal Bank and Toronto Dominion with various interest rates from 2.160% to 6.290% as shown below.

	Maturity Year	Principal Debt Outstanding		Interest Rate
		2025	2024	
Yukon Government				
2010-29 Black St. Reconstruction	2027	75,706	111,777	3.260%
2011-07 Marwell East	2027	301,286	444,834	3.260%
2013-46 Ogilvie St. West (Phase	2030	180,118	213,331	2.720%
2016-39 Wheeler St. 4th to Escarpment	2034	420,241	459,263	3.570%
2017-32 Alexander St.	2034	314,673	343,892	3.570%
2019-09 Cook Street West	2038	575,838	604,928	5.850%
Toronto Dominion				
2017-25 Whitehorse Operations	2041	7,999,385	8,437,744	2.160%
Royal Bank				
2009-14 Public Safety Building	2030	1,335,673	1,731,281	6.290%
2010-21 Hanson Street Reconstruction	2026	9,425	18,488	4.000%
Total		\$ 11,212,345	\$ 12,365,538	

Current debt load is 8.26% of the statutory limit as stipulated in the Municipal Act, R.S.Y. 2002.

Retirement requirements for the next 16 years are as follows:

	Interest
2026	1,124,783
2027	1,092,474
2028	877,105
2029	857,742
2030	841,900
2031-2041	6,418,341
Total	\$ 11,212,345
	\$ 1,995,477

Gross interest paid on debt in 2025 was \$359,322 (\$407,798 in 2024).

CITY OF WHITEHORSE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

9. Financial Instruments

a) Financial instrument risk management

The City is exposed to credit, liquidity, and interest rate risks 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 is presented below and throughout these financial statements. There have not been any changes from the prior year in the City's exposure to the above risks or the policies, procedures and methods it uses to manage and measure the risks.

b) 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, investments (Note 2), and accounts receivable (Note 3).

The City manages its credit risk by limiting investments to the safest types of securities and pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which it will do business.

The City measures its exposure to credit risk by continuously monitoring its investment portfolio and analyzing the longevity of outstanding accounts receivable. The maximum exposure to credit risk at the financial statement date is the carrying value of its cash and accounts receivable (Note 3). Accounts receivable arise primarily from utilities and grants receivable. Based on this knowledge, the credit risk of cash and accounts receivable is

c) 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, debt, and investments.

The City manages this risk by staggering maturity dates of investment portfolio for cash flow needs and 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 and budgeting process to help determine the funds required to support the normal operating requirements.

d) Interest rate risk

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

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

e) Currency risk

Currency rate risk is the risk that a financial instrument's fair value or future cash flows will fluctuate because of changes in foreign exchange rates. It is management's opinion that the City is not exposed to significant currency risk.

CITY OF WHITEHORSE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

10. Tangible Capital Assets

2025 Consolidated Schedule of Tangible Capital Assets – by Category

	Open Balance, Dec 31, 2024	Additions	Transfers	Disposals	End Balance, Dec 31, 2025
Asset Cost					
Land	18,595,933	\$ 15	\$ -	\$ -	\$ 18,595,948
Land Improvements	21,262,309	2,993,204	69,784	(84,372)	24,240,925
Buildings	195,921,861	881,715	5,497,020	(38,634)	202,261,962
Equipment	68,569,278	4,081,209	3,263,254	(430,870)	75,482,871
Linear Assets	519,672,127	343,171	10,708,291	(201,844)	530,521,745
Assets Under Construction	36,054,192	30,646,865	(19,538,349)	-	47,162,708
Total	\$860,075,700	\$ 38,946,179	\$ -	\$ (755,720)	\$ 898,266,159
Accumulated Amortization					
Land	\$ -	\$ -	\$ -	\$ -	\$ -
Land Improvements	9,227,122	733,247	-	(84,372)	9,875,997
Buildings	89,556,064	6,712,821	-	(38,634)	96,230,251
Equipment	40,267,482	5,259,624	-	(422,655)	45,104,451
Linear Assets	249,684,913	10,054,175	-	(130,663)	259,608,425
Assets Under Construction	-	-	-	-	-
Total	\$388,735,581	\$ 22,759,867	\$ -	\$ (676,324)	\$ 410,819,124
Net Book Value					
Land	\$ 18,595,933	\$ 15	\$ -	\$ -	\$ 18,595,948
Land Improvements	12,035,187	2,259,957	69,784	-	14,364,928
Buildings	106,365,797	(5,831,106)	5,497,020	-	106,031,711
Equipment	28,301,796	(1,178,415)	3,263,254	(8,215)	30,378,420
Linear Assets	269,987,214	(9,711,004)	10,708,291	(71,181)	270,913,320
Assets Under Construction	36,054,192	30,646,865	(19,538,349)	-	47,162,708
Total	\$471,340,119	\$ 16,186,312	\$ -	\$ (79,396)	\$ 487,447,035

No donated assets were received in 2025.

In total, 15 parcels of land designated as buffer, commercial, park, green space, public utility or roadway are recognized as capital assets at a nominal value of \$1 each.

CITY OF WHITEHORSE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

10. Tangible Capital Assets

2024 Consolidated Schedule of Tangible Capital Assets – by Category

	Open Balance, Dec 31, 2023	Additions	Transfers	Disposals	End Balance, Dec 31, 2024
Asset Cost					
Land	\$ 18,595,968	\$ 39	\$ -	\$ (74)	\$ 18,595,933
Land Improvements	21,042,309	220,000	-	-	21,262,309
Buildings	188,224,153	2,927,879	4,769,829	-	195,921,861
Equipment	63,326,072	6,196,349	1,371,948	(2,325,091)	68,569,278
Linear Assets	515,063,882	2,242,636	2,405,633	(40,024)	519,672,127
Assets Under Construction	28,261,262	16,340,340	(8,547,410)	-	36,054,192
Total	\$834,513,646	\$ 27,927,243	\$ -	\$ (2,365,189)	\$860,075,700
Accumulated Amortization					
Land	\$ -	\$ -	\$ -	\$ -	\$ -
Land Improvements	8,503,743	723,379	-	-	9,227,122
Buildings	83,006,697	6,549,367	-	-	89,556,064
Equipment	37,673,439	4,904,465	-	(2,310,422)	40,267,482
Linear Assets	239,841,387	9,881,710	-	(38,184)	249,684,913
Assets Under Construction	-	-	-	-	-
Total	\$369,025,266	\$ 22,058,921	\$ -	\$ (2,348,606)	\$388,735,581
Net Book Value					
Land	\$ 18,595,968	\$ 39	\$ -	\$ (74)	\$ 18,595,933
Land Improvements	12,538,566	(503,379)	-	-	12,035,187
Buildings	105,217,456	(3,621,488)	4,769,829	-	106,365,797
Equipment	25,652,633	1,291,884	1,371,948	(14,669)	28,301,796
Linear Assets	275,222,495	(7,639,074)	2,405,633	(1,840)	269,987,214
Assets Under Construction	28,261,262	16,340,340	(8,547,410)	-	36,054,192
Total	\$465,488,380	\$ 5,868,322	\$ -	\$ (16,583)	\$471,340,119

No donated assets were received in 2024.

In total, 39 parcels of land designated as buffer, commercial, park, green space, public utility or roadway are recognized as capital assets at a nominal value of \$1 each.

CITY OF WHITEHORSE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

11. Accumulated Surplus

Accumulated surplus consists of individual fund surplus and reserves as follows:

Reserves	Appropriations			2025 Balance
	2024 Balance	To Reserves	From Reserves	
Area Development Scheme Reserve	\$ 18,314	\$ -	\$ (6,825)	\$ 11,489
Building Replacement Reserve	7,059,074	2,519,487	(129,221)	9,449,340
Capital Reserve	19,261,999	7,146,172	(6,179,477)	20,228,694
Cash In Lieu of Municipal Reserve	1,130,322	17,150	-	1,147,472
Cemetery Perpetual Care Reserve	125,307	15,455	-	140,762
Computer Equipment Reserve	581,087	166,409	(137,173)	610,323
Contingency Reserve	2,822,622	637,682	(1,590,545)	1,869,759
Development Cost Charge (DCC) Reserve	5,426,353	724,798	(341,000)	5,810,151
DCC: Rec Facility Replacement	4,011,681	266,269	-	4,277,950
Environmental Protection Reserve	576,326	247,100	(53,730)	769,696
Equipment Reserve	3,263,395	2,184,967	(1,558,663)	3,889,699
Gas Tax Reserve	40,720	-	-	40,720
General Fund Reserve	5,906,595	3,346,397	(3,863,667)	5,389,325
Land Bank Reserve	578,624	-	-	578,624
Parking Development Reserve	976,449	301,433	(51,800)	1,226,082
Recreation Facilities Reserve	1,019,132	145,000	(74,800)	1,089,332
Recreation Grant Reserve	1,500	-	-	1,500
Sister Cities Reserve	3,000	-	-	3,000
Snow & Ice Control Reserve	5,301	-	-	5,301
Tire Disposal Reserve	96,347	-	-	96,347
Transit Equipment Reserve	5,763,036	1,145,623	(91,866)	6,816,793
Water and Sewer Replacement Reserve	11,931,973	2,445,267	(395,861)	13,981,379
Total reserves	\$ 70,599,157	\$ 21,309,209	\$ (14,474,628)	\$ 77,433,738
Surplus				
Invested in tangible capital assets	\$ 471,340,119			\$ 487,447,035
Debt	(12,365,538)			(11,212,345)
Net investment in tangible capital assets	\$ 458,974,581			\$ 476,234,690
General Surplus	\$ 12,419,641			\$ 9,166,385
Accumulated Surplus	\$ 541,993,379			\$ 562,834,813

CITY OF WHITEHORSE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

12. Taxation revenue

Each type of taxation revenue recognized as at December 31, 2025 is as follows:

	2025	2024
General municipal taxes	\$ 44,570,085	\$ 42,262,600
Federal payments in lieu of taxes	800,959	778,353
Territorial payments in lieu of taxes	10,487,560	9,984,370
Total taxation revenue	\$ 55,858,604	\$ 53,025,323

13. Government transfers

The most significant government transfer relates to the Comprehensive Municipal Grant received from the Yukon Government in the amount of \$12,993,040 (2024 - \$9,804,273). Other grant amounts consist of \$34,944,769 (2024 - \$23,118,902) in capital project grants primarily administered through the Yukon Government, and \$793,376 (2024 - \$773,095) provided as annual operating grants. In 2025, the City received Carbon Tax Rebate totaling \$951,610 (2024 - \$753,558).

14. Sales of Goods and Services

Sales of Goods and Services are comprised of:

	2025	2024
Admissions and Programs	\$ 2,908,501	\$ 2,789,653
Facilities Rentals	1,761,885	1,836,387
Fares	2,730,816	1,632,990
User Fees - Utility Funds	18,993,156	16,974,103
Advertising and Other	588,133	537,038
Total sales of goods and services	\$ 26,982,491	\$ 23,770,171

15. Licenses, Permits, Penalties and Fines

Licenses, Permits, Penalties and Fines are comprised of:

	2025	2024
Licenses	\$ 594,184	\$ 585,208
Fines and Penalties	1,258,408	1,021,740
Permits and Fees	2,765,787	2,263,825
Total licenses, permits, penalties and fines	\$ 4,618,379	\$ 3,870,773

CITY OF WHITEHORSE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

16. 2025 Budget Adjustments

The budget amounts presented throughout these financial statements are based on the Capital Expenditure Program (Capital) approved by Council January 27, 2025 (Bylaw 2024-50) and the Operating Budget (Operating) approved by Council on February 24, 2025 (Bylaw 2025-01). Capital re-budgets and other projects which do not impact the property tax rate are also included in the pre-finalization adjustment column below.

	Original budget approved by council	Pre-finalization adjustments	Final approved budget
Revenues			
Capital	\$ 14,536,221	\$ 104,953,427	\$ 119,489,648
Operating	119,275,993	1,753,703	121,029,696
	133,812,214	106,707,130	240,519,344
Expenses			
Capital	14,536,221	104,953,427	119,489,648
Operating	119,275,993	1,753,703	121,029,696
	133,812,214	106,707,130	240,519,344
Annual Surplus (Deficit)	\$ -	\$ -	\$ -

CITY OF WHITEHORSE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

16. 2025 Budget Adjustments (Continued)

The table below shows the adjustments made to the 2025 budget values for the use of surpluses accumulated in previous years, debt transactions, amortization expenses, tangible capital asset transactions and the accumulation of surpluses in the current year. The Adjusted Budget values are then comparable to the 2025 actual values, and are the budget values shown in the Statement of Operations.

	Final approved budget	Borrowing proceeds	Use of / transfer to accumulated surplus	Debt principal payments	Amortization expense	TCA expenditures	Adjusted budget
Revenues							
Capital	\$ 119,489,648	\$ -	\$ (40,523,069)	\$ -	\$ -	\$ -	\$ 78,966,579
Operating	121,029,696	-	(11,878,383)	-	-	-	109,151,313
	<u>240,519,344</u>	<u>-</u>	<u>(52,401,452)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>188,117,892</u>
Expenses							
Capital	119,489,648	-	-	-	-	(119,489,648)	-
Operating	121,029,696	-	(25,101,776)	(1,153,192)	22,831,049	7,479,395	125,085,172
	<u>240,519,344</u>	<u>-</u>	<u>(25,101,776)</u>	<u>(1,153,192)</u>	<u>22,831,049</u>	<u>(112,010,253)</u>	<u>125,085,172</u>
Annual Surplus (Deficit)	\$ -	\$ -	\$ (27,299,676)	\$ 1,153,192	\$ (22,831,049)	\$ 112,010,253	\$ 63,032,720

CITY OF WHITEHORSE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

17. Pension Liability

The City provides retirement benefits to eligible employees through a privately managed registered defined contribution pension plan. Under the plan, both employees and the City contribute a percentage of pensionable earnings in accordance with applicable collective

The City's obligation is limited to making the required contributions to the plan in accordance with the governing agreements. The City does not assume actuarial, investment, or funding risks associated with the plan, as these risks are borne by the plan members. Accordingly, the City has no accrued pension obligation related to future pension benefits beyond any contributions payable at year-end.

During 2025, the City contributed \$2,511,414 to the plan (2024 – \$2,383,443). There were no significant changes to the pension plan during the year.

18. Contingent Liabilities

At December 31, 2025, contingent liabilities exist related to legal actions pending against the City. The amount of the liability cannot be estimated at this time. The amount of any loss that may result from these claims will be recorded in the period that the amount becomes determinable. The City recognizes environmental liabilities when they are known and can be reasonably estimated. At this time the City is not aware of any significant liabilities.

19. Segmented Information

The City of Whitehorse is a diversified municipal government institution that provides a range of services to its citizens such as transit, fire, water, and sewer. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

General Government Services is comprised of the administrative operations of the municipality including the City Manager's office, all Directors, and the departments of Business & Technology Systems, Engineering Services, Financial Services, Human Resources, Legislative Services, Strategic Communications and Property Management. Business & Technology Systems maintains the City's computer infrastructure. Engineering facilitates the planning, design, and construction of the City's infrastructure. Financial Services is responsible for the financial reporting and control services of the municipality. Human Resources facilitates staff recruitments, provide staff relations advice and present staff development opportunities. Legislative Services coordinates the flow of information to and from Council and Committee meetings and facilitates the development and administration of policies and bylaws. Strategic Communications works with all departments to ensure clear communication to the citizens of Whitehorse. Property Management is responsible for vertical infrastructure and building maintenance functions.

CITY OF WHITEHORSE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

19. Segmented Information (Continued)

Protective Services is comprised of Building Services, Bylaw Services, and Fire plus the safety and emergency services function. Building Services is responsible for the enforcement of building and construction codes within the City. Bylaw Services educates and resolves infractions against City bylaws while also performing animal control responsibilities. The Fire department is responsible for providing fire suppression and rescue service, fire prevention programs, training and education as well as assistance in emergency preparedness. Safety services facilitates necessary worker safety programs and inspections.

Transportation Services is made up of Fleet & Transportation Maintenance department and Transit Services. This part of Operations & Infrastructure is responsible for the maintenance of all roads within City limits including snow and ice control, maintaining traffic lights and signs, line painting, and insect control, as well as fleet and equipment maintenance. The Transit Services department provides a Handy bus service, which is a service for persons with disabilities in addition to the regular transit service.

Environmental Services is made up of the Environmental Sustainability function from the Planning & Sustainability department and the Water & Waste Services department. Environmental Sustainability focuses on integrating sustainability initiatives, providing guidance on environmental issues and managing environment-related programs and projects. Water & Waste Services encompasses the water, sewer and garbage services of the municipality.

Public Health Services consists of the operation of the two cemeteries.

Community Development Services is made up of the Planning Services and Economic Development functions from the Planning & Sustainability department and the Land & Development Services department. Planning is responsible for the long-range planning of the municipality in consultation with the community ensuring a consistent application of the City's Official Community Plan, Zoning Bylaw, and other legislation in order to protect the natural and developed areas of the City. Economic Development is intended to be the first point of contact within the municipality for those interested in doing business in Whitehorse.

Recreation and Cultural Services is made up of the departments of Parks & Trails and Facility Operations. They are responsible for the operations and maintenance of a variety of recreation facilities including the Canada Games Centre and approximately 33 neighborhood outdoor rinks, over 7,000 hectares of greenspace, numerous trails and parks, leisure programs, and special events.

2025 Financial Analysis

Statement 1 – Statement of Financial Position

The Public Sector Accounting Board places greater emphasis on the Statement of Financial Position, which reflects the long-term fiscal health of a municipality, than on a traditional operating statement or, in the case of public sector organizations, the Statement of Operations, which presents a more short-term perspective.

The City's 2025 Statement of Financial Position shows an improvement in accumulated surplus compared to 2024. Financial assets increased by \$6.46 million, while liabilities increased by \$1.81 million, resulting in a net increase in net financial assets of approximately \$4.65 million. Non-financial assets, primarily tangible capital assets, increased by \$16.19 million as capital improvements were completed or remained under construction. Overall, the City's accumulated surplus increased by \$20.84 million.

	2025	2024	Net Change
Financial assets	\$ 132,294,097	\$ 125,831,761	\$ 6,462,336
Liabilities	57,820,528	56,006,879	1,813,649
Net financial assets	\$ 74,473,569	\$ 69,824,882	4,648,687
Non-financial assets	488,361,244	472,168,497	16,192,747
Accumulated surplus	\$ 562,834,813	\$ 541,993,379	\$ 20,841,434

The accumulated surplus of \$562.83 million is further explained in Note 11, and consists of the following components: reserves, net investment in tangible capital assets and general surplus:

Total reserves	\$ 77,433,738
Surplus	
Invested in tangible capital assets	487,447,035
Debt	(11,212,345)
Net investment in tangible capital assets	\$ 476,234,690
General surplus	9,166,385
Accumulated surplus	\$ 562,834,813

This breakdown shows that while the City's reserves total \$77.43 million, the majority of the City of Whitehorse's accumulated surplus has already been invested in tangible capital assets. The City's reserve and general surplus levels remain within acceptable ranges given the overall financial framework.

One of the financial benchmarks used to evaluate financial health measures the City's liquidity, or ability to meet its obligations. Using data from the Statement of Financial Position, the 2025 result is 1.574, which falls within the acceptable range of 1.00 to 2.50.

The 2025 cash and investments balance increased by 12.75%, while the total financial liabilities increased by 3.24%, primarily due to increases in asset retirement obligations and deferred revenues related to government transfers.

Cash + Investments / Total Financial Liabilities	Benchmark	2025	2024	2023	2022 Restated	2021
	1.000 – 2.500	1.574	1.442	1.923	2.011	2.119

The next financial benchmark is calculated using data from both the Statement of Financial Position and the Statement of Operations. This benchmark measures the City's ability to meet general obligations relative to annual revenue, including the long-term planning implications of environmental liabilities. The ratio of general (current) liabilities to operating revenue increased to 0.442 in 2025, remaining within the acceptable range of 0.251 to 0.500.

This increase is primarily attributable to a 44.2% increase in deferred revenue compared to 2024, driven by the receipt of capital funding in advance of expenditures being incurred. Operating revenue also increased by 6.38%, driven by higher property tax revenues, sales of goods and services, payments in lieu of taxes, permits, and developer contributions.

General (Current) Liabilities (incl. ARO) / Operations Revenue	Benchmark	2025	2024	2023	2022 Restated	2021
	0.251 – 0.500	0.442	0.441	0.372	0.372	-

The next benchmark is calculated using data is the per capita debt ratio. These results demonstrate that per capita debt remains well within the maximum limits established by the City's Debt Management Policy.

The Municipal Act establishes a maximum debt limit of approximately \$3,934 per capita (based on December 31, 2025 assessments, and population figures), while the City's policy further restricts debt to \$500 per capita unless otherwise approved by Council. The 2025 result is \$325 per capita. As future borrowing is contemplated, this ratio may increase in future years.

Long-Term Debt / Population	Benchmark	2025	2024	2023	2022 Restated	2021
	\$0 - \$500	\$325	\$368	\$420	\$459	\$401

Statement 2 - Statement of Operations

This statement compares actual expenses for the year to the final approved 2025 budget and summarizes the sources, allocation, and use of the financial resources administered during the year. The budget figures combine both approved capital and operating budgets and are presented in accordance with PSAB standards, as shown in Note 16 of the Financial Statements.

Total 2025 revenue was 22.66% below budget (2024 – 30.56%). The variance occurred because government transfers did not reach planned levels, as some externally funded capital projects were delayed due to resource and capacity constraints.

On the expense side, costs were 0.35% below budget (2024 – 2.12% below budget) primarily due to lower operating costs within the protective services and general government services areas.

Actual revenues and expenses resulted in a surplus of \$20.84 million compared to a planned surplus of \$63.03 million. As planned capital projects are completed and related funding is claimed, the remaining surplus is expected to be realized in future years. In the context of these financial statements, a surplus does not represent profit. Rather it represents the excess of revenues over expenses over the year. A surplus also does not mean that equivalent cash is available, as a significant portion of the City's resources have been invested in tangible capital assets, which are capitalized and expensed over their useful lives through amortization.

One of the benchmarks used to evaluate the data in Statement of Operations measures own-source revenue as a ratio of total revenue. Total revenue is calculated excluding capital grants and donated capital assets to better reflect day-to-day operations. The 2025 result is 0.866, which falls within the acceptable range of 0.795 to 0.972.

Own Source Revenue / Total Revenue *	Benchmark	2025	2024	2023	2022 Restated	2021
	0.795 – 0.972	0.866	0.888	0.897	0.893	0.888

Data from this statement and Note 11 of the Financial Statements are used to measure the City's ability to withstand a temporary revenue shortfall. The 2025 result is 0.287, which falls within the acceptable range of 0.101 to 0.358. Uncommitted reserves include the Capital, Contingency and General Fund reserves. The City's success in leveraging external funding sources for major capital projects contributes positively to this indicator.

Uncommitted Reserves Operations Revenue /	Benchmark	2025	2024	2023	2022 Restated	2021
	0.101 – 0.358	0.287	0.311	0.418	0.302	0.302

Statement 3 – Statement of Changes in Net Financial Assets

This statement reflects changes in physical assets resulting from the acquisition of new tangible capital assets, which occurred via the purchase, amortization and disposition of assets throughout the year. In 2025, \$38.95 million (2024 – \$27.93 million) was invested in the acquisition of new tangible capital assets, while \$22.76 million (2024 – \$22.06 million) was amortized during the same period. In both 2025 and 2024, the City did not receive any donated tangible capital assets. An investment level in assets that exceeds the cost of consuming existing assets is generally considered a positive indicator for long-term municipal sustainability.

Statement 4 – Statement of Cash Flows

This statement demonstrates how the City finances its operations and meets its cash requirements throughout the year. In 2025, these activities resulted in an increase in cash of \$30,295,715, primarily due to the collection of outstanding accounts receivable, receipt of deferred revenue and the maturity of investments.

ADMINISTRATIVE REPORT

TO: Corporate Services Committee
FROM: Administration
DATE: June 15, 2026
RE: Upcoming Procurements (July/August) – For Information Only

ISSUE

Bi-monthly update on forthcoming procurement projects with an anticipated value greater than \$100,000.

REFERENCE

- Procurement Policy 2020-03
- Upcoming Procurement Projects Information Report (Attachment 1)

HISTORY

In accordance with the Procurement Policy, a list of forthcoming procurements with an anticipated value greater than \$100,000 must be provided to Council on a bi-monthly basis.

ANALYSIS

Managers have been asked to review their capital projects and operating requirements and to provide information on their anticipated procurements over \$100,000 for the period of July and August 2026. The information as compiled by the Financial Services department is attached as Attachment 1.

**Attachment 1
Upcoming Procurements (July/August) - For Information Only**

Report Number 2026-04

Date of Meeting: June 15, 2026

Subject: Upcoming Procurement Projects

Period: July - August 2026

Purpose: To provide Council with a bi-monthly update on forthcoming procurement projects with an anticipated value greater than \$100,000. All forthcoming procurements are subject to budget and/or rebudget authorization.

No	Department	Project Title	Brief Description	Budget (Operating / Capital)	Commencement Report Required (No/Yes + reason)	Anticipated Procurement Posting Date
1	Bylaw Services	Downtown Parking Management Plan	Consulting service for comprehensive update of the Downtown Parking Management Plan	Capital 400c00126	No, project value is less than \$500k	July 23, 2026
2	Fleet & Transportation Maintenance	Third Party Equipment Rental	Standing Offer Agreement (SOA) for rental of various equipment and operators on an as needed basis for snow and ice control for the 2026/2027 winter season	Operating	No, project value is less than \$500k	August 3, 2026
3	Fleet & Transportation Maintenance	Asphalt Crack Sealer Replacement	Supply and delivery of an asphalt crack sealer	Capital	No, project value is less than \$500k	July 2, 2026
4	Parks	Millenium Trail Realignment	Realignment and paving of the section of the Millenium Trail impacted by erosion along the riverbank	Capital	No, project value is less than \$500k	July 8, 2026
5	Recreation	Chlorine Scrubber & Auto Shutoff – Canada Games Centre	Supply and installation of a chlorine scrubber and an automatic shutoff drive	Capital 750c00624	No, project value is less than \$500k	July 8, 2026
6	Recreation	Ozone Replacement System	Supply and installation of a replacement ozone generator at the Canada Games Centre	Capital 750c00124	No, project value is less than \$500k	July 8, 2026

ADMINISTRATIVE REPORT

TO: Corporate Services Committee
FROM: Administration
DATE: June 15, 2026
RE: Budget Amendment – Millenium Trail Realignment

ISSUE

Council approval of a budget amendment to the 2026-2029 Capital Expenditure Program by adding a project for the Millennium Trail Realignment.

REFERENCE

- 2026 - 2029 Capital Expenditure Program 2025-38
- Asphalt Path Realignment – Preliminary Design 2026 (Attachment 1)

HISTORY

The Millennium Trail (Trail) is a key accessible active transportation corridor providing public access to recreational opportunities and essential connectivity for residents and visitors throughout the region.

LiDAR survey data indicates the riverbank has been eroding at a rate of approximately 2–3 metres per year, with an estimated 6–8 metres of bank loss occurring between 2024 and 2026. Initial assessments identified a section of the paved trail as critically compromised, with visible sloughing, cracking, and surface displacement.

In response, a realignment of the Trail away from the riverbank is being proposed. Emergency authorization for immediate removal of the compromised asphalt was initiated on June 11, 2026, under the City's emergency procurement authority. Full trail realignment and any remaining pavement removal is scheduled for late June to early July 2026, subject to approvals from Kwanlin Dün First Nation and the Government of Yukon.

This project is eligible under the Canada Community Building Fund (CCBF) however Administration is first exploring other external funding opportunities in an effort to preserve City reserves and known CCBF allocations.

ALTERNATIVES

1. Amend the 2026-2029 Capital Expenditure Program as recommended: or
2. Refer the matter back to Administration for further analysis

ANALYSIS

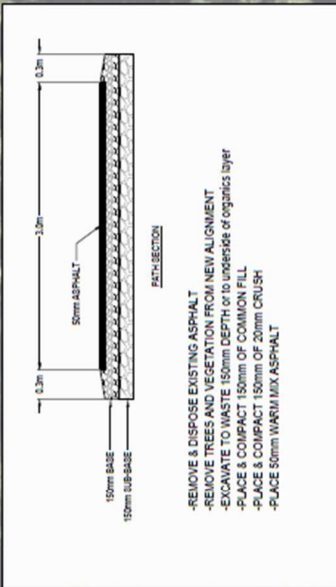
In recent years, ongoing riverbank erosion and shoreline instability have placed a section of the existing paved trail at risk of structural failure, undermining the trail surface, creating unsafe conditions for users, and posing significant liability.

The proposed project (Attachment 1) will realign approximately 95 metres of trail to a more stable location away from the eroding riverbank, preserving an important active transportation and recreation corridor and reducing the risk of future closures. Work includes pre-construction bird surveys, consulting and engineering services, tree removal, site preparation, wages, construction of the new trail segment, removal of the existing asphalt, and site restoration. The new alignment will maintain public access and provide a safe, reliable, and sustainable route for residents and visitors for years to come.

This budget amendment is required to authorize the capital expenditure and ensure sufficient funding is available to complete all phases of the project.

ADMINISTRATIVE RECOMMENDATION

THAT Council amend the 2026–2029 Capital Expenditure Program by adding a project for Millenium Trail Realignment in the amount of \$150,000 funded from the Capital Reserve until an external funding source is secured.



SHEET		1		of		1		REV.		0	
ASPHALT PATH REALIGNMENT 2026 MILLENNIUM TRAIL REALIGNMENT PROPOSAL											
SCALE		HORIZ: 1:500		VERT: 1:10		DESIGN:		DRAWN:		BY: APT	
		RD		RD		RD		RD		RD	
CHECKED:		RD		RD		RD		RD		RD	
DATE		DATE		DATE		DATE		DATE		DATE	
REVISIONS & ISSUES		REVISIONS & ISSUES		REVISIONS & ISSUES		REVISIONS & ISSUES		REVISIONS & ISSUES		REVISIONS & ISSUES	
REFERENCE DRAWINGS											

CITY OF WHITEHORSE
CITY PLANNING COMMITTEE
Council Chambers, City Hall



Chair: Anne Middler

Vice-Chair: Jenny Hamilton

June 15, 2026

Meeting #2026-12

1. New Business

CITY OF WHITEHORSE
DEVELOPMENT SERVICES COMMITTEE
Council Chambers, City Hall



Chair: Jenny Hamilton

Vice-Chair: Lenore Morris

June 15, 2026

Meeting #2026-12

1. New Business