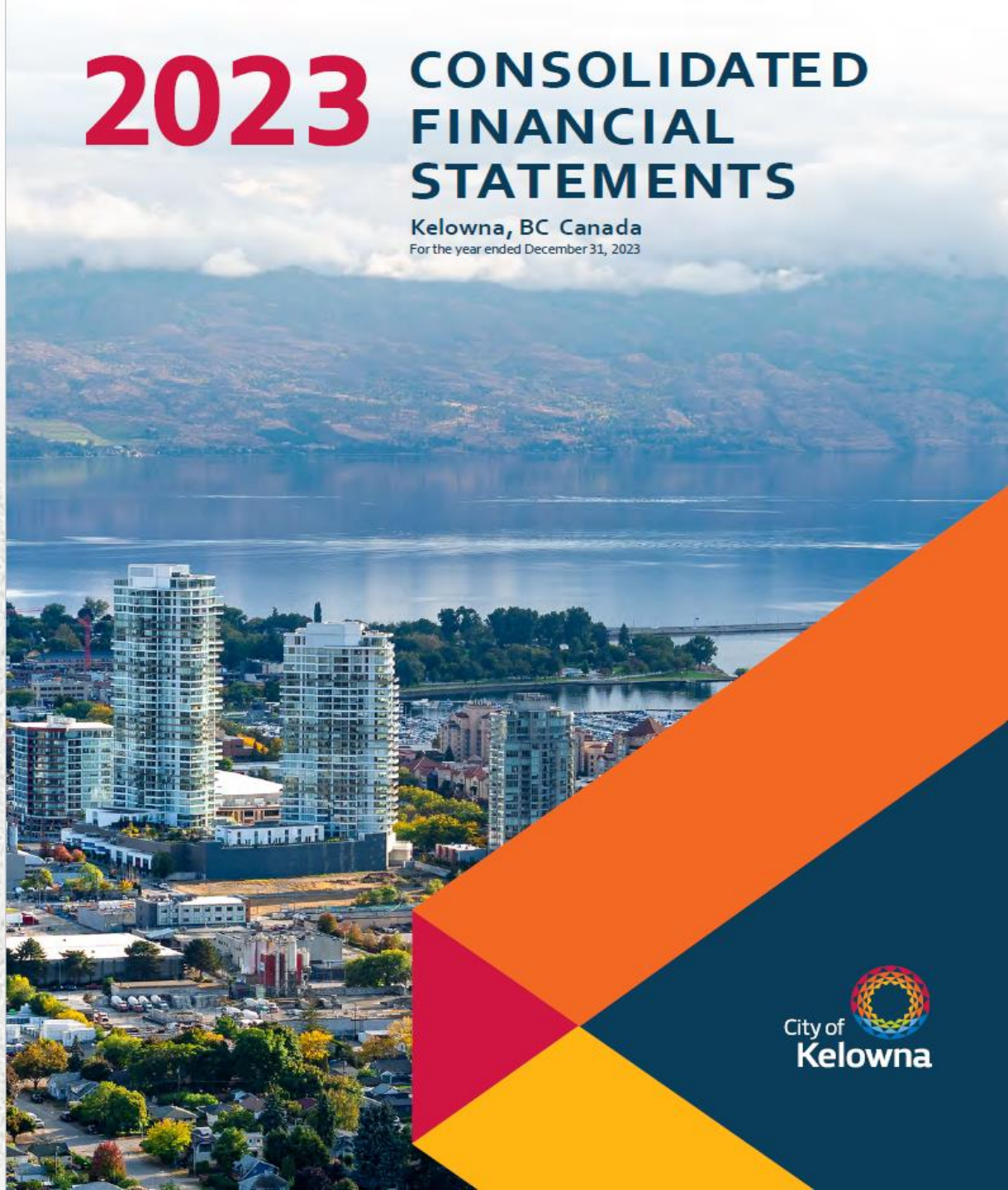


2023 CONSOLIDATED FINANCIAL STATEMENTS

Kelowna, BC Canada
For the year ended December 31, 2023

Report to Council

May 13, 2024



Topics

- ▶ 2023 Audit Committee Review
- ▶ Audit Results
- ▶ Consolidated Financial Statements

2023 Audit Committee Review

- ▶ Consolidated Financial Statements
- ▶ Notes to the Financial Statements
- ▶ Financial Health Indicators
- ▶ Auditor's Report
- ▶ City Reserves and Surpluses
- ▶ Surplus Balances and Appropriations

Audit Result

The City receives a clean audit



Consolidated Financial Statements

- ▶ Financial Position
- ▶ Operations and Accumulated Surplus
- ▶ Cash Flow

Financial Position

	<u>2023</u>	<u>2022</u>	<u>Change</u>
Financial Assets	\$1,049,400	\$844,400	\$205,000
Liabilities	<u>-\$532,800</u>	<u>-\$403,300</u>	<u>-\$129,500</u>
Net Financial Assets	<u>\$516,600</u>	<u>\$441,100</u>	<u>\$75,500</u>
Non-financial assets	<u>\$1,988,900</u>	<u>\$1,894,800</u>	<u>\$94,100</u>
Accumulated surplus	<u><u>\$2,505,500</u></u>	<u><u>\$2,336,000</u></u>	<u><u>\$169,500</u></u>

Financial Position

- *Drivers for change*

- ▶ Financial Assets
 - ▶ Cash and equivalents
 - ▶ Accounts Receivable
 - ▶ Portfolio investments

- ▶ Liabilities
 - ▶ Accounts payable and accrued liabilities
 - ▶ Deferred DCCs
 - ▶ Asset retirement obligations

- ▶ Non-financial assets
 - ▶ Acquisition of Tangible capital assets

- ▶ Accumulated Surplus



Operations and Accumulated Surplus

	<u>Budget</u>	<u>Actual 2023</u>	<u>Actual 2022</u>	<u>Change</u>
Revenue	\$481,900	\$509,300	\$424,800	\$84,500
Expenses	<u>-\$311,200</u>	<u>-\$372,300</u>	<u>-\$335,700</u>	<u>-\$36,600</u>
Annual Surplus	<u>\$170,700</u>	<u>\$137,000</u>	<u>\$89,100</u>	<u>\$47,900</u>
Accumulated Surplus, beginning of year		<u>\$2,336,000</u>	<u>\$2,246,900</u>	<u>\$89,100</u>
Accumulated Surplus, end of year		<u><u>\$2,473,000</u></u>	<u><u>\$2,336,000</u></u>	<u><u>\$137,000</u></u>

Operations and Accumulated Surplus – *Drivers for change*

- ▶ Revenue
 - ▶ Fees and charges
- ▶ Expenses
 - ▶ Increase in operations
 - ▶ Inflation and supply chain
- ▶ Annual Surplus



Cash Flow

	<u>2023</u>	<u>2022</u>	<u>Change</u>
Operating	\$345,900	\$194,400	\$151,500
Capital	-\$156,800	-\$102,600	-\$54,100
Investment	-\$169,600	-\$95,600	-\$74,000
Financing	-\$2,900	-\$8,400	\$5,500
Net increase in Cash	<u>\$16,700</u>	<u>-\$12,200</u>	<u>\$28,900</u>
Cash - Beginning of year	\$91,500	\$103,800	-\$12,200
Cash - end of year	<u><u>\$108,200</u></u>	<u><u>\$91,500</u></u>	<u><u>\$16,700</u></u>

In Summary

- ▶ Received clean audit opinion
- ▶ Strong Financial Results in 2023
- ▶ Positioned to take advantage of opportunities and overcome challenges



Questions?

For more information, visit kelowna.ca.