



# City of Whitehorse Financial Statements

**Year ended December 31, 2025**

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# City of Whitehorse

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### Year ended December 31, 2025

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**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.

A handwritten signature in black ink, appearing to read "Brittany Dixon", is written in a cursive style.

**Brittany Dixon**  
Director, Corporate Services  
June 24, 2026



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## Independent Auditor's Report

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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.



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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.

*BDO Canada LLP*

Chartered Professional Accountants

Whitehorse, Yukon

June 24, 2026

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



	2025	2024
<b>Financial assets</b>		
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
<b>Total financial assets</b>	<b>\$ 132,294,097</b>	<b>\$ 125,831,761</b>
<b>Liabilities</b>		
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
<b>Total liabilities</b>	<b>\$ 57,820,528</b>	<b>\$ 56,006,879</b>
<b>Net financial assets</b>	<b>\$ 74,473,569</b>	<b>\$ 69,824,882</b>
<b>Non-financial assets</b>		
Tangible capital assets (Note 10)	\$ 487,447,035	\$ 471,340,119
Inventory	913,535	828,378
Prepaid expenses	674	-
<b>Total non-financial assets</b>	<b>\$ 488,361,244</b>	<b>\$ 472,168,497</b>
<b>Accumulated surplus (Note 11)</b>	<b>\$ 562,834,813</b>	<b>\$ 541,993,379</b>

The accompanying notes are an integral part of these financial statements

Approved by:

*Svetlana Erickson*

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
<b>Revenues (Schedule 1)</b>			
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
<b>Total revenues</b>	<b>\$ 188,117,892</b>	<b>\$ 145,489,980</b>	<b>\$ 124,509,092</b>
<b>Expenses (Schedule 1)</b>			
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
<b>Total expenses</b>	<b>\$ 125,085,172</b>	<b>\$ 124,648,546</b>	<b>\$ 120,982,813</b>
<b>Annual surplus</b>	<b>\$ 63,032,720</b>	<b>\$ 20,841,434</b>	<b>\$ 3,526,279</b>
Accumulated surplus at beginning of year	\$ 541,993,379	\$ 541,993,379	\$ 538,467,100
<b>Accumulated surplus at end of year (Note 11)</b>	<b>\$ 605,026,099</b>	<b>\$ 562,834,813</b>	<b>\$ 541,993,379</b>

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
<b>Annual surplus</b>	\$ 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
<b>Net financial assets at end of year</b>	<b>\$ 43,678,398</b>	<b>\$ 74,473,569</b>	<b>\$ 69,824,882</b>

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
<b>Operating transactions</b>		
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)	-
<b>Cash provided by operating transactions</b>	<u>\$ 50,369,037</u>	<u>\$ 16,917,992</u>
<b>Capital transactions</b>		
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)
<b>Cash provided by (applied to) capital transactions</b>	<u>\$ (38,920,129)</u>	<u>\$ (28,126,122)</u>
<b>Investing transactions</b>		
Investments	\$ 20,000,000	\$ (8,000,000)
<b>Cash provided by (applied to) investing transactions</b>	<u>\$ 20,000,000</u>	<u>\$ (8,000,000)</u>
<b>Financing transactions</b>		
Debt repayment	(1,153,193)	(1,284,807)
<b>Cash provided by (applied to) financing transactions</b>	<u>\$ (1,153,193)</u>	<u>\$ (1,284,807)</u>
<b>Increase/(decrease) in cash</b>	<b>\$ 30,295,715</b>	<b>\$ (20,492,937)</b>
Cash at beginning of year	\$ 52,739,244	\$ 73,232,181
<b>Cash at end of year</b>	<b>\$ 83,034,959</b>	<b>\$ 52,739,244</b>

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
<b>Revenues</b>									
	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
<b>Total:</b>	<b>\$ 104,969,966</b>	<b>\$ 4,028,291</b>	<b>\$ 6,857,970</b>	<b>\$ 22,043,874</b>	<b>\$ 120,867</b>	<b>\$ 958,740</b>	<b>\$ 6,510,272</b>	<b>\$ -</b>	<b>\$ 145,489,980</b>
<b>Expenses</b>									
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
<b>Total:</b>	<b>\$ 30,605,268</b>	<b>\$ 13,974,368</b>	<b>\$ 32,815,011</b>	<b>\$ 23,136,652</b>	<b>\$ 233,413</b>	<b>\$ 3,927,198</b>	<b>\$ 19,956,636</b>	<b>\$ -</b>	<b>\$ 124,648,546</b>
<b>Annual Surplus (Deficit)</b>	<b>\$ 74,364,698</b>	<b>\$ (9,946,077)</b>	<b>\$ (25,957,041)</b>	<b>\$ (1,092,778)</b>	<b>\$ (112,546)</b>	<b>\$ (2,968,458)</b>	<b>\$ (13,446,364)</b>	<b>\$ -</b>	<b>\$ 20,841,434</b>

**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	
<b>Revenues</b> <span style="float: right;">segments detailed in Note 19</span>									
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	
<b>Total:</b>	<b>\$ 88,653,034</b>	<b>\$ 3,380,339</b>	<b>\$ 4,538,121</b>	<b>\$ 20,466,320</b>	<b>\$ 114,663</b>	<b>\$ 1,319,451</b>	<b>\$ 6,037,164</b>	<b>\$ 124,509,092</b>	
<b>Expenses</b>									
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	
<b>Total:</b>	<b>\$ 29,882,431</b>	<b>\$ 13,812,518</b>	<b>\$ 31,585,697</b>	<b>\$ 21,821,794</b>	<b>\$ 205,529</b>	<b>\$ 4,040,485</b>	<b>\$ 19,634,359</b>	<b>\$ 120,982,813</b>	
<b>Annual Surplus (Deficit)</b>	<b>\$ 58,770,603</b>	<b>\$ (10,432,179)</b>	<b>\$ (27,047,576)</b>	<b>\$ (1,355,474)</b>	<b>\$ (90,866)</b>	<b>\$ (2,721,034)</b>	<b>\$ (13,597,195)</b>	<b>\$ 3,526,279</b>	

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



	2025 Budget		2025 Actual		2024 Actual
<b>Revenues</b>					
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>\$</u>	<u>12,237,909</u>	<u>\$</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>\$</u>	<u>604,543</u>	<u>\$</u>	<u>618,342</u>
<b>Total revenues</b>	<b>\$ 14,159,508</b>	<b>\$</b>	<b>13,297,009</b>	<b>\$</b>	<b>12,497,035</b>
<b>Expenses</b>					
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>\$</u>	<u>11,282,797</u>	<u>\$</u>	<u>10,937,407</u>
Transfers to reserves					
Current year transfer	\$ 2,613,711	\$	2,628,662	\$	2,450,242
<b>Total expenses</b>	<b>\$ 14,159,508</b>	<b>\$</b>	<b>13,911,459</b>	<b>\$</b>	<b>13,387,649</b>
<b>(Deficit) before amortization</b>	<b>\$ -</b>	<b>\$</b>	<b>(614,450)</b>	<b>\$</b>	<b>(890,614)</b>
Amortization	-		5,060,885		5,002,277
<b>(Deficit) after amortization</b>	<b>\$ -</b>	<b>\$</b>	<b>(5,675,335)</b>	<b>\$</b>	<b>(5,892,891)</b>

**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
<b>Total accounts receivable</b>	<b>\$ 41,214,405</b>	<b>\$ 45,039,804</b>

**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
<b>Total accounts payable</b>	<b>\$ 20,606,285</b>	<b>\$ 21,064,356</b>

**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
<b>Accrued employee future benefits liability</b>	<b>\$ 4,264,300</b>	<b>\$ 4,019,500</b>

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 decommission 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
<b>Closing balance</b>	<b>\$</b>	<b>1,259,687</b>	<b>\$</b>	<b>8,213,833</b>	<b>\$</b>	<b>18,948</b>	<b>\$</b>	<b>102,689</b>	<b>\$</b>	<b>9,595,157</b>

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
<b>Closing balance</b>	<b>\$</b>	<b>1,199,702</b>	<b>\$</b>	<b>7,822,698</b>	<b>\$</b>	<b>18,045</b>	<b>\$</b>	<b>97,799</b>	<b>\$</b>	<b>9,138,244</b>

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
<b>Total</b>	<b>\$ 5,452,623</b>	<b>\$ 5,765,863</b>	<b>\$ (3,354,017)</b>	<b>\$ 7,864,469</b>

**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)
<b>Balance, as at December 31</b>	<b>\$ 11,212,345</b>	<b>\$ 12,365,538</b>

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%
<b>Total</b>		<b>\$ 11,212,345</b>	<b>\$ 12,365,538</b>	

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
<b>Total</b>	<b>\$ 11,212,345</b>
	<b>\$ 1,995,477</b>

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
<b>Asset Cost</b>					
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
<b>Total</b>	<b>\$860,075,700</b>	<b>\$ 38,946,179</b>	<b>\$ -</b>	<b>\$ (755,720)</b>	<b>\$ 898,266,159</b>

**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	-	-	-	-	-
<b>Total</b>	<b>\$388,735,581</b>	<b>\$ 22,759,867</b>	<b>\$ -</b>	<b>\$ (676,324)</b>	<b>\$ 410,819,124</b>

**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
<b>Total</b>	<b>\$471,340,119</b>	<b>\$ 16,186,312</b>	<b>\$ -</b>	<b>\$ (79,396)</b>	<b>\$ 487,447,035</b>

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
<b>Asset Cost</b>					
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
<b>Total</b>	<b>\$834,513,646</b>	<b>\$ 27,927,243</b>	<b>\$ -</b>	<b>\$ (2,365,189)</b>	<b>\$860,075,700</b>
<b>Accumulated Amortization</b>					
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	-	-	-	-	-
<b>Total</b>	<b>\$369,025,266</b>	<b>\$ 22,058,921</b>	<b>\$ -</b>	<b>\$ (2,348,606)</b>	<b>\$388,735,581</b>
<b>Net Book Value</b>					
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
<b>Total</b>	<b>\$465,488,380</b>	<b>\$ 5,868,322</b>	<b>\$ -</b>	<b>\$ (16,583)</b>	<b>\$471,340,119</b>

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
<b>Total reserves</b>	<b>\$ 70,599,157</b>	<b>\$ 21,309,209</b>	<b>\$(14,474,628)</b>	<b>\$ 77,433,738</b>

**Surplus**

Invested in tangible capital assets	\$471,340,119	\$ 487,447,035
Debt	(12,365,538)	(11,212,345)
<b>Net investment in tangible capital assets</b>	<b>\$458,974,581</b>	<b>\$ 476,234,690</b>
<b>General Surplus</b>	<b>\$ 12,419,641</b>	<b>\$ 9,166,385</b>

<b>Accumulated Surplus</b>	<b>\$541,993,379</b>	<b>\$ 562,834,813</b>
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**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
<b>Total taxation revenue</b>	<b>\$ 55,858,604</b>	<b>\$ 53,025,323</b>

**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
<b>Total sales of goods and services</b>	<b>\$ 26,982,491</b>	<b>\$ 23,770,171</b>

**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
<b>Total licenses, permits, penalties and fines</b>	<b>\$ 4,618,379</b>	<b>\$ 3,870,773</b>

**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
<b>Revenues</b>			
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
<b>Expenses</b>			
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
<b>Annual Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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**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
<b>Revenues</b>							
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>
<b>Expenses</b>							
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>
<b>Annual Surplus (Deficit)</b>	\$ -	\$ -	\$ (27,299,676)	\$ 1,153,192	\$ (22,831,049)	\$ 112,010,253	\$ 63,032,720

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**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.

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**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.