



# Measuring Financial Performance

Kelowna's Financial Health Measures – 2023 Year End

April 30th, 2024



# Introduction

As local government leaders, it is important for us to understand the financial health of our city and how it impacts the delivery of services to our community both now, and into the future.





# Categories

- **Financial Flexibility** – How much flexibility in the short term, without direct tax increases?
- **Financial Sustainability** – Do we have ability to maintain operations and services over the long term?
- **Competitiveness** – How do we fare financially on a per capita basis relative to similar municipalities and the region?

# Financial Flexibility

How much room we have to move in the short term

KELOWNA

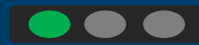
COMPARATORS

BENCHMARK

Pop > 100K

OKANAGAN

Debt Service Ratio



2.5%

<5%

1%

3%

Own Source Revenue



36%

>40%

30%

34%

Gov Transfers Ratio



13%




<10%

4%

12%




# Financial Sustainability

The ability to maintain operations and services over the long term

	KELOWNA	COMPARATORS		
		BENCHMARK	Pop > 100K	OKANAGAN
Financial Assets/Liabilities	 <b>1.98</b>	>1.75	1.84	1.39
Net Financial Assets/Revenue	 <b>101%</b>	>70%	75%	27%
Accum. Surplus & Reserves/Expenses	 <b>159%</b>	>100%	137%	63%

# Competitiveness

How do we fare financially on a per capita basis

	KELOWNA	COMPARATORS		
		BENCHMARK	Pop > 100K	OKANAGAN
Municipal portion on Representative House (LGDE)	 <b>\$2,681</b>	TBD	\$2,902	\$2,339
Debt Per Capita	 <b>\$439</b>	TBD	\$669	\$630
Annual Surplus Per Capita	 <b>\$915</b>	TBD	\$836	\$478

# Conclusion

## Financial Flexibility

- Debt is low and decreasing relative to revenues.
- Own source revenues strong and improving over time (grants and partnerships).
- External sources of revenue forecasted to increase as strategic priority.



## Financial Sustainability

- Financial Assets and Liquidity VERY strong on all measures.
- City showing incredible resilience coming out of challenging few years.
- Infrastructure deficit is future headwind. (Future Measure)



## Competitiveness

- Kelowna is well positioned relative to similar sized cities.
- Fast growing population will improve per capita metrics quickly.
- Opportunity exists for maximization of annual revenues given surplus figures.



An aerial photograph of a suburban neighborhood at dusk. The houses have dark roofs and some have their lights on. In the background, there is a large body of water and a range of mountains under a twilight sky. The foreground shows tall grass on a hillside.

Questions?