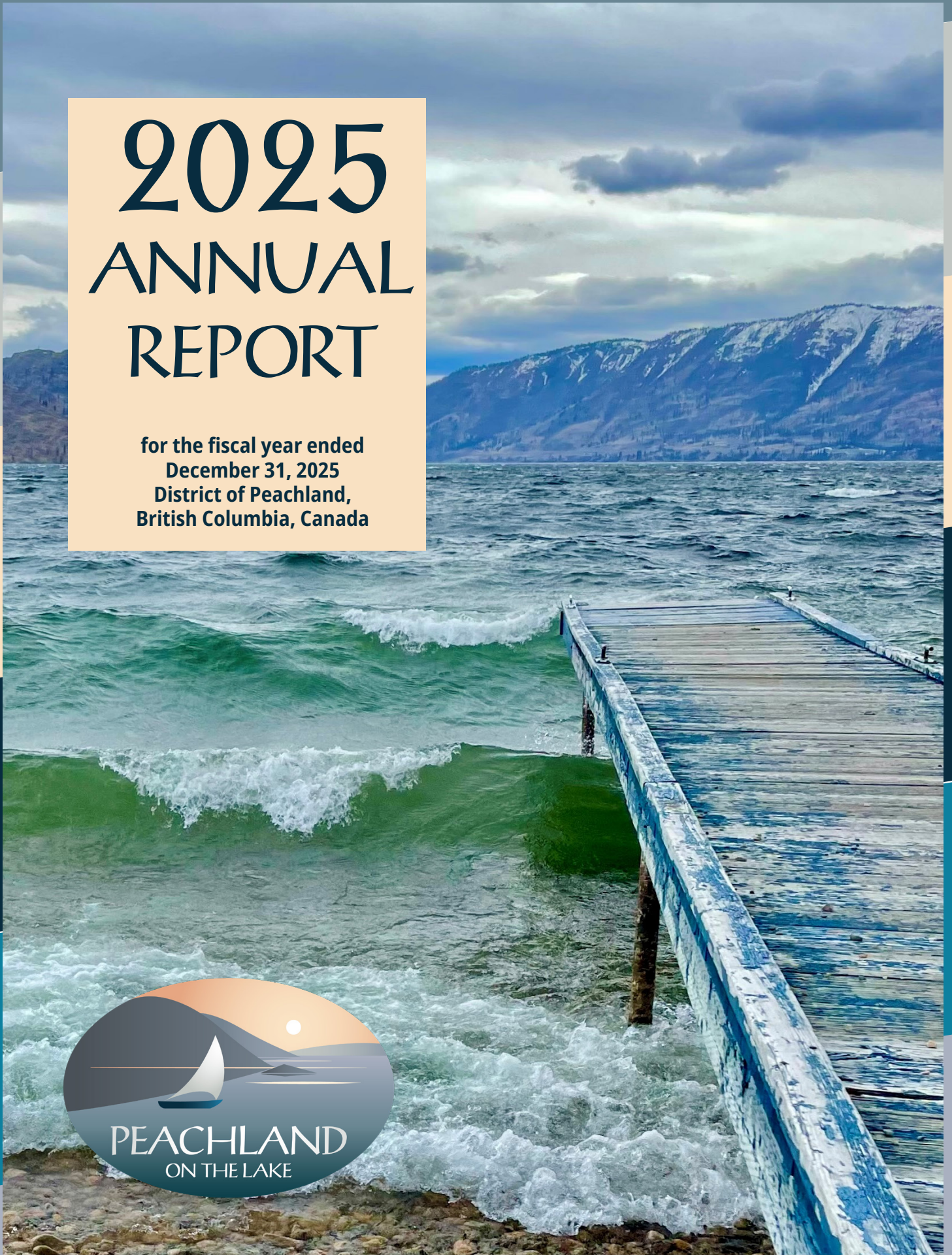


2025 ANNUAL REPORT

for the fiscal year ended
December 31, 2025
District of Peachland,
British Columbia, Canada



2025 Annual Report

For the fiscal year
ending December 31, 2025

Prepared by the Financial Services
and Corporate Services Departments with
contributions from across the organization

*Cover photography by
Lucy Mattu 2025*



District of Peachland
5806 Beach Avenue
Peachland, BC, Canada
V0H 1X7

peachland.ca



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About Peachland

Tucked along the western shores of Okanagan Lake, Peachland is a picturesque community in British Columbia's Central Okanagan.

Ideally situated 25 km south of Kelowna and 40 km north of Penticton, it is also within a scenic 380 km drive from Vancouver and just 130 km from the U.S. border.

Home to approximately 6,400 residents, Peachland is a vibrant and growing hillside and waterfront community that blends small-town charm with stunning natural beauty. Visitors and locals alike enjoy the three-kilometre waterfront trail, the Okanagan's only lifeguarded swimming park, a thriving local business scene, and endless opportunities for outdoor recreation.

In every season, Peachland invites exploration. From sun-filled summer days along the lake to crisp autumn walks among orchards and vineyards, the community offers breathtaking views, scenic trails, and a relaxed lakeside atmosphere that draws visitors from around the world.



Mayor's Message

On behalf of Council, it is my pleasure to present the District of Peachland's *2025 Annual Report*. This past year has been one of steady progress, thoughtful planning, and continued investment in the future of our community. As Peachland evolves, Council remains focused on balancing growth with the values that make our community unique—our natural environment, strong neighbourhood connections, and exceptional quality of life.

In 2025, we advanced several key priorities that support a safe, resilient, and vibrant Peachland. Significant work continued on major infrastructure initiatives, including long-term planning for improvements to our water and sewer systems, as well as progress toward a new fire hall to enhance emergency response capacity in the face of increasing wildfire risk. These investments are essential to protecting our community today while preparing for the needs of tomorrow.

We also saw ongoing momentum in economic development and the revitalization of our downtown. Our planning initiatives are creating conditions that will support local businesses, encourage new investment, and strengthen Peachland as a destination for residents and visitors alike.

At the same time, Council recognizes the importance of maintaining affordability and ensuring that services are delivered responsibly and efficiently. Careful financial management has remained a priority as we continue to pursue external funding opportunities to reduce the burden on taxpayers and bring important projects to fruition.

None of this work would be possible without the dedication of our staff, the collaboration of our regional and provincial partners, and the ongoing engagement of our residents. Your input, ideas, and commitment to this community help guide the decisions we make and shape the future we are building together.

Peachland remains a place where people choose to live, work, and visit—not only for its remarkable setting, but for its strong community spirit. We look forward to building on this momentum in the years ahead.



Mayor Patrick Van Minsel

Peachland Council



Ali Bani-Sadr



Randy Brophy



Dave Collins



Terry Condon



Alena Glasman



Rick Ingram

OUR MISSION

To provide our taxpayers, residents and businesses with affordable, quality services and to keep them apprised and engaged in the District's affairs by conducting ourselves in a transparent way.

OUR VISION

Peachland's celebration of people and place attracts a diversity of residents and visitors to a collection of healthy, sustainable neighbourhoods.

In 2040, Peachland is a diverse, healthy, sustainably-developed, inter-generational community with a quaint, lively downtown where people live, work and play. Peachland embraces its natural surroundings through recreation and preservation, attracting a diversity of residents and visitors. Citizens are engaged in protecting the beauty of the lake and beach, developing a safe community that embraces multi-modal transportation and responsible growth and development that maintains the small-town character and preserves the environment.

Strategic Priorities

FISCAL RESPONSIBILITY

- Add communications/grant staff • Research new municipal revenue streams • DCC Bylaw review
- Lobby other levels of government for funding
- Create a reserves policy • Invest in asset management
- Diversify the tax base • Create tax for vacation rentals
- Transit service review

VIBRANT DOWNTOWN

- Revise downtown strategy • Streamline development application processes
- Encourage downtown revitalization collaboration • Encourage mixed use downtown • Transportation demand management study • Connect downtown to other areas

INFRASTRUCTURE IMPROVEMENTS

- Sewer infrastructure expansion • Roads & sidewalks improved
- Complete Turner Park Phase I • Property acquisition strategy
- Construct a new fire hall • Sanderson Park improvements
- Planning for City Hall relocation • Asset management
- Multi-use transportation planning, watch for grants
- Plan for sports field improvements

GOOD GOVERNANCE

- Sewer • Community engagement/annual town hall meeting
- Fiscal responsibility • Develop partnerships with other governments • Protection of the watershed • Review Official Community Plan
- Be environmental stewards and prepare for climate change • Pursue grant funding for Child Care Strategy
- Review existing committees

INCREASE HOUSING CHOICE

- Update Housing Strategy • Update short-term rental policy
- Increase opportunities for gentle density • Consider pre-zoning, density bonuses to promote mixed development downtown
- Create a housing fund • Consider land use amendments that increase housing choice and incentives for rental housing

2025 Council Highlights

Peachland BGC0 Child Care Centre

In March 2025, construction began on off-site works to install new water, storm and sewer servicing for the new Peachland BGC0 Childcare Centre.

Construction on the \$12.2 million, 104-space Peachland BGC0 Childcare Centre itself began in August. A new road, Wild Goose Street, named in honour of an early rancher of the lands around Peachland Elementary School, William "Wild Goose Bill" Jenkins, will be partially constructed as part of the new development.



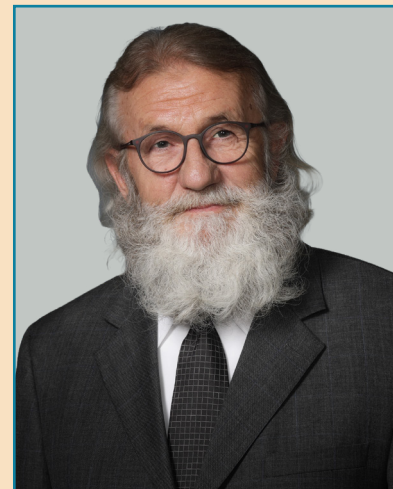
Four Directions Bear Family Sculpture

Council agreed to accept sculptor Stewart Steinhauer's offer to loan his Four Directions Bear Family Sculpture to the District for display on Beach Avenue for a term of two years.



Acting CAO

Council announced in December 2025 that Cory Labrecque will take on the role of Acting Chief Administrative Officer effective January 5, 2026. CAO Joe Creron will stay on with the District until April 15, 2026 to ensure a smooth transition.



In Memoriam COUNCILLOR KEITH "PAPA" THOM

Peachland Mayor and Council, staff and the community of Peachland mourned the loss of Councillor Keith Thom, who passed away on November 6, 2025. A Celebration of Life to honour Keith was held on January 24, 2026 at the Peachland Community Centre.

2025 Council Highlights

Tour of PSSS Building

Mayor and Council took an escorted tour in July of the Peachland Seniors' Support Society's Residences on 5th building as it was under construction.



New Visitor Centre

The District celebrated the opening of the new Visitor Center in the Peachland Museum after renovations were complete. The District invested \$250,000, and received a \$600,000 Community Economic Resiliency Infrastructure grant to fund the renovations.



Peachland Elementary Connections

Peachland Elementary students attended the February 11 Council meeting. Mayor and Council enjoy ongoing engagement with the school's Youth Council to hear from the community's young citizens.



King's Medal Recipients Honoured

On March 25, Council congratulated Barb Dionne and Don Wilson who received King Charles III Coronation Medals for their volunteer work in the community. The medals were awarded to people who have made significant contributions to their community.

Ponderosa Development

Council passed a motion that any development submission for the North Golf Course Area in the Ponderosa neighbourhood must include a nine-hole golf course and that Council will enforce the terms of the existing covenant for the South Golf Course Area, which indicates a monthly penalty of \$100,000 will be applied for failure to complete the golf course by November 1, 2025. Council also indicated that no further extensions will be granted.



Thanks to the Lions

The Peachland Lions Club received a certificate of appreciation from Peachland Council and a donation for their support in providing barbecue food service during the District's annual Our Peachland Open House & BBQ.

2025 Spirit of Peachland Awards

Mayor and Council proudly announced the winners of the 2025 Spirit of Peachland Awards on Wednesday, May 13, at the Peachland Community Centre. The annual event shines a spotlight on the remarkable citizens whose outstanding achievements and dedication to their community help make Peachland such a vibrant place.

"These awards celebrate the people who make Peachland more than just a beautiful place — they make it a true community," said Mayor Patrick Van Minsel. "Whether through volunteerism, leadership, kindness, or quiet acts of service, each of this year's recipients has made a meaningful impact on the lives of others. We are incredibly fortunate to have so many people who care deeply about this community and work every day to make it stronger, more welcoming, and more connected."



CITIZEN OF THE YEAR - CAROL WHITE
Honoured for more than a decade of work supporting local seniors with the Peachland & District and Retirement Society and the 50+ Activity Centre.

YOUTH CITIZEN OF THE YEAR
ALEXIS L'HIRONDELLE
An inspiring young leader showing outstanding community spirit through volunteerism, ambassador programs and exceptional customer service.



MAYOR'S AWARD OF MERIT
PEACHLAND LIONS CLUB
For decades of community service including fundraising and supporting countless community events.



COUNCILLORS' AWARD OF MERIT
DAGMAR WHITE
The founder of Peachland's Dream Team, she contributes to everything from environmental advocacy to community celebrations with enthusiasm and kindness.

UNSUNG HERO
BRIAN DODD

Congratulations to all the 2025 award recipients and nominees!

LIFETIME SERVICE

- EVIE SWANSTROM (15 years)
- ANNE BYKOWSKY (15 years)
- PEACHLAND ROTARY CLUB (28 years)

EXCELLENCE IN HABITAT PROTECTION - PEACHLAND FIRE DEPARTMENT

EXCELLENCE IN VOLUNTEERISM - CORS VERHAGE

EXCELLENCE IN COMMUNITY SPIRIT - DANIELA EVANS

EXCELLENCE IN HEALTH PROMOTION - CARLA MILLER

EXCELLENCE IN SPORTS & RECREATION - EASTON CHRISTIANSON

EXCELLENCE IN YOUTH LEADERSHIP - MATEYA LABRECQUE

EXCELLENCE IN COMMUNITY INCLUSION - SUSAN VANNOORTWYK

EXCELLENCE IN COMMUNITY COLLABORATION BARB O'PINKO

WEDDING ANNIVERSARIES:

- WILLIAM & SUSAN VANNOORTWYK (50th)
- MAUREEN & DOUG FORREST (50th)
- IAN & LENOR MCLEAN (50th)
- DR. MURRAY & SHARON TRUSSLER (60th)

The District of Peachland's Spirit of Peachland Civic Awards are supported by the Blind Angler Grill, the Peachland Ambassadors, Jean Saul, KCL Photography, Vince Boyko and Grant Eisworth

2025 Community Highlights



Three Wildfire Emergencies

Peachland Fire & Rescue Services, BC Wildfire and regional emergency services responded to three wildfires in the community. The Drought Hill wildfire began July 30, 2025 and saw the evacuation of approximately 625 properties. The Peachland Creek wildfire, sparked on August 27, was quickly held a day later with 58 properties tactically evacuated. The Munro Lake Wildfire began September 25 and saw 1,111 addresses put on evacuation alert and several industrial and commercial properties put on evacuation order before the fire was deemed held on October 6.

Turner Park Upgrades

The community celebrated the official opening of Turner Park on September 5, 2025, after extensive upgrades conducted in 2024 and 2025. The project was funded through a portion of the \$2.7 million Growing Communities Grant. The new park includes a new soccer field, accessible pathways and picnic areas, an upgraded washroom facility and improved parking. The community park is now one of Peachland's key recreational areas.



Fire Hall Project P3 Investigation

Council began a Request for Pre-Qualification process in December 2025 to investigate the possibility of a public-private partnership or similar arrangement to design and construct a new firehall. This process was prompted by an earlier Request for Expressions of Interest process undertaken in April to explore ways to close potential funding gaps due to increasing construction costs. The District also applied for a \$7 million grant through the Canada Community Building Fund's Strategic Priorities Fund. The successful applications will be announced in June or July 2026.



2025 Community Highlights



Peachland to West Kelowna Multi-Use Trail

On June 20, 2025, the community officially opened the Peachland to West Kelowna Multi-Use Trail. From Beach Avenue, the 2.8 km trail is accessed via Buchanan Road and Robinson Place and connects to Goat's Peak Park on the Westside. The District received funding from BC Active Transportation Infrastructure Grants and the Federal Communities' Active Transportation Fund.



Sanderson Dog Park

On May 24, the new Sanderson Dog Park at 5900 Sanderson Avenue was officially opened with a ribbon cutting and party. Peachlanders brought approximately 60 dogs to take part in the festivities at the park which has two fenced areas, one for high-energy and one for low-energy dogs.



Our Peachland Open House & BBQ

Approximately 500 Peachlanders attended the third annual Our Peachland Open House & BBQ. Attendees enjoyed free food and games, information booths from the District and regional partners and Mayor Patrick Van Minself's annual speech.



Message from the CAO

Thank you for taking the time to review the District of Peachland's 2025 Annual Report.

This past year reflects the continued dedication of Council and staff in delivering services, advancing key priorities, and responding to the evolving needs of our community. As I look through this report, I am proud of the breadth of work accomplished—both in maintaining our core services and in advancing important projects that will shape Peachland's future.

In 2025, we made meaningful progress on strategic initiatives, including infrastructure planning and investment, with a strong focus on long-term sustainability and resiliency. Efforts continued to advance priority projects such as protective services infrastructure, including the new fire hall, alongside ongoing work to strengthen our transportation and utility systems.

Council and staff also maintained a focus on improving internal processes and service delivery to ensure we are responsive, efficient, and accountable to our residents. At the same time, we continued to pursue funding opportunities and partnerships to help reduce the financial impact on taxpayers while supporting community growth and enhancement.

Looking ahead, we remain committed to thoughtful planning, responsible financial management, and fostering a vibrant, safe, and inclusive community.

On behalf of the management team, I would like to thank Council, staff, and our community partners for their commitment and collaboration throughout the year.



CORY LABRECQUE
Chief Administrative Officer

JENNIFER SAWATZKY
Director of
Corporate Services

GARRY FILAFILO
Chief Financial
Officer

IAN CUMMINGS
Fire Chief, Peachland
Fire & Rescue Services

JASON SANDBERG
Director of
Engineering
& Operations

DARIN SCHAAL
Director of Planning
& Development
Services

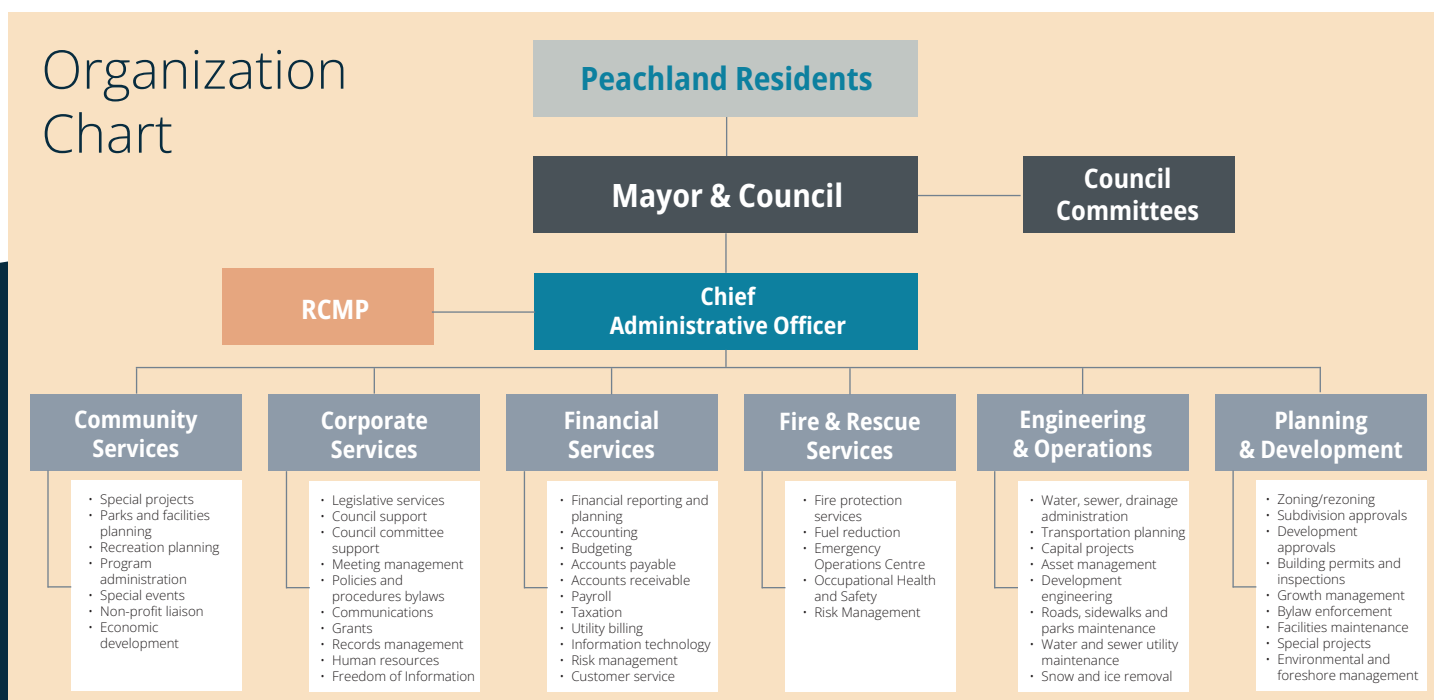




Photo by Lucy Mattu

DEPARTMENTAL ACHIEVEMENTS

2025 Community Services

Community Services enhances the quality of life for residents of all ages and abilities by offering year-round recreation programs, special events, and leisure opportunities throughout Peachland's beautiful indoor and outdoor spaces. Through strong partnerships with local and regional organizations, the department helps foster healthy, active, and connected communities. Services include facility, park and field bookings, recreational programming, special event coordination, and lifeguard services at Swim Bay, all aimed at creating welcoming and engaging experiences for residents and visitors alike.

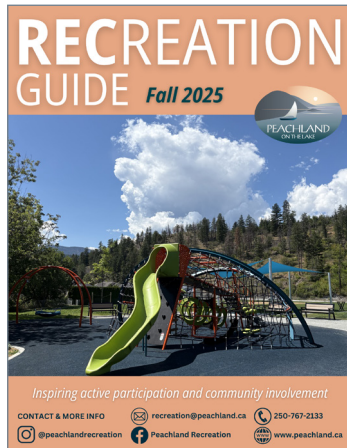


Summer Series

Community Services launched the Summer Series in the Park which offered free concerts every Thursday evening in July and August at the community stage in Heritage Park. The program drew thousands of spectators to enjoy a variety of musical genres. The program will be back in 2026.

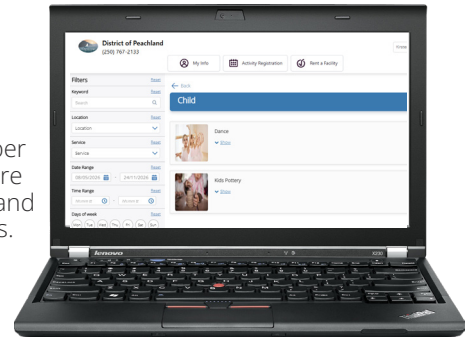
Online Recreation Guide

The department moved its Recreation Guide online only, no longer offering a printed version of the guide to save costs, and generate sponsorship opportunities.



Launched Xplor Recreation

Peachland Recreation launched Xplor Recreation in December 2025. The new software is more user-friendly and has improved features.



291
Recreation Programs



17
Community events



1,200
Canada Day attendees



100+
People taught to swim



3,000+
Recreation program participants

2025 Community Services



Holiday Light Up

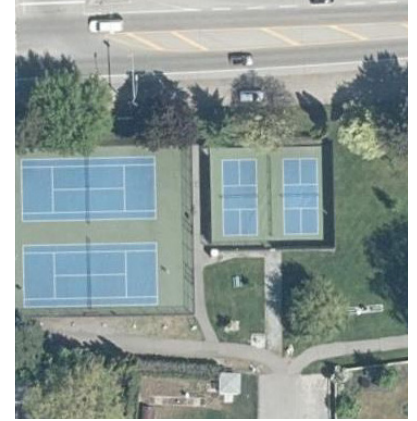
The department hosted its annual Holiday Light Up on December 5 in Heritage Park featuring music, speeches, a countdown to festive lights in the park, a visit from Santa and fireworks!

Swim Bay Concession

Beach Side Bites was awarded our Swim Bay Concession contract. They served food and drinks during the spring and summer, as well as special events throughout the year.

Pickleball Courts

Community Services oversaw a request for proposals process for two new pickleball courts planned for Lambly Park with a budget of \$200,000. The Peachland Pickleball Association is fundraising to add noise buffering solutions for residential neighbours. This project was funded through the Growing Communities Fund.



PSSS Phase II

The department supported the ongoing construction of the Peachland Support Society's Phase 2 affordable housing development on 6th Street.



2026 Objectives

- Expand the Summer Series to host longer evenings of music throughout the summer.
- Launch the new Recreation App with Xplor Recreation.
- Install improved safety signage at Swim Bay.
- Expand on Canada Day celebrations.



2025 Corporate Services

Corporate Services works closely with Council to provide the necessary information and tools to promote effective decision-making in an open, accountable and professional manner. We strive to provide accessible, friendly and effective procedures to assist with the flow of information and communication between Council and constituents. Corporate Services oversees management of District bylaws, policies and procedures. The department is responsible for human resources and labour relations, Freedom of Information and Privacy program management, communications and all municipal electoral processes, and administers the Peachland Cemetery.

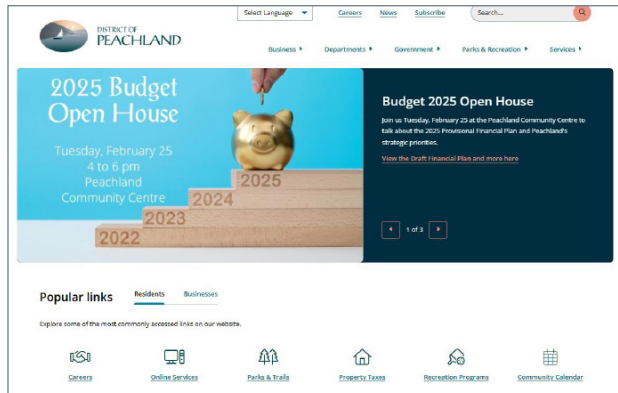


2025 Capture Peachland Photo contest winners

The District received 175 entries in the second annual Capture Peachland Photo Contest. The winning photographers were each given a \$200 gift certificate to their favourite Peachland business. The winners are, from left, Gary Klassen, Teresa Triggiano and Lucy Mattu.

New Website

An updated website was launched at www.peachland.ca in February 2025, offering improved accessibility, enhanced user experience and a modernized look.



Election Preparations

The department began preparations for two electoral processes in 2026; the first, a March 14 by-election to fill the councillor seat left vacant after the death of Councillor Keith Thom in November 2025. The second, electoral process will take place October 17, 2026 as part of provincial local government elections.



69
Council meetings

277
Council resolutions

7
FOI requests

1,060
E-news subscribers

72
News releases

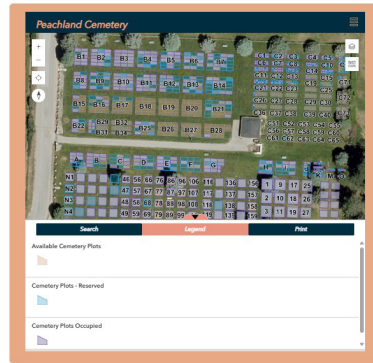
2025 Corporate Services

Cemetery Map Viewer

The department launched an online map viewer for the Peachland Cemetery, an interactive map allowing users to virtually navigate the cemetery and locate burial sites.

Cemetery Map Viewer

This interactive map of Peachland Cemetery helps visitors navigate the cemetery and locate burial sites. You can search by family name or cemetery block. A printable version is available through the "Print" option, and records can also be viewed in a table by selecting the button on the top right hand side of the screen. This map is for informational purposes and may not reflect real-time updates.



Collective Bargaining

The department oversaw the administration of the new 2024 to 2027 Collective Agreement between the District of Peachland and CUPE 608, the union representing the District's 39 full-time, part-time and casual employees.

Human Resources Program

A Human Resources manager was hired and immediately began creating a formal human resources program for the District.



2026 Objectives

- Administer the 2026 General Local Election
- Support Effective Governance through Council Onboarding, Orientation and Governance Improvements
- Modernize Policies, Records Management and Administrative Practices
- Strengthen Human Resources and Labour Relations to Support Organizational Effectiveness
- Enhance Strategic Communications and Public Engagement
- Coordinate and Assume Responsibility for Information Technology Services

2025 Citizens Survey

Open Nov. 7 to Dec. 5

Help Shape Peachland's Future

We want to hear from you!

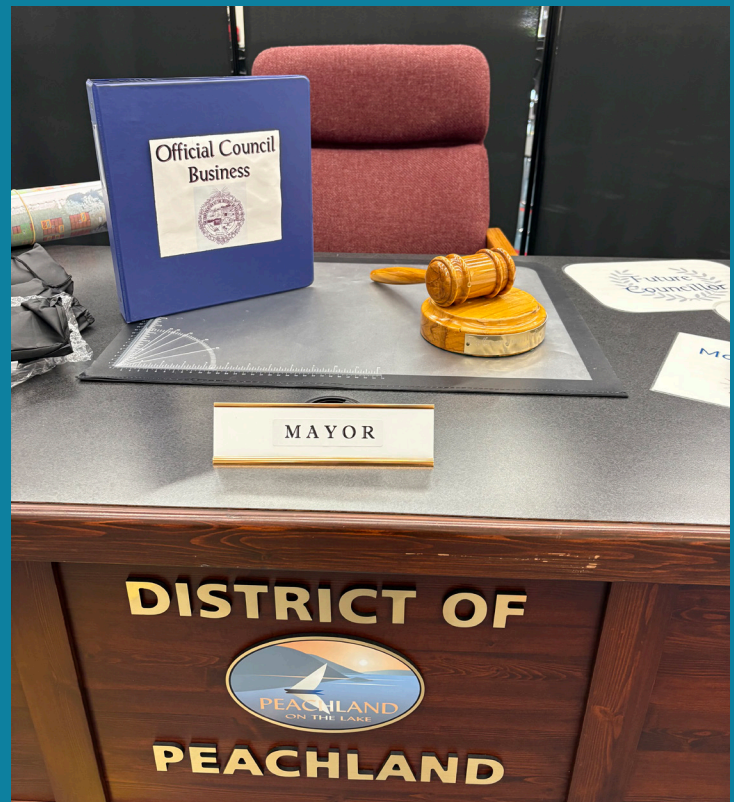
Available online at peachland.ca/citizenssurvey

2025 Citizens Survey

The 2025 Citizens Survey was conducted from November 7 to December 5, 2025. The District received 417 completed surveys. Ninety per cent of respondents indicated that their quality of life in Peachland was "good" or "very good."

Surveillance Cameras

The department began investigating the installation of new surveillance cameras in the community after a request from Council for traffic cameras. Council approved an update to its Video Surveillance Policy allowing the installation of cameras near areas where increasing vandalism is being observed.



2025 Financial Services

The Finance Department serves to monitor, control and allocate financial resources to achieve the long term objectives of the District. Some of the specific functions performed by Financial Services include revenue collection, vendor payments, maintaining property tax assessment roll information, establishing annual municipal tax rates, preparing five-year capital and operating plans and processing approved grant application requests. The department also completes the required financial activities as legislated in the Local Government Act and the Community Charter which includes filing of bylaws, audited financial statements and expenditure reports.

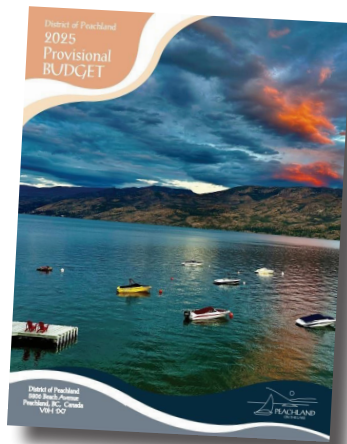


2025 Budget Open House

The department hosted the 2025 Budget Open House on February 25, 2025. Approximately 70 people attended to provide input to Council.

2026 Provisional Budget

During preliminary budget preparations, Council challenged staff to keep the tax increase to under 5%. The draft 2026 Provisional Budget, presented December 9, 2025, achieved that with a proposed increase of approximately \$7/month in property taxes on an average household assessment of \$877,500, based on the BC Assessment preview roll for 2026.



Canada Post Strike

The department began a public information campaign to advise the public about possible Canada Post strike action which may impact property tax billing and utility invoicing. Emphasis was put on online services, directing residents to consider this option in the case of any future mail disruptions.

%
2,975
Property Tax
notices
issued

10,807
Utility
invoices
issued

212
Dog
licences
sold

2025 Financial Services

Departmental Restructure

The department underwent a restructuring process to streamline processes.

Efficiencies were also achieved with new financial procedures and documentation.

Monthly Reporting

The department began preparing monthly departmental budget reports to improve budget-to-actual variance analysis.

Year End Improvements

New year end procedures were implemented to streamline the process.



2026 Objectives

- Improved internal reporting.
- Policy and process reviews.
- Utility rate review and implementation.
- Cyber security risk mitigation.



2025 Fire & Rescue Services

Peachland Fire & Rescue Services provides 24-hour fire and emergency response for the District of Peachland. With the exception of the Chief and Deputy Chief, the department consists entirely of paid-on-call firefighters. These dedicated personnel respond from home or work 24 hours a day, seven days a week when emergency calls. The 30+ POCs train weekly and are on call throughout the year, providing an average of 8,000 person hours each year in emergency response and training. The department also proactively provides public education on fire safety throughout the year.



Summer Wildfires

Peachland Fire & Rescue Service responded to three major wildfire incidents in our area. Thanks to the swift, coordinated efforts of PFRS firefighters, regional partners, and provincial resources, the incidents were effectively managed, with no injuries reported and no homes lost.

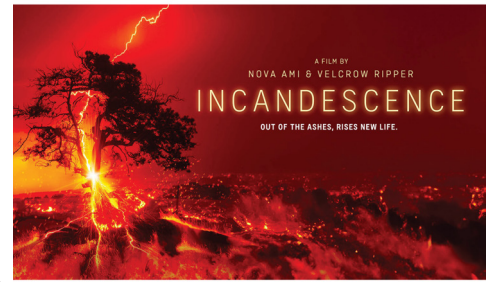
Recruitment

Recruitment was undertaken in November 2025 seeking paid-on-call firefighters to join the ranks. It resulted in 8 new paid-on-call firefighters joining the squad in early 2026.



Community Wildfire Preparation

PFRS hosted a wildfire preparedness event that included a special screening of Incan-descence, a National Film Board production about wildfire, survival and adaptation.



Type of Incidents	2025	2024	2023	2022	2021
Fires	24	16	20	15	26
First medical response	214	246	230	196	168
Motor vehicle incident	45	33	48	58	40
Other	123	116	122	106	118
Total	406	411	420	375	352

2025 Fire & Rescue Services

Wildfire Mitigation

BC Wildfire Service, Penticton Indian Band and Okanagan Nation Alliance conducted a 40-hectare prescribed burn as part of a multi-year project in an area approximately five kilometres south of Peachland. The prescribed burn provides a level of community protection from wildfire by reducing fuel, restoring the ecosystem, including mule deer winter range. It also enhance indigenous cultural values in the area while supporting the traditional use of fire as a tool to improve the landscape.



Peachland kids get a tour of their firehall

Risk Assessment Funding

The department received \$70,000 towards the development of the Peachland Hazard, Risk and Vulnerability Analysis and Climate Change Risk Assessment. The community has experienced significant emergency activations in the past 10 years due to flooding, extreme heat and drought conditions.

Chipping for Charity

The department hosted its annual Christmas Tree Chipping for Charity event on January 4, 2025. Residents were invited to bring their trees to be chipped and disposed of by donation. Proceeds support Muscular Dystrophy Canada.

Yard Waste Vouchers

The department gave out 269 vouchers to Peachland residents to cover yard waste fees at the Asquith Road Transfer Station; part of several FireSmart initiatives undertaken in 2025.

2026 Objectives

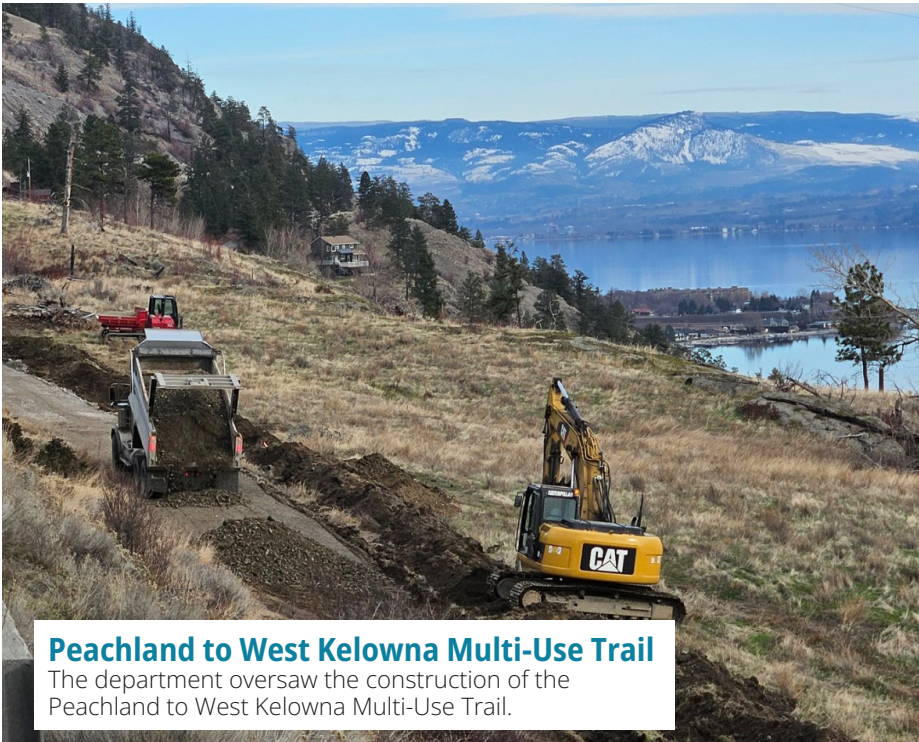
- Complete our community Hazard, Risk and Vulnerability Analysis and Climate Change Risk Assessment.
- Implement our new Records Management and Computer Dispatch Software.
- Implement a targeted assistance program to support seniors (aged 65 and over) and residents with disabilities in completing residential FireSmart mitigation work, reducing physical and financial barriers to participation.
- Increase program capacity for residential FireSmart mitigation assessments, improving outreach, response times, and property level wildfire risk reduction planning.
- Prioritize FireSmart mitigation projects on community green spaces, focusing on vegetation management and hazard reduction in areas adjacent to residential neighbourhoods and critical infrastructure.



2025 Engineering & Operations

The Engineering & Operations Department is responsible for development engineering as well as overall asset management. This includes planning for the maintenance and renewal of Peachland's sewer and water infrastructure. The department oversees capital construction, waterfront infrastructure and transportation network planning and works closely with other departments to review applications for subdivisions, rezoning, development and building permits.

The department oversees the District's Public Works crews who are responsible for the operation, maintenance and repairs of Peachland's streets, sidewalks and water, sewer and storm systems as well as the cemetery, the municipal vehicle fleet and all public facilities. The department oversees maintenance of all municipal parks, trails and green spaces and manages waste collection, snow removal and ice control services.



Peachland to West Kelowna Multi-Use Trail

The department oversaw the construction of the Peachland to West Kelowna Multi-Use Trail.

Highway 97 Improvements

The Ministry of Transportation and Transit announced work to improve problematic intersections with Highway 97. A new traffic signal will be installed at the intersection with Trepanier Bench Road. As part of this improvement, Desert Pines Road will be limited to one-way traffic (down only); no left turns onto Desert Pines Road from the Trepanier Bench Road intersection will be permitted. Highway 97 intersections with Buchanan Road South, Buchanan Road North and Huston Road will be changed to limit left-turn outs. Work began in 2025 and will continue into summer 2026.

Wastewater Master Plan

The department oversaw the development of the District's new Wastewater Master Plan (WWMP), updating the plan to include sewer servicing expansion into established neighbourhoods. The plan was funded through a Canada Community Building Fund grant. The WWMP will ensure the District's wastewater system meets current operational needs while preparing for future growth, regulatory requirements and phased expansion.

Sewer Extension Consultation

A public consultation process was conducted to gauge the level of support from owners of properties not currently connected to sanitary sewer to expand servicing to their properties. The outcome is that residents are only willing to expand the sewer system if the costs are significantly covered by grants.



64

Hectares of
Parks & Trails



67

Kilometres
of Roads



84

Kilometres
of Water
Mains



51

Kilometres of
Sewer Mains



26

Municipal
Facilities

2025 Engineering & Operations

Asset Management/ Climate Change Planning

The department began updating the District's Asset Management Investment Plan after receiving a grant through UBCM for \$25,000. The project will inform infrastructure decision-making and strengthen financial capacity for the renewal, operations and maintenance of existing assets and identify risks including those related to climate change.



Clements Crescent

The department oversaw the offsite works to facilitate the new Peachland BGCO Childcare Facility. Construction on Clements Crescent included water, storm and sewer installations.

Dogs in Parks

The District allowed dogs-on-leash in Knoblauch, Morrison and Chevalier Parks, part of a pilot project driven by public interest.



Stage 2 Water Restrictions

Stage 2 water restrictions were announced in August 2025, requiring residents to reduce outdoor water consumption in order to decrease demand on Peachland's reservoirs. The restrictions remained in place for the remainder of the summer and fall.

2026 Objectives

- Construction of the Pickleball Courts April to June 2026.
- Oversee construction of the Peachland BGCO Childcare Centre.
- Oversee construction of a new accessible elevator at the Historic Schoolhouse. The elevator will be a significant improvement and is possible thanks to a \$25,000 accessibility grant and OurSpace who has committed to providing \$25,000 of their own funds toward the project.
- Trepanier Bench Road pavement improvements. The road was identified as being one of the top priorities for renewal given its condition and number of residents who use it daily. This project is funded by the Community Works Fund.
- Staff will identify 3 priority locations for new bus stop benches on Beach Avenue to be installed in 2026 within a \$10,000 budget.
- Replacement of all existing wooden surfaces on the central high dive dock of Swim Bay with commercial-grade composite panels.
- The Bonnie Lane Pressure Reducing Station replacement.



South Centennial Way landscaping improvements

2025 Planning & Development Services

Planning and Development Services is responsible for land use management and planning, building inspections, and bylaw enforcement. Core work within the department includes processing community development applications such as zoning amendments, development and variance permits, subdivisions and building permits. The department manages business licenses, suite licenses, wharf and buoy licenses (foreshore management), sidewalk/patio licenses, outdoor vending licenses, bed and breakfast licenses and bylaw infractions and complaints.



Downtown Revitalization

In April 2025, Council was presented the Draft Phase I Downtown Revitalization Implementation Strategy (DRIS) and provided the opportunity to review and give feedback on it before it is reviewed by Council's Downtown Revitalization Implementation Strategy Task Force and prior to the public consultation on the draft document which was conducted in spring and summer. The draft DRIS document provides guiding policy principles and implementation actions that will lead to new development activity and improved vitality in the downtown core. The draft document includes five "Big Moves" which are proposed building blocks of activities to achieve the vision of the plan.



Minor Official Community Plan Project Update

The department hosted two workshops as part of its minor review of the District's Official Community Plan (OCP). Preliminary public engagement of proposed changes to the OCP was conducted in late spring and summer 2025 and indicated the need for affordable and diverse housing, downtown revitalization, local business support, safer transportation and environmental protection. The minor review of the OCP is intended to improve the clarity of the document, and review and update the Land Use Designations. It was last reviewed in 2018. An updated draft OCP will be presented to Council in early spring 2026.



49
New Business Licenses



99
Building Permits Issued



24
New Dwelling Units

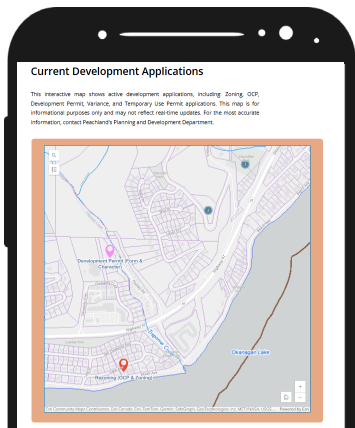


109
Bylaw Complaints

2025 Planning & Development Services

Current Planning Map

The department published an interactive map providing up-to-date information on current development applications in Peachland.



Tailyour Lane Road Closure

In April, Council formally closed a portion of unused road on Tailyour Lane (in the Buchanan neighbourhood) with intent to sell the new parcel to help offset costs associated with recent land acquisitions.



New Park Land Acquisition

In January, the District of Peachland completed a land acquisition for the property at 5180 Trepanier Bench Road. This purchase, for \$1.5 million, adds a strategic asset to the District's land inventory. The District will review the community's needs and engage with the public before providing a recommendation to Council for future use of the property.

Developments Approved

Council approved two Form and Character Permits for multi-family developments in Peachland: an 89-unit residential building will be built on the newly created Wild Goose Street, adjacent to the Peachland Elementary School and the Peachland BGCO Child Carecentre currently under construction; and a 22-unit townhouse development with six buildings at 4607 Princeton Avenue on currently vacant property. A new residential subdivision, Brigade Court (located off Sanderson Avenue), was approved in August 2025. This subdivision contains 31-lots and it is anticipated that between 80 and 90 total dwelling units will be constructed at full build out.

Fees and Charges Bylaw

Council adopted a new Development Application and Licence Fees Bylaw to better reflect current costs of providing municipal services, the staff time required to facilitate reviews and approvals, and to ensure fee alignment with regional municipalities.

2026 Objectives

- Complete Minor OCP Review project.
- Finalize DRIS Plan and commence actions on "Big Moves," including implementation of new development permit guidelines for downtown Peachland, a new Downtown Land Use Designation in the OCP, and pre-zoning the downtown core to facilitate re-development.
- Complete Phase 1 of the Small-Scale, Multi-Use Housing (SSMUH) – Next Steps project, which comprises sundry amendments to bylaws affected by recent provincial legislative changes.

Development Services	2025	2024	2023	2022	2021
Official Community Plan Amendments	2	2	3	5	3
Zoning Amendments	1	7	4	6	5
Development Permits (Technical)	8	11	11	19	17
Development Permits (Form & Character)	4	5	3	4	3
Variance Permits	2	2	2	5	8
Subdivision	5	6	3	6	2
Building Permits Issued	99	106	105	87	96
Value of Building Permits	\$21.3M	\$53.7M	\$19.4M	\$28.1M	\$23.9M
New Residential Units	24	83	26	36	44
Bylaw Notice Tickets	37	22	17	8	11
New Business Licences	49	59	57	48	65



Photo by Teresa Triggiano

Chief Financial Officer Report

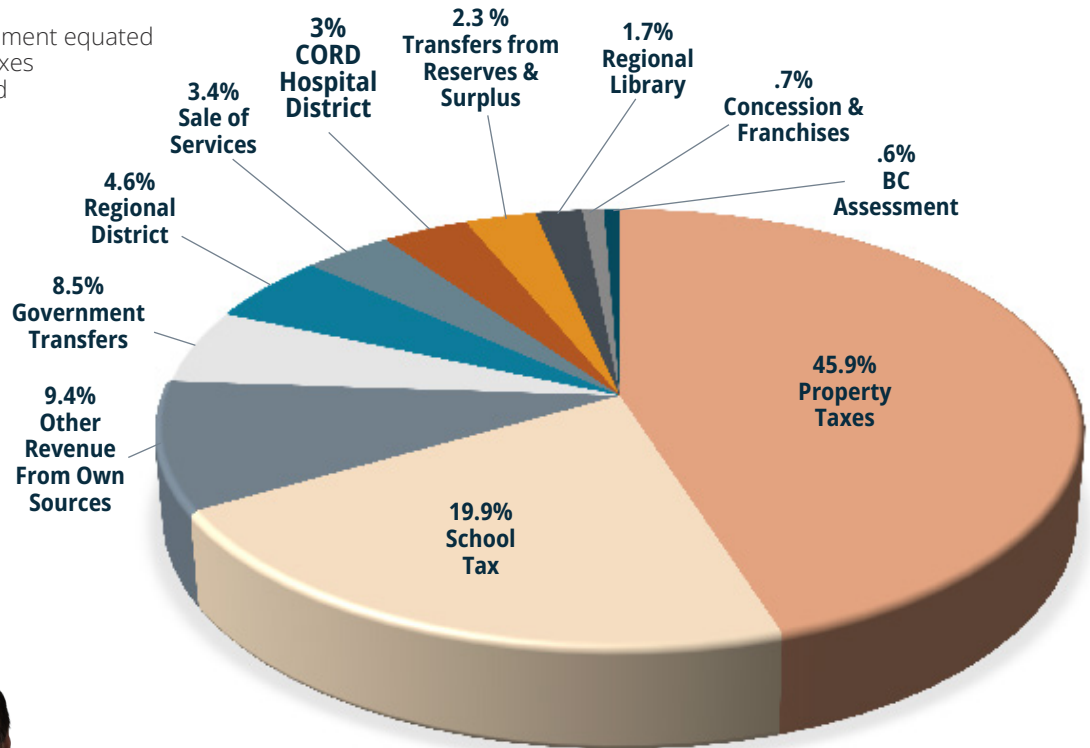
The 2025 operational tax requirement equated to a \$111 increase in property taxes collected for an average assessed home in Peachland. The tax increase was 6.65%.

Capital Projects are funded by grants and reserves with no taxation required.

The tax increase was necessary to fund ongoing operational expenses and services and to contribute a portion to reserves for future expenditures.

As with many Canadian municipalities, Peachland's infrastructure is aging and consideration must be given to repairs and replacement that will be needed in the future.

GARRY FILAFILO
Chief Financial Officer



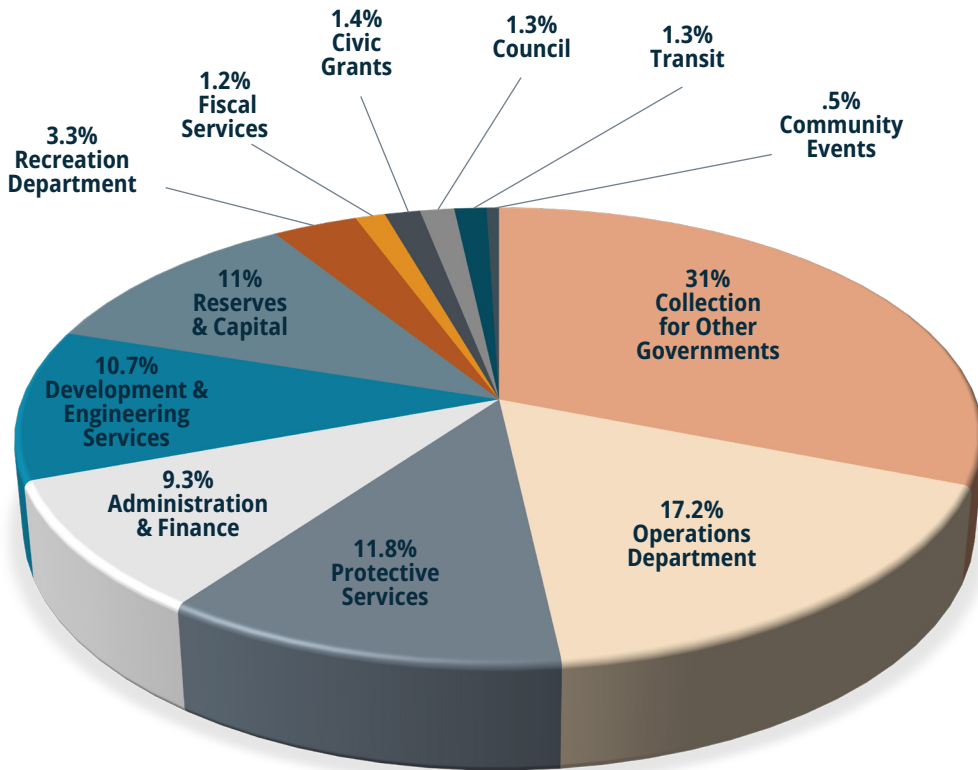
This graph summarizes the District's General Revenues by type and percentage.

The Table below summarizes the District's budgeted General Revenues.

General Revenues	2024 Revenues Budgeted	2025 Revenues Budgeted	Budget Variance
Property Taxes	8,029,680	8,681,678	651,998
Concessions and Franchises	138,740	140,348	1,608
Sales of Services	569,029	646,360	77,331
Other Revenue from Own Sources	1,504,284	1,774,727	270,443
Government Transfers	877,230	1,599,730	722,500
* School Tax	3,580,484	3,759,508	179,024
* Regional District	836,106	877,911	41,805
* RDCO Hospital District	549,097	576,552	27,455
* Municipal Finance Authority	580	609	29
* BC Assessment Authority	102,814	107,955	5,141
* Okanagan Regional Library Levy	300,659	315,692	15,033
Transfers from Reserves and Surplus	463,665	430,308	-33,357
TOTAL REVENUES	16,952,368	18,911,378	1,959,010

Chief Financial Officer Report

This graph summarizes the District's net operating expenditures.



2025 Capital Projects

Carry forward projects:

- \$910,000 for Turner Park Improvements
- \$100,000 for Sanderson Dog Park
- \$30,000 for dock pilings and boat launch works
- \$1,736,000 for active transportation network and pathways
- \$650,000 for Bonnie Lane pressure reducing station
- \$12,310,000 for the childcare centre

New projects:

- \$85,000 for low rise barriers on Princeton
- \$51,700 for lawnmower and cemetery trench cage equipment for Public Works
- \$240,000 for HVAC replacement at the Historic Schoolhouse and Community Centre
- \$55,000 for recreation equipment at Community Centre and Swim Bay
- \$20,700 for soccer nets and a field line striper at Turner Park
- \$500,000 for the next phase of water meter replacements

Expenditures	2024 Expenditures Budgeted	2025 Expenditures Budgeted	Budget Variance
Council	248,765	252,916	4,151
Administration & Finance	1,653,912	1,768,805	114,894
Civic Grants	274,680	261,991	-12,689
Community Events	78,193	92,211	14,018
Protective Services	2,078,608	2,224,995	146,387
Transit	225,750	237,038	11,288
Recreation Department	578,891	627,068	48,177
Development & Engineering Services	1,598,349	2,024,546	426,197
Operations Department	3,018,074	3,262,271	244,197
Fiscal Services	315,806	220,648	-95,158
Reserves and Capital	1,511,601	2,080,690	569,089
Collections for Other Governments	5,369,740	5,858,200	488,460
TOTAL EXPENDITURES	16,952,368	18,911,378	1,959,010



Photo by Gary Klassen

FINANCIAL STATEMENTS

The Corporation of the District of Peachland

Financial Statements

For the year ended December 31, 2025

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Independent auditor's report

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To the Mayor and Council of the [Corporation of the District of Peachland](#):

Opinion

We have audited the financial statements of the Corporation of the District of Peachland ("the District"), which comprise the statement of financial position as at December 31, 2025, and the statements of operations and accumulated surplus, statement of changes in net financial assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation of the District of Peachland as at December 31, 2025, and the results of operations, its changes in its net assets, and its 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 our report. We are independent of the District 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 these 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 District's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the District or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the District'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 District'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 District'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 District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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.

Doane Grant Thornton LLP

Kelowna, Canada
May 4, 2026

Chartered Professional Accountants

The Corporation of the District of Peachland Statement of Financial Position

As at December 31, 2025

2025

2024

Financial assets

Cash and cash equivalents	\$ 5,752,649	\$ 4,260,566
Investments (Note 3)	20,941,386	26,616,370
Accounts receivable (Note 3)	3,273,710	2,627,317
	<u>29,967,745</u>	<u>33,504,253</u>

Financial liabilities

Accounts payable and accrued liabilities (Note 3)	5,453,697	6,752,421
Deferred revenue (Note 3)	3,562,265	7,557,025
Deferred development cost charges (Note 3)	4,642,737	3,513,598
Long term debt (Note 3)	9,323,805	9,769,312
Asset retirement obligations (Note 3)	1,730,273	1,646,926
	<u>24,712,777</u>	<u>29,239,282</u>

Net-financial assets 5,254,968 4,264,971

Non-financial assets

Prepaid expenses	149,556	-
Tangible capital assets (Schedule 1)	105,027,862	101,906,004
	<u>105,177,418</u>	<u>101,906,004</u>

Accumulated surplus (Schedule 2) \$ 110,432,386 \$ 106,170,975

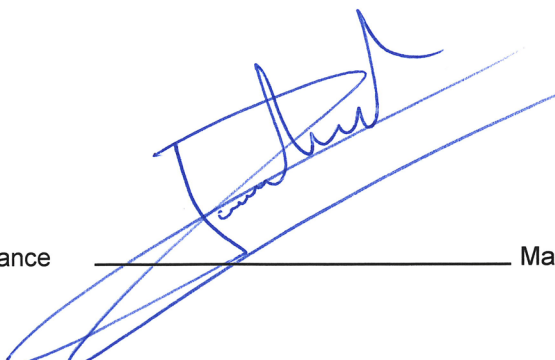
Trust funds (Note 7)

Contingent liabilities (Note 8)

On behalf of the District



Director of Finance



Mayor

See accompanying notes to the financial statements

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The Corporation of the District of Peachland Statement of Operations and Accumulated Surplus

Year ended December 31, 2025

	2025 Budget (Note 13)	2025 Actual	2024 Actual
Revenue			
Property taxation, net (Note 4)	\$ 8,099,744	\$ 8,109,208	\$ 7,583,095
Parcel taxes	1,058,425	1,085,384	795,389
Franchise	140,348	153,692	173,626
Sale of services	646,360	767,860	827,431
User fees	2,357,269	2,382,559	2,138,295
Other revenue from own services (Note 5)	2,271,063	2,167,843	2,234,542
Government transfers (Note 6)	15,150,966	6,242,996	3,208,909
	<u>29,724,175</u>	<u>20,909,542</u>	<u>16,961,287</u>
Expenses (Schedule 3)			
General government services	2,182,207	2,291,158	2,042,724
Protective services	2,252,132	2,031,858	2,153,433
Recreation services	649,551	791,493	655,903
Parks and cultural services	1,004,171	917,878	827,334
Development services	1,972,533	1,961,485	1,482,443
Transportation and public works services	1,331,740	1,137,847	1,356,249
Environmental health services	701,545	613,405	542,136
Cemetery services	41,998	63,304	62,626
Facilities services	538,350	452,117	476,127
Water services	2,493,330	2,239,343	2,084,156
Sewer services	966,205	1,134,119	835,233
Civic grants	264,394	182,456	260,650
Interest and bank charges (Note 3)	336,377	382,302	377,913
Amortization of tangible capital assets	1,590,000	2,366,019	2,258,041
Accretion	-	83,347	68,769
Change in asset retirement obligation	-	-	(235,568)
	<u>16,324,533</u>	<u>16,648,131</u>	<u>15,248,169</u>
Annual surplus	<u>13,399,642</u>	<u>4,261,411</u>	<u>1,713,118</u>
Accumulated surplus, beginning of year	106,170,975	106,170,975	104,457,857
Accumulated surplus, end of year	<u>\$119,570,617</u>	<u>\$110,432,386</u>	<u>\$106,170,975</u>

See accompanying notes to the financial statements

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**The Corporation of the District of Peachland
Statement of Changes in Net Financial Assets**

Year ended December 31, 2025

	2025 Budget (Note 13)	2025 Actual	2024 Actual
Annual surplus	\$ 13,399,642	\$ 4,261,411	\$ 1,713,118
Acquisition of tangible capital assets, net of transfers	(17,740,936)	(5,724,190)	(7,730,923)
Amortization of tangible capital assets	1,590,000	2,366,019	2,258,041
Write off of tangible capital assets	-	236,313	-
Change in prepaid expenses	-	(149,556)	-
Increase (decrease) in net financial assets	(2,751,293)	989,997	(3,759,766)
Net financial assets, beginning of year	4,264,971	4,264,971	8,024,737
Net financial assets, end of year	\$ 1,513,678	\$ 5,254,968	\$ 4,264,971

See accompanying notes to the financial statements

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The Corporation of the District of Peachland Statement of Cash Flows

Year ended December 31, 2025

2025

2024

Cash provided by (used for)

Operating activities

Annual surplus	\$ 4,261,411	\$ 1,713,118
Adjustments for non-cash items		
Amortization of tangible capital assets	2,366,019	2,258,041
Write off of tangible capital assets	236,313	-
Accretion	83,347	68,767
Adjustments for rate change on asset retirement obligations	-	(235,568)
Additions to asset retirement obligations	-	97,585
Actuarial adjustment on long term debt	(77,808)	(66,185)
Non-cash developer contributions	-	(698,563)
Change in non-cash operating items		
Accounts receivable	(646,393)	(598,778)
Prepaid expenses	(149,556)	-
Accounts payable and accrued liabilities	(1,298,724)	1,673,268
Deferred revenue	(3,994,760)	4,253,199
Deferred development cost charges	1,129,139	1,073,117
	<u>1,908,988</u>	<u>9,538,001</u>

Capital activities

Acquisition of tangible capital assets net of transfers	(5,724,190)	(7,032,360)
Proceeds on disposal of tangible capital assets	-	-
Settlement of asset retirement obligations	-	(19,848)
	<u>(5,724,190)</u>	<u>(7,052,208)</u>

Investing activities

Proceeds on disposal of investments	13,062,217	16,615,514
Purchase of investments	(7,387,233)	(22,827,649)
	<u>5,674,984</u>	<u>(6,212,135)</u>

Financing activities

Repayment of long term debt	(367,699)	(804,197)
-----------------------------	-----------	-----------

Net increase (decrease) in cash and cash equivalents 1,492,083 (4,530,539)

Cash and cash equivalents, beginning of year 4,260,566 8,791,105

Cash and cash equivalents, end of year \$ 5,752,649 \$ 4,260,566

Supplementary cash flow information

Interest paid	\$ 382,302	\$ 377,913
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See accompanying notes to the financial statements

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The Corporation of the District of Peachland

Notes to the Financial Statements

December 31, 2025

Notes to the financial statements are an integral part of the statements. They explain the significant accounting and reporting policies and principles underlying these statements. They also provide relevant supplementary information and explanations which cannot be conveniently explained in the financial statements.

The financial statements are the responsibility of and prepared by management in accordance with Canadian public sector accounting standards. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

1. Nature of business

The District is incorporated under the laws of British Columbia and is engaged in the operation of a municipality.

2. Summary of significant accounting policies

Basis of presentation

The District's resources and operations are segregated into General, Water and Sewer funds and Statutory and Non-statutory reserve funds and Reserve for future capital expenditures for accounting and financial reporting purposes. The financial statements include all of the accounts of these funds. All inter-fund transactions and balances have been eliminated.

Basis of accounting

The District's financial statements are prepared using the accrual basis of accounting.

Cash and cash equivalents

Cash and cash equivalents consist of cash and short-term investments with maturities of 90 days or less from the date of acquisition.

Financial instruments

All financial instruments are recorded at their cost or amortized cost except for portfolio investments in equity instruments quoted in an active market and derivatives which are recorded at their fair value with unrealized remeasurement gains and losses recorded in the statement of remeasurement gains and losses. Once realized, remeasurement gains and losses are transferred to the statement of operations. Changes in the fair value on restricted assets are recognized as a liability until the criterion attached to the restrictions has been met, upon which the gain or loss is recognized in the statement of operations.

Transaction costs related to financial instruments measured at cost or amortized cost are added to the carrying value of the financial instrument. Transaction costs related to financial instruments recorded at their fair values are expensed as incurred.

Financial liabilities (or part of a financial liability) are removed from the statement of financial position when, and only when, they are discharged or cancelled or expire.

The Corporation of the District of Peachland

Notes to the Financial Statements

December 31, 2025

2. Summary of significant accounting policies *(continued)*

Municipal pension plan

The District's pension plan follows the guidelines of the Municipal Pension Plan which is administered by the Province of British Columbia for all British Columbia municipalities. The District and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan.

Budget figures

The budget figures are from the 5-Year Financial Plan Bylaw and are adopted before May 15th of each year. Subsequent amendments have been made by Council to reflect changes in the budget as required by law.

Work in progress

Work in progress is valued at cost and represents capital projects under construction but not yet completed. Amortization commences once the individual projects are completed.

Tangible capital assets and amortization

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. The costs, less residual values, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives according to an estimated useful life on the following table.

General capital fund	Estimated useful life
Land	Indefinite
Buildings	30-60 years
Equipment	5-18 years
Engineering structures	30-80 years
Water system capital fund	
Land	Indefinite
Buildings	50-60 years
Equipment	5-18 years
Engineering structures	30-80 years
Sewer system capital fund	
Land	Indefinite
Equipment	5-18 years
Engineering structures	35-80 years

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

The District has numerous works of art located throughout the District which are not reflected in these financial statements.

The Corporation of the District of Peachland

Notes to the Financial Statements

December 31, 2025

2. Significant accounting policies *(continued)*

Deferred revenue

Deferred revenue relates to restricted grants and other amounts that have been received in advance of services being rendered.

Long-term debt

Outstanding long-term debt is reported net of applicable sinking fund balances.

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

Reserve funds

Non-statutory reserves represent an appropriation of surplus for specific purposes. Reserves for future capital expenditures represent funds to finance incomplete capital projects. Statutory reserves are restricted by the Community Charter and the associated municipal bylaws that established the reserves.

Asset retirement obligations

An asset retirement obligation liability is recognized when all the following criteria are met as at the financial reporting date:

- 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 measured at the District's best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the financial statement date. The estimate includes costs directly attributable to the asset retirement activities. The costs also include post-retirement operation, maintenance and monitoring that are an integral part of the retirement of the tangible capital asset and the costs of tangible capital assets acquired as part of asset retirement activities to the extent those assets have no alternative use.

Upon initial recognition of the liability for an asset retirement obligation, the carrying amount of the corresponding tangible capital asset (or component thereof) is increased by the same amount. The capitalized asset retirement cost is expensed in a rational and systematic manner over the useful life of the tangible capital asset (or a component thereof). For obligations for which there is no tangible capital asset recognized or for tangible capital assets that are no longer in productive use, the asset retirement costs are expensed immediately. Subsequently, the liability is reviewed at each financial statement reporting date and adjusted for (1) changes as a result of the passage of time with corresponding accretion expense and (2) adjusted for any revisions to the timing, amount of the original estimate of undiscounted cash flows, or the discount rate.

The asset retirement costs are amortized on a straight-line basis over the estimated useful life of the asset.

A recovery related to asset retirement obligation is recognized when the recovery can be appropriately measured; reasonably estimated and it is expected that future economic benefits will be obtained. The recovery is not netted against the liability.

See accompanying notes to the financial statements

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The Corporation of the District of Peachland

Notes to the Financial Statements

December 31, 2025

2. Significant accounting policies (continued)

Liability for contaminated sites

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

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the District is directly responsible and accepts responsibility; and
- a reasonable estimate of the amount of can be made.

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

Municipal Finance Authority debt reserve deposits

The District issues its debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds are withheld by the Municipal Finance Authority as a debt reserve fund. The District also executes demand notes in connection with each debenture whereby the District may be required to loan certain amounts to the Municipal Finance Authority. The details of the cash deposits and demand notes at year end are as follows:

	<u>Demand Notes</u>	<u>Cash deposits</u>	<u>2025</u>	<u>2024</u>
Water Funds	\$ 199,061	\$ 103,915	\$ 302,976	\$ 299,955
Sewer Funds	72,435	58,397	130,832	129,135
	<u>\$ 271,496</u>	<u>\$ 162,312</u>	<u>\$ 433,808</u>	<u>\$ 429,090</u>

Revenue recognition

Taxation revenues are recorded on the accrual basis and recognized when earned. Sale of services and user fee revenues are recognized when the service or product is provided by the District. Concession and franchise and other revenue is recorded as it is earned and measurable. Transfers from other governments are recognized as revenue in the period that the transfer is authorized, eligibility criteria, if any, have been met by the District, and a reasonable estimate of the amount to be received can be made. Contributions from developers and other are recognized as revenue during the period in which the related costs are incurred. Amounts that have been received in advance of services being rendered are recorded as deferred revenue until the District discharges the obligation that led to the collection of funds. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the creation of a legal obligation to pay.

The Corporation of the District of Peachland

Notes to the Financial Statements

December 31, 2025

2. Significant accounting policies *(continued)*

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Significant areas requiring the use of management estimates relate to the determination of employee benefit accrual, allowance for doubtful accounts receivable, asset retirement obligations, provision for contingencies, the determination of tangible capital asset estimated useful lives and related amortization expenses and settlement costs associated with outstanding legal actions.

Actual results could differ from management's best estimates as additional information becomes available. Adjustments, if any, will be reflected in the financial statements in the period that the change in estimate is made, as well as the period of settlement if the amount is different.

Future accounting pronouncements

Effective January 1, 2027, the District will adopt the new Conceptual Framework for Financial Reporting in the Public Sector and PS 1202 - Financial Statement Presentation.

Conceptual Framework for Financial Reporting in the Public Sector

The conceptual framework will replace the conceptual components of PS 1000 - Financial Statement Concepts and PS 1100 - Financial Statement Objectives. This framework defines the nature, function and scope of financial accounting and reporting in the public sector.

Section PS 1202 - Financial Statement Presentation

This standard will replace PS 1201 – Financial Statement Presentation. It includes changes to the statement of financial position to present financial assets, non-financial assets, total assets, financial liabilities, non-financial liabilities, total liabilities and net assets/net liabilities. There will also be a separate statement of changes in net assets or net liabilities (formerly known as accumulated surplus), and the addition of a statement of net financial assets or liabilities that presents a revised net financial assets or liabilities (formerly known as net debt) calculation. The principles in this standard are based on the concepts outlined in the Conceptual Framework, ensuring consistency and transparency in financial reporting.

The Corporation of the District of Peachland

Notes to the Financial Statements

December 31, 2025

3. Financial assets and liabilities

Operating line of credit

The District has an operating line of credit with VantageOne Credit Union for an authorized amount of \$1,000,000, bearing interest at the credit union prime rate. At December 31, 2025, the balance outstanding on the operating line of credit was \$nil (2024 – \$nil).

Investments

Investments in GICs are carried at cost and are comprised of term deposits with maturity dates ranging from February 2026 through October 2027 and earning interest at rates between 2.50% and 4.70% (2024 – 2.50% and 5.20%).

Accounts receivable

Accounts receivable are recorded net of allowance and are comprised of the following:

	2025	2024
Property tax	\$ 1,015,375	\$ 953,910
Trade receivables	608,597	319,211
Due from Provincial government	558,204	342,875
Utilities	574,805	580,167
Due from Federal government	516,729	431,154
	\$ 3,273,710	\$ 2,627,317

Accounts payable and accrued liabilities

Accounts payable are comprised of the following:

	2025	2024
Security deposits	\$ 2,927,908	\$ 2,928,637
Prepayments	59,960	57,771
Accounts payable	982,606	1,185,292
Wages and benefits	459,243	448,830
Due to other governments	769,610	1,555,558
Project holdbacks	194,744	61,716
Non-cash consideration for Childcare property purchase	59,626	514,617
	\$ 5,453,697	\$ 6,752,421

The Corporation of the District of Peachland

Notes to the Financial Statements

December 31, 2025

3. Financial assets and liabilities (continued)

Deferred revenue

The District records deferred revenue for funds received for services not yet rendered and recognizes the revenue during the period in which the services are provided. The District records deferred revenue when a contract specifies how the resources are to be used, and therefore funds received in advance are deferred until the period in which the requirements are met. Because these funds are restricted in nature, they are shown as liabilities.

	2025	2024
Childcare BC new spaces grant	\$ 1,138,832	\$ 4,568,082
Property tax prepayments	1,137,974	1,064,421
Community Works grant	725,495	852,050
Local government climate action program grant	261,924	389,880
Left turn lane grant	65,867	65,867
Indigenous Engagement Requirements Funding Program grant	49,646	40,000
Recreation programs	33,896	59,950
Disaster Resilience and Innovation Funding grant	33,405	-
Rural dividend fund	28,484	28,484
NextGen 911 grant	22,500	22,500
School accessibility plaza trust	20,857	13,857
Local community accessibility grant	20,000	-
Local government development approvals program grant	11,524	75,000
Donations for future capital projects	10,861	-
Donation for community events	1,000	-
Westside Trail grant	-	158,589
Local government housing initiative grant	-	106,374
Heritage fund museum project grant	-	56,369
District of Peachland dam risk analysis	-	35,722
CRI FireSmart grants	-	19,880
	\$ 3,562,265	\$ 7,557,025

See accompanying notes to the financial statements

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The Corporation of the District of Peachland Notes to the Financial Statements

December 31, 2025

3. Financial assets and liabilities (continued)

Deferred development cost charges (“DCC”)

Pursuant to the provisions of the Local Government Act, DCCs are held in separate reserve funds for the purpose for which the charges have been imposed. When the related costs are incurred, the DCCs are recognized as revenue. Because these funds are restricted in nature they are shown as a liability.

	2025	2024
Balance, beginning of year	\$ 3,513,598	\$ 2,440,481
Contributions from developers	953,788	982,479
Interest on investments	175,351	90,638
Balance, end of year	4,642,737	3,513,598

The balance of DCCs can be itemized as follows:

Water system DCC	\$ 1,514,587	\$ 1,219,106
Roads DCC	1,128,667	940,013
Water treatment plant DCC	1,069,894	610,417
Sewer DCC	699,911	568,305
Park DCC	229,678	175,757
	\$ 4,642,737	\$ 3,513,598

The Corporation of the District of Peachland

Notes to the Financial Statements

December 31, 2025

3. Financial assets and liabilities (continued)

Long term debt

	Balance, beginning of year	Additions	Sinking fund payments	Actuarial adjustment	Balance, end of year	Current interest rate (%)
Water system capital fund						
MFA issue #157	\$8,734,979	\$ -	\$ (271,840)	\$ (13,762)	\$8,449,377	3.36
Sewer system capital fund						
MFA issue #95	1,034,333	-	(95,859)	(64,046)	874,428	3.03
	\$9,769,312	\$ -	\$ (367,699)	\$ (77,808)	\$9,323,805	

The requirements for future repayments of principal on existing debt for the next five years are as follows:

	2026	2027	2028	2029	2030
Water Fund	\$ 271,840	\$ 271,840	\$ 271,840	\$ 271,840	\$ 271,840
Sewer Fund	95,859	95,859	95,859	95,859	95,859
	\$ 367,699	\$ 367,699	\$ 367,699	\$ 367,699	\$ 367,699

Interest and bank charges expensed comprises the following amounts related to long term debt and prepayments:

	2025	2024
Interest on long term debt	\$ 336,333	\$ 340,831
Interest on tax prepayments	41,844	21,940
Interest on short term debt and bank charges	4,125	13,148
Interest on equipment loans	-	1,994
	\$ 382,302	\$ 377,913

See accompanying notes to the financial statements

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The Corporation of the District of Peachland

Notes to the Financial Statements

December 31, 2025

3. Financial assets and liabilities (continued)

Asset retirement obligation

The District owns and operates several assets that are known to contain asbestos, which represent a health hazard upon demolition or renovation of the assets. There is a legal obligation to remove and dispose of the hazardous materials. Estimated costs totaling \$2,787,699 have been discounted using a present value calculation with a discount rate of 4.44% (2024 – 4.44%). The timing of these expenditures is estimated to occur between 2023 and 2050 with the regular replacement, renovation, or disposal of the assets.

The District also owns a closed landfill site for which continued post-closure care is required. Post-closure care is expected to be completed in 2035, with annual costs expected to be incurred up to this date. Estimated costs totaling \$340,689 have been discounted using a present value calculation with a discount rate of 4.15% (2024 – 4.15%).

	2025	2024
Asbestos obligations		
Balance, beginning of year	\$ 1,423,185	\$ 1,502,761
Adjustments for rate change	-	(235,568)
Additions	-	97,585
Accretion expense	63,189	58,406
	\$ 1,486,374	\$ 1,423,185
Landfill post-closure obligations		
Balance, beginning of year	\$ 223,741	\$ 233,226
Accretion expense	20,158	10,363
Settlement of asset retirement obligations	-	(19,848)
	243,899	223,741
	\$ 1,730,273	\$ 1,646,926

The Corporation of the District of Peachland

Notes to the Financial Statements

December 31, 2025

4. Property taxation - net

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

	2025	2024
General municipal purposes	\$ 8,116,430	\$ 7,582,840
Collections for other governments		
School District #23 (Central Okanagan)	3,754,432	3,577,675
Regional District of the Central Okanagan	891,077	835,967
Central Okanagan Regional Hospital District	573,292	548,629
Central Okanagan Regional Library	311,472	300,413
British Columbia Assessment Authority	107,072	102,733
Municipal Finance Authority	582	574
	<u>13,754,357</u>	<u>12,948,831</u>
Transfers to other governments		
School District #23 (Central Okanagan)	(3,762,099)	(3,577,675)
Regional District of the Central Okanagan	(890,086)	(834,953)
Central Okanagan Regional Hospital District	(573,686)	(549,097)
Central Okanagan Regional Library	(311,694)	(300,659)
British Columbia Assessment Authority	(107,003)	(102,777)
Municipal Finance Authority	(581)	(575)
	<u>(5,645,149)</u>	<u>(5,365,736)</u>
Available for general municipal purposes	<u>\$ 8,109,208</u>	<u>\$ 7,583,095</u>

5. Other revenue from own services

	2025	2024
Interest earned	\$ 889,248	\$ 1,070,138
Development permits	289,055	426,702
Rentals	166,097	105,449
Penalties and interest on taxes	190,120	187,380
Cost recoveries	20,197	81,289
Licences and permits	55,365	53,214
Miscellaneous	557,761	310,370
	<u>\$ 2,167,843</u>	<u>\$ 2,234,542</u>

See accompanying notes to the financial statements

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The Corporation of the District of Peachland Notes to the Financial Statements

December 31, 2025

6. Government transfers

	2025	2024
Federal transfers		
Active Transportation Fund grant	\$ 113,157	\$ 243,243
Canada Day grant	9,000	5,000
HRDC employment program grant	-	14,596
	<u>122,157</u>	<u>262,839</u>
Provincial Transfers		
Childcare BC New Spaces grant	3,429,250	334,584
BC Active Transportation Infrastructure grant	797,707	51,529
Community Works grant	487,477	665,588
Small Communities grant	481,000	536,200
Local Government Climate Action grant	127,956	-
Local Government Housing Initiative grant	106,374	71,309
Local Government Development Approvals grant	63,476	113,000
Community Economic Resiliency Infrastructure grant	55,750	471,861
Indigenous Engagement Requirements Funding grant	32,354	-
Disaster Resilience and Innovation Fund grant	29,595	-
Provincial traffic fine revenue sharing	27,000	30,000
Emergency Management and Climate Readiness recovery	18,606	-
Wastewater Master Plan grant	16,250	133,000
Economic Trust grant	-	7,000
Complete Communities Fund grant	-	136,293
	<u>5,672,795</u>	<u>2,550,364</u>
Other		
Okanagan Basin Water Board grant	139,067	94,533
CRI FireSmart grants	131,597	248,434
Community Emergency Preparedness Fund grant	115,540	52,400
Asset Management Planning grant	25,000	-
Regional District Parks grant	24,000	-
Canada Summer Jobs grant	7,501	-
BC Hydro Community ReGreening Program grant	5,000	-
Cost Sharing – Highways	339	339
	<u>448,044</u>	<u>395,706</u>
Total	<u>\$ 6,242,996</u>	<u>\$ 3,208,909</u>

The Corporation of the District of Peachland Notes to the Financial Statements

December 31, 2025

7. Trust funds

Funds held in trust and administered by the District, which are not included in these financial statements, are as follows:

	<u>2025</u>	<u>2024</u>
Assets		
Cash and short term deposits	\$ 196,136	\$ 184,093
Fund balances		
Trusts – cemetery care	\$ 189,567	\$ 177,800
– historical society	6,569	6,293
	\$ 196,136	\$ 184,093

Transactions for the year ended December 31, 2025:

	Balance, beginning of year	Interest earned	Contributions	Balance, end of year
Cemetery Care	\$ 177,800	\$ 7,813	\$ 3,954	\$ 189,567
Historical Society	6,293	276	-	6,569
Total	\$ 184,093	\$ 8,089	\$ 3,954	\$ 196,136

The Corporation of the District of Peachland

Notes to the Financial Statements

December 31, 2025

8. Contingent liabilities

Regional District of Central Okanagan

Regional District debt is, under the provisions of the Local Government Act, a direct, joint and several liability of the District and each member municipality within the Regional District, including the District of Peachland. The loan agreements between the Regional District of Central Okanagan and the Municipal Finance Authority provide that if at any time the scheduled payments provided for in the agreements are not sufficient to meet the Authority's obligation with respect to such borrowing, the resulting deficiency becomes a liability of the member municipalities.

Legal actions

The District is currently engaged in certain legal actions, the outcomes of which are not determinable at this time. Accordingly, no provision has been made in the accounts for these actions. The amount of loss, if any, arising from these actions will be recorded in the accounts in the period in which the loss is realized.

9. Pension liability

The District and its employees contribute to the Municipal Pension Plan ("the Plan"), a jointly trustee pension plan. The Board of Trustees, representing Plan members and employers, is responsible for overseeing the management of the Plan, including investment of assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2024, the Plan has about 273,000 active members and approximately 133,000 retired members. Active members include approximately 47,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of Plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation as at December 31, 2024 indicated a surplus of \$2,675 million for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2027.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

The District paid \$395,613 (2024 – \$334,402) for employer contributions to the Plan and the employees contributed \$355,467 (2024 – \$300,478) to the Plan in fiscal 2025.

The Corporation of the District of Peachland

Notes to the Financial Statements

December 31, 2025

10. Letters of credit

The District is holding letters of credit in the amount of \$3,400,640 (2024 – \$3,385,918), which were received as security related to performance deposits. These amounts are not reflected in the financial statements, but are available to satisfy any liabilities arising from non-performance by the depositors.

11. Expense by object

Total expenses by object are itemized in Schedule 3.

12. Segmented information

The District of Peachland is a diversified municipal government that provides a wide range of services to its citizens. The District's operations and activities are organized and reported by funds and departments. The General Fund reports on operations, funded primarily by property taxes, which include services provided by the District such as general government services, protective services, recreation services, park and cultural services, development services, transportation and public works services, environmental health services, cemetery services, and facilities services. The utility operations are comprised of the water and sewer system, each accounting for its own operations and programs within its own fund. Operating results reported by the following segments are included in Schedule 3.

General government services

General government operations are primarily funded by property taxation and business tax revenues. The expenses within the department are for legislative, general administration and finance functions within the District. The general revenue reported under the department includes revenues associated with taxation, business tax revenues and payments in lieu of taxes. These revenues have not been apportioned to other departments supported by the General Fund.

Protective services

Protective services are comprised of police services provided by the Royal Canadian Mounted Police and fire services. The mandate of the police is to ensure the safety of the lives and property of citizens, preserve peace and good order, prevent crimes from occurring, detect offenders, and enforce the law. The fire department is responsible for providing effective fire protection and public safety services to the District. This includes fire prevention, fire safety inspections, fire control and/or suppression.

Recreation services

The Peachland recreation department contributes to the quality of life and personal wellness of the community through the provision of a variety of programs, services and facilities. This department administers facility, park and playing field reservations, special events applications, programs, Awards night, Canada Day celebrations and the Community Christmas celebration.

The Corporation of the District of Peachland

Notes to the Financial Statements

December 31, 2025

12. Segmented information *(continued)*

Parks and cultural services

The parks and cultural services assist the recreation department in maintaining municipal parks and shared spaces to enhance the beauty and usability of the community. These departments support the various community events and cultural programming hosted by the District.

Development services

The planning and development services department is responsible for land use and sustainable planning, general development services, building inspection and bylaw enforcement. This department addresses community and assists with infrastructure planning, zoning, inspection services, building permits, business licenses, development permits and subdivision.

Transportation and public works services

The transportation services and public works department is responsible for the operation, maintenance and repairs of town streets, sidewalks, water system, sewer system, storm system, parks and open spaces, public facilities and the vehicle fleet, as well as providing waste collection from parks, snow removal and ice control services.

Environmental health services

Environmental and public health services are comprised of transit, solid waste, yard waste and recycling services.

Cemetery services

Cemetery services coordinate the maintenance and administration of the community cemetery.

Facilities services

Facilities services are responsible for the repairs and maintenance of all District facilities.

Water

The water department provides safe drinking water to citizens of Peachland. Revenues and expenses represent the amounts that are directly attributable to the function of the water department.

Sewer

The sewer system is operated by the Regional District of Central Okanagan.

The Corporation of the District of Peachland

Notes to the Financial Statements

December 31, 2025

13. Budget reconciliation

The following reconciles the budgeted surplus as shown on the statement of operations to the budget as presented in bylaw #2443 adopted May 6, 2025.

	<u>2025</u>
Annual surplus per statement of operations	\$ 13,399,642
Capital expenditures	(17,740,936)
Amortization of tangible capital assets	1,590,000
Borrowing proceeds	150,000
Debt principal repayments	(397,559)
Transfers to reserve funds	(643,796)
Transfers from surplus and reserve funds	<u>3,642,649</u>
	<u>\$ -</u>

See accompanying notes to the financial statements

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The Corporation of the District of Peachland

Notes to the Financial Statements

December 31, 2025

14. Financial instruments

The District is exposed to various risks through its financial instruments. The following analysis provides a measure of the District's risk exposures and concentrations at December 31, 2025:

Credit risk

Credit risk is the risk of financial loss to the District if a debtor fails to discharge their obligation. The District is exposed to this risk arising from its cash, investments, and accounts receivable. The District holds its cash accounts with a federally regulated chartered bank who is insured by the Canadian Deposit Insurance Corporation.

The District's investment policy operates within the constraints of the investment guidelines laid out in the Community Charter, which puts limits on the types of investments the District may invest in, lays out composition of its investment portfolio, specifies the bond quality limits and issuer type limits and general guidelines for geographical exposure. The Community Charter permits the District's funds to be invested in bonds issued by the Government of Canada or a Canadian province having a rating of A or better, or corporate investments having a rating of AAA (high) or better. It also limits its investments in pooled funds to Canadian money market funds and bond funds.

Accounts receivable is primarily due from government, and corporations and individuals. Credit risk is mitigated by the highly diversified nature of the debtors and other customers. The District also holds collateral on taxes and utilities payable through the tax sale mechanism, mitigating the risk of default on these balances. The District measures its exposure to credit risk based on how long the amounts have been outstanding. An impairment allowance is set up as-needed based on the District's historical experience regarding collections. In the current and prior years, no impairment allowance was recorded. There were no changes in exposures to credit risk during the period.

	2025					Total
	Current	31-60 Days	61-90 days	Over 90 days		
Grants and accounts receivable	\$ 1,709,030	\$ 118,620	\$ 155	\$ 430,530	\$ 2,258,335	
Taxes receivable	-	-	-	1,015,375	1,015,375	
Total	1,709,030	118,620	155	1,445,905	3,273,710	
Less: impairment allowance	-	-	-	-	-	
Net Receivable	\$ 1,709,030	\$ 118,620	\$ 155	\$ 1,445,905	\$ 3,273,710	

	2024					Total
	Current	31-60 Days	61-90 days	Over 90 days		
Grants and accounts receivable	\$ 803,471	\$ -	\$ -	\$ 869,936	\$ 1,673,407	
Taxes receivable	-	-	-	953,910	953,910	
Total	803,471	-	-	1,823,846	2,627,317	
Less: impairment allowance	-	-	-	-	-	
Net Receivable	\$ 803,471	\$ -	\$ -	\$ 1,823,846	\$ 2,627,317	

The Corporation of the District of Peachland

Notes to the Financial Statements

December 31, 2025

14. Financial instruments (continued)

Liquidity risk

Liquidity risk is the risk that the District will not be able to meet all cash outflow obligations as they come due. The District mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining investments that may be converted to cash in the near-term if unexpected cash outflows arise. There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

The following table sets out the expected maturities, representing undiscounted cash-flows of its financial liabilities:

	2025					
	Within 1 year	1-2 years	3-5 years	Over 5 years		Total
Accounts payable	\$ 2,551,548	\$ 1,232,181	\$ 717,829	\$ 952,139	\$	5,453,697
Debt	367,899	735,398	1,007,239	7,213,489		9,323,805
Asset retirement obligation	17,619	35,315	53,163	1,624,176		1,730,273
Total	\$ 2,936,866	\$ 2,002,894	\$ 1,778,231	\$ 9,789,784	\$	16,507,775
	2024					
	Within 1 year	1-2 years	3-5 years	Over 5 years		Total
Accounts payable	\$ 3,823,783	\$ 1,222,990	\$ 728,784	\$ 976,864	\$	6,752,421
Debt	367,899	735,398	735,398	7,930,817		9,769,312
Asset retirement obligation	17,593	35,213	53,010	1,541,110		1,646,926
Total	\$ 4,209,075	\$ 1,993,601	\$ 1,517,192	\$ 10,448,791	\$	18,168,659

See accompanying notes to the financial statements

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The Corporation of the District of Peachland

Notes to the Financial Statements

December 31, 2025

14. Financial instruments *(continued)*

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The District operates within the constraints of the investment guidelines in the Community Charter. The investment portfolio is monitored by management and Council.

Currency risk

Currency risk is the risk that arises from the fluctuation in pricing in foreign currencies. During the year, the District was not exposed to currency risk. The District does not maintain cash or accounts payable in foreign currencies. There have been no significant changes from the previous year in the exposure to risk or policies, procedures, and methods used to measure the risk.

Interest rate risk

Interest rate risk is the potential for financial loss caused by fluctuations in the fair value or future cash flows of financial instruments because of changes in market interest rates. The District is exposed to this risk through its interest-bearing investments and debt. The District manages this risk by holding interest-bearing investments to maturity. There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk). The District is not exposed to other prices risk as it does not have any investments in equity instruments.

15. Comparative figures

Certain comparative figures have been adjusted to conform to changes in the current year presentation.

The Corporation of the District of Peachland Schedule 1 - Tangible Capital Assets

December 31, 2025

	Cost				Accumulated Amortization				2025 Net Book Value	2024 Net Book Value
	Opening Balance	Add: Additions	Less: Disposals / Transfers	Closing Balance	Opening Balance	Less: Disposals	Add: Amortization	Closing Balance		
General capital fund										
Land	\$ 21,111,328	\$ -	\$ -	\$ 21,111,328	\$ -	\$ -	\$ -	\$ -	\$ 21,111,328	\$ 21,111,328
Buildings	6,551,635	689,292	-	7,240,927	3,171,144	-	158,238	3,329,380	3,911,547	3,380,491
Equipment	5,113,819	236,418	-	5,350,237	3,607,737	-	223,252	3,830,989	1,519,248	1,506,082
Engineering Structures	33,038,285	3,010,808	(10,555)	36,038,538	17,157,651	-	680,389	17,838,040	18,200,488	15,880,834
Work in Progress	2,106,007	1,617,985	-	3,723,992	-	-	-	-	3,723,992	2,106,007
	67,921,072	5,554,503	(10,555)	73,465,020	23,936,532	-	1,061,877	24,998,409	48,466,611	43,984,540
Water system capital fund										
Land	623,291	-	-	623,291	43,102	-	1,381	44,483	623,291	623,291
Buildings	80,000	-	-	80,000	509,327	-	30,989	540,316	35,517	36,898
Equipment	721,952	70,757	-	792,709	12,632,537	-	982,741	13,615,278	252,393	212,625
Engineering Structures	55,453,778	57,042	-	55,520,818	-	-	-	-	41,905,540	42,831,239
Work in Progress	92,890	40,314	(42,008)	90,996	-	-	-	-	90,996	92,890
	56,981,709	168,113	(42,008)	57,107,814	13,184,966	-	1,015,111	14,200,077	42,907,737	43,796,743
Sewer system capital fund										
Land	198,000	-	-	198,000	-	-	-	-	198,000	198,000
Equipment	180,491	1,574	-	182,065	127,332	-	7,578	134,908	47,157	53,159
Engineering Structures	19,282,517	-	-	19,282,517	5,592,705	-	281,455	5,874,160	13,408,357	13,689,812
Work in Progress	183,750	-	(183,750)	-	-	-	-	-	-	183,750
	19,844,758	1,574	(183,750)	19,662,582	5,720,037	-	289,031	6,009,068	13,653,514	14,124,721
	\$ 144,747,539	\$ 5,724,190	\$ (236,313)	\$ 150,235,416	\$ 42,841,535	\$ -	\$ 2,366,019	\$ 45,207,554	\$ 105,027,862	\$ 101,906,004

The net book value of work in progress, which are tangible capital assets not being amortized is \$3,814,988 (2024 - \$2,392,447).

The Corporation of the District of Peachland Schedule 2 - Accumulated Surplus

December 31, 2025

	2025	2024
Reserve for future capital expenditures		
Specified	\$ 346,982	\$ 333,845
Unspecified	76,342	141,814
	<u>423,324</u>	<u>475,659</u>
Non-statutory reserves		
Amenity	88,432	73,685
Computer replacement	3,516	3,368
Fire department equipment	1,089,731	715,226
General capital asset renewal	3,118,314	2,333,697
Growing community fund (Schedule 4)	193,895	1,528,845
Municipal buildings	27,629	26,466
Non-development cost charge - roads	554,791	531,439
Parks and recreation equipment	215,510	206,438
Policing	210,444	153,691
Public works equipment	22,688	21,733
Sewer capital asset renewal	937,595	888,636
Sewer improvement	1,737,518	1,664,381
Transit	32,199	30,844
Water capital asset renewal	1,244,367	1,101,885
Water system improvements	5,846,751	5,239,226
	<u>15,323,380</u>	<u>14,519,560</u>
Statutory reserves		
Municipal park land acquisition	18,290	17,520
Cemetery maintenance	26,936	25,802
Parking	5,676	5,437
	<u>50,902</u>	<u>48,759</u>
Surplus of general, water, and sewer funds		
Surplus of general, water, and sewer funds	<u>660,996</u>	<u>637,231</u>
Investment in non-financial assets		
Investment in tangible capital assets	<u>93,973,784</u>	<u>90,489,766</u>
Total	<u>\$ 110,432,386</u>	<u>\$ 106,170,975</u>

The Corporation of the District of Peachland Schedule 3 - Segmented Information

December 31, 2025

	General Fund													
	General government services	Protective services	Recreation services	Parks and cultural services	Development services	Transportation and public works services	Environmental health services	Community services	Facilities services	Subtotal	Water funds	Sewer funds	2025 Total	2024 Total
Revenue														
Taxation	\$ 2,128,667	\$ 1,459,657	\$ 547,372	\$ 831,194	\$ 798,757	\$ 1,078,525	\$ 729,829	\$ 48,655	\$ 486,552	\$ 8,109,208	\$ -	\$ -	\$ 8,109,208	\$ 7,583,095
Parcel Taxes	40,344	436,650	10,374	15,753	15,139	20,441	13,632	922	9,222	436,650	583,422	65,312	1,085,384	795,389
Franchise	201,563	27,665	51,831	78,706	75,634	102,125	69,107	4,607	46,072	767,960	-	-	767,960	1,173,625
Sale of services	-	138,215	-	-	-	-	-	-	-	-	-	-	-	827,431
User fees	-	-	-	-	-	-	-	-	-	-	-	-	-	2,139,295
Other revenue from own sources	569,058	390,212	146,329	222,204	213,533	288,323	195,106	13,007	130,071	2,167,643	-	-	2,167,643	2,234,542
Government transfers	1,638,786	1,123,729	421,402	639,907	614,935	830,319	561,870	37,458	374,580	6,282,996	-	-	6,282,996	3,208,509
Total	4,578,418	3,576,138	1,177,308	1,787,764	1,717,998	2,319,733	1,569,744	104,649	1,046,497	17,878,249	2,296,396	734,897	20,909,542	16,961,287
Expenses														
Salaries and benefits	1,206,895	804,366	690,294	956,317	1,482,013	657,587	1,287	43,216	44,363	5,525,248	1,151,492	170,898	6,847,638	6,226,355
Equipment	9,835	73,218	-	93,445	22,105	93,444	180	7,457	4,126	303,811	30,669	101	336,581	408,236
Contracted services	512,156	1,089,298	60,212	129,896	446,003	212,389	611,938	186	220,018	3,292,006	453,353	224,451	3,959,810	3,603,517
Insurance	58,520	13,508	-	4,372	-	6,245	-	-	40,565	125,210	58,260	8,311	188,781	192,974
Supplies	67,282	38,584	23,373	83,585	8,255	94,993	-	12,445	68,700	397,217	396,558	876	794,651	835,132
Leases	-	-	-	-	-	-	-	-	-	-	20,778	-	20,778	20,728
Telephone and utilities	23,136	10,884	4,680	9,077	2,383	73,094	95	-	74,345	197,599	126,733	-	324,332	304,193
Professional services	365,494	-	-	-	725	95	-	-	-	366,314	2,500	-	368,814	188,336
Advertising	47,930	-	12,934	2,276	-	-	-	-	-	63,140	-	-	65,640	74,106
Civic grants	182,456	-	-	-	-	-	-	-	-	182,456	-	-	182,456	260,650
Contributions	45,970	-	-	-	-	-	-	-	-	45,970	-	-	45,970	729,482
Amortization of tangible capital assets	1,061,873	-	-	-	-	-	-	-	-	1,061,873	-	-	1,061,873	2,259,041
Accretion	67,667	-	-	-	-	-	-	-	-	67,667	-	-	67,667	68,769
Change in asset retirement obligation	-	-	-	-	-	-	-	-	-	-	-	-	-	(235,569)
Total	3,649,124	2,031,858	791,493	917,878	1,961,485	1,137,947	613,405	63,304	452,117	11,618,511	3,598,328	1,441,292	16,548,131	15,246,169
Annual surplus	\$ 929,294	\$ 1,544,280	\$ 385,815	\$ 869,886	\$ (243,487)	\$ 1,181,886	\$ 956,339	\$ 41,345	\$ 594,380	\$ 6,289,738	\$ (1,291,932)	\$ (706,395)	\$ 4,261,411	\$ 1,713,118

See accompanying notes to the financial statements

The Corporation of the District of Peachland
Schedule 4 - Growing Communities Fund

December 31, 2025

	2025	2024
Opening balance of unspent funds	\$ 1,528,845	\$ 2,827,991
Interest earned	22,202	80,042
Funds available for disbursement	<u>1,551,047</u>	<u>2,908,033</u>
Funding spent:		
Road remediation program	-	(578,258)
Fire department radios and chainsaws	-	(35,160)
Turner Park improvements	(704,736)	(207,921)
Turner Park field preparation	(9,180)	-
Sanderson dog park	(32,822)	(56,021)
Childcare property purchase	-	(501,827)
Westside Trail	(582,955)	-
Pickleball court project	(22,644)	-
Field line striper	(4,815)	-
Total funding spent	<u>(1,357,152)</u>	<u>(1,379,188)</u>
Closing balance	<u>\$ 193,895</u>	<u>\$ 1,528,845</u>

2025 Permissive Tax Exemptions

Organization Name	Legal Description	Civic Address	Municipal Exemption
Peachland United Church	4421 4th Street; PID 024-387-754; Parcel A, Block 4, Plan 44, ODYD, DL 490	4421 4th Street	4,588
St. Margaret's Anglican Church	4464 4th Street; PID 024-253-472; Lot 1, Plan KAP62699, ODYD, DL 490	4464 4th Street	2,458
Peachland Baptist Church	4204 Lake Avenue; PID 009-657-495; Lot 12, DL 220, ODYD, Plan KAP9704	4204 Lake Avenue	2,241
Peachland Wellness Centre	4426 5th Street; PID 006-978-975; Lot H, Plan KAP22267, ODYD, DL 490	4426 5th Street	6,542
Peachland Riding Club	5380 Princeton Avenue; PID 012-404-101: Lot 17, Plan KAP410, ODYD, DL 2538	5380 Princeton Avenue	1,389
Peachland Community Arts Council (Visitor's Centre; Boys & Girls Club)	5684 Beach Avenue, PID 012-638-277; Lot A, Plan KAP40524, ODYD, DL 490	5684 Beach Avenue	14,084
Peachland District Retirement Society	5672 Beach Avenue; PID 008-710-694; Lot A, Plan KAP38807, ODYD, DL 490	5672 Beach Avenue	7,742
Maple Springs Bible Camp	5247 Inga Street; PID 012-403-989; Lot 5, Plan KAP410, ODYD, DL 2538	5247 Inga Street	8,240
The Nature Trust of BC	3410 Drought Road; PID 027-343-553: Lot A, Plan KAP85621, DL 2690	3410 Drought Road	9,277
Peachland Branch of the Royal Canadian Legion	4407 2nd Street; PID 012-765-490; Lot 6 & 7, Block 2, Plan 44, DL 490	4407 2nd Street	4,790
Okanagan Regional Library	Unit 40, 5500 Clements Crescent; PID 023-739-827; Lot A, Plan KAP58976, ODYD, DL 220, Except Plan KAP60348	Unit 40, 5500 Clements Crescent	3,001
Peachland Chamber of Commerce	5878 Beach Avenue; PID 012-765-201; Lot 3, Block 1, Plan KAP44, ODYD, DL 490	5878 Beach Avenue	4,655
Total			\$69,007

Permissive tax exemptions were provided to these Peachland-based, registered not-for-profit organizations using property for municipal, recreational, religious, cultural or charitable purposes.



2025 Civic Grants

Organization Name	2025 Funding
Community Policing	4,150
Our Space Society	14,000
Peachland Fall Fair	3,000
Peachland Historical Society	20,000
Peachland Watershed Protection Alliance	1,000
Peachland Wellness Centre	15,000
Peachland Food Bank	6,000
	63,150



Contact the District of Peachland

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Planning & Development Services planning@peachland.ca	250-767-3707
RECREATION & CULTURE Community Services Department recreation@peachland.ca	250-767-2133



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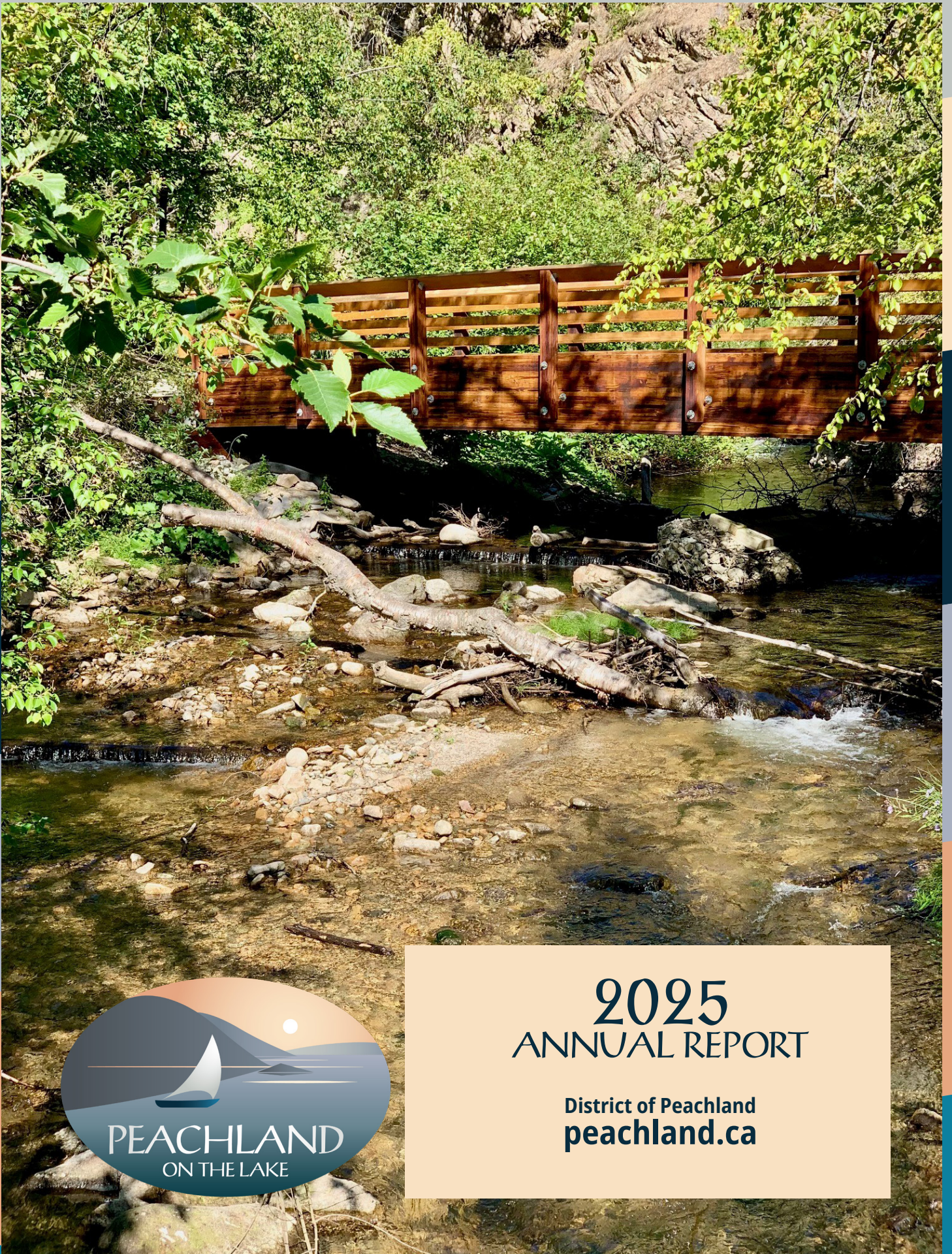


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2025 ANNUAL REPORT

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