



2025 ANNUAL REPORT HIGHLIGHTS

for the fiscal year ending December 31, 2025



City of Nanaimo
Nanaimo, BC, Canada



Government Finance Officers Association

**Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting**

Presented to

**City of Nanaimo
British Columbia**

For its Annual Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morrill

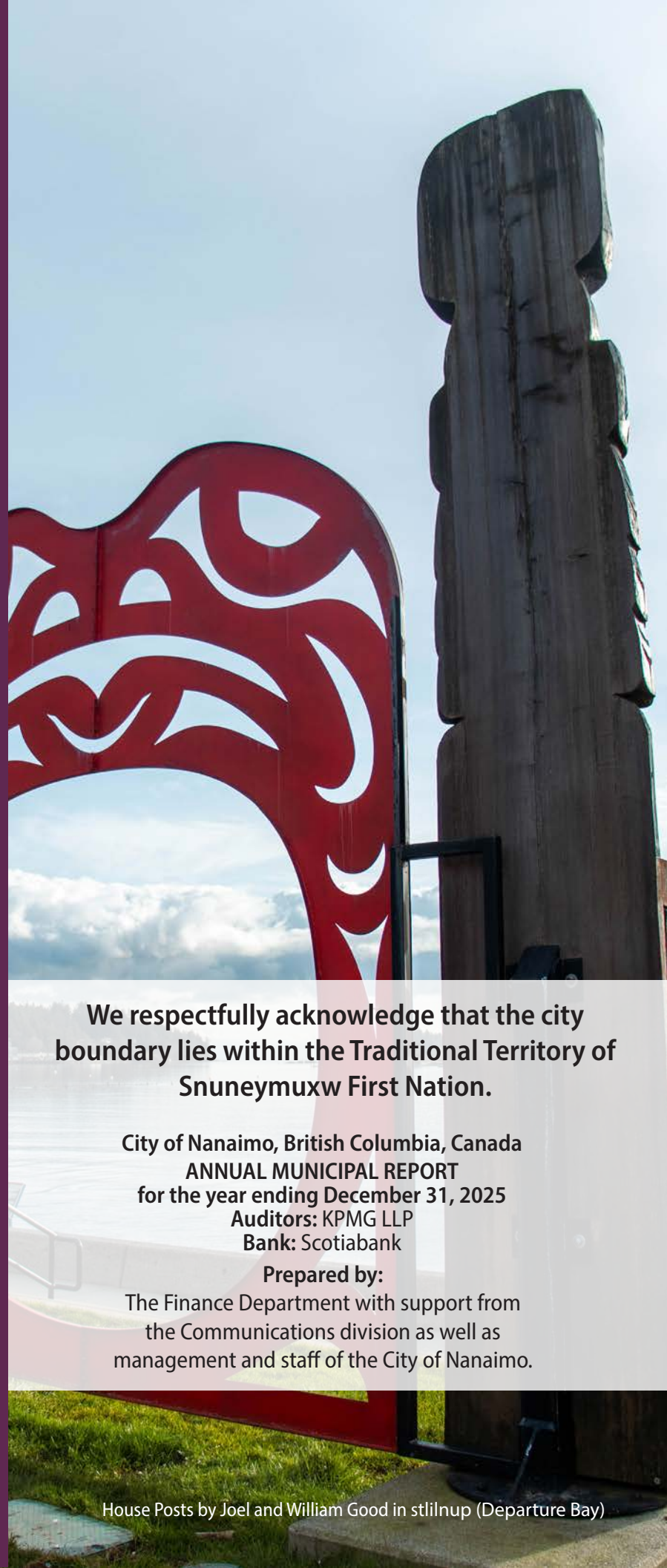
Executive Director/CEO

Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Nanaimo for its Popular Annual Financial Report for the fiscal year ended December 31, 2024. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA to determine its eligibility for another award.

Photos in this report were taken by:
Sean Fenzl, Rachel Kirk, Sabrina Patrice, Mike Thompson,
Doug Wortley and City of Nanaimo staff.



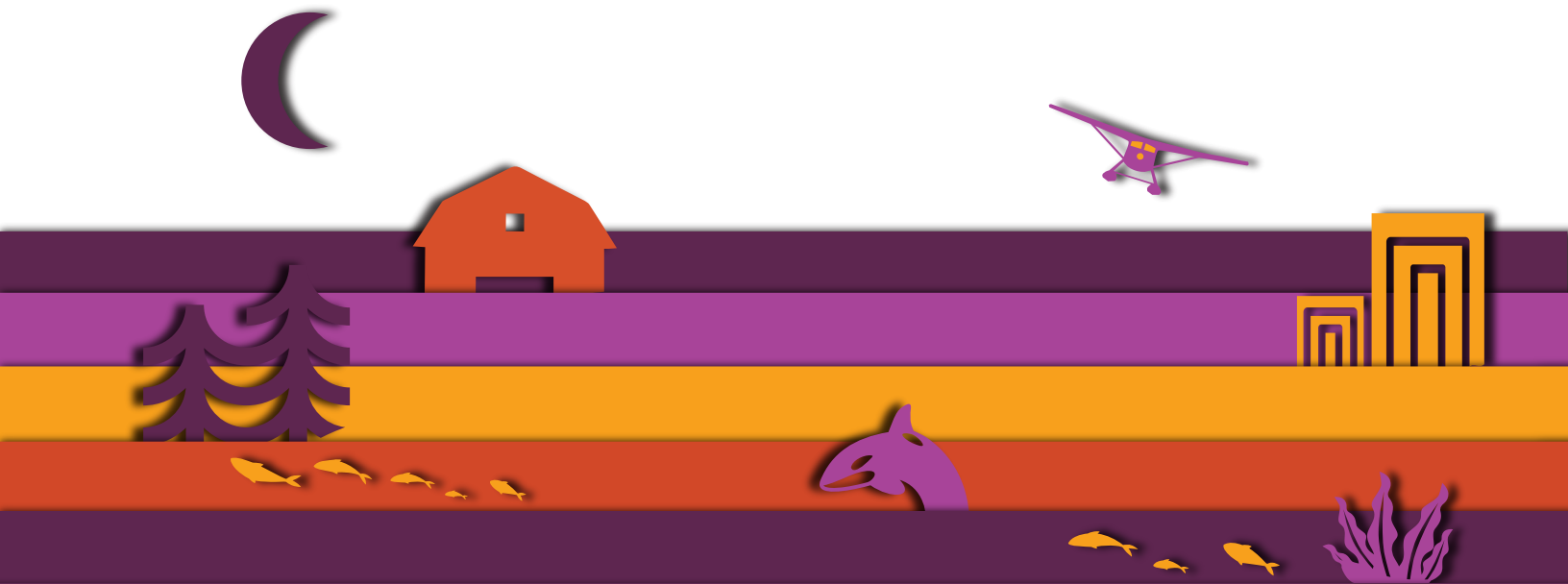
**We respectfully acknowledge that the city
boundary lies within the Traditional Territory of
Snuneymuxw First Nation.**

**City of Nanaimo, British Columbia, Canada
ANNUAL MUNICIPAL REPORT
for the year ending December 31, 2025
Auditors: KPMG LLP
Bank: Scotiabank**

Prepared by:
The Finance Department with support from
the Communications division as well as
management and staff of the City of Nanaimo.

House Posts by Joel and William Good in stlilnup (Departure Bay)

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The 2025 Annual Municipal Report Highlights provides an executive summary of the City of Nanaimo's 2025 Annual Municipal Report, which can be found by visiting the City's website at www.nanaimo.ca/goto/annualreport.

The highlights document contains an overview of statistics, accomplishments for 2025 in relation to Council's Strategic Plan priorities, financial charts and graphs, as well as the Statement of Operations and Statement of Financial Position which forms part of the City's financial statements.

The financial statements were prepared in accordance with Canadian public sector accounting standards and audited in accordance with Canadian generally accepted auditing standards.

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Nanaimo 150 banners

Nanaimo 150 - Illuminating Our History, Present and Future

In 2025, the City of Nanaimo continued its 150th celebration to mark the first election on January 19, 1875 and first Council meeting, which took place on January 22, 1875. To mark this, we held a month-long light festival, Luminous Paths: Nanaimo's 150 and Beyond.

This free winter art festival was a celebration of light, art, land and community and was funded (in part) by the Government of Canada, through the Canadian Heritage Building Communities through Arts and Heritage grant.

Nanaimo has a rich history dating back before its time as a coal mining, forestry, tech and tourist hub. The Snuneymuxw First Nation resides in the centre of Coast Salish territory on the eastern coast of Vancouver Island and encompasses one of the most magnificent and resource rich areas at the heart of the Salish Sea. Since time immemorial, the Snuneymuxw People have resided in Snuneymuxw Territory as the first peoples.

The Nanaimo150 Logo

The Nanaimo 150 logo and street banner were designed by local artist Amy Pye.

The designs were inspired by the convergence of land and sea, and the unique blend of urban and rural life that makes our landscape truly exceptional. Pye's design grabs attention and inspires thoughtful reflection throughout the year.

'150' becomes more than just a number, and instead takes on life and transformative shape as it tells its story:

- rural tradition meets urban innovation in a harmonious visual balance between nature and our modern city, as recognizable symbols of our diverse landscape transform the shape of the 1-5-0 and cascade down the banner;
- fertile countryside meets bustling city streets;
- the flight of an eagle reveals the bounties of the sea; and
- a soaring seaplane finds the solid structures of an urban centre.

These dynamic relationships are highlighted by the artist, coming to life as balanced opposites.



LUMINOUS PATHS: NANAIMO'S 150 AND BEYOND





Nanaimo Marine Festival - World Championship Bathtub Race

Who We Are



Since Nanaimo incorporated in 1874, we've been a coal town, a timber town, a mill town and a tourist destination. Today, our leading sectors are in health care, technology and construction.

The City of Nanaimo is situated on the Traditional Territory of the Snuneymuxw First Nation. Nanaimo - the Heart of the Island, north of the Malahat - is a transportation hub connecting people and goods through its busy port, ferry terminals (Departure Bay, Duke Point and Nanaimo Port Authority), all-weather airport and helicopter and seaplane services linking Nanaimo with the rest of the world.

Nanaimo's early development patterns were centred on the harbour and downtown with the current City boundaries being established only in 1975 through amalgamation with a number of surrounding improvement districts.

Recent growth patterns have refocused development within the City's existing urban growth boundary resulting in higher levels of infill throughout the City. Today, Nanaimo is the fifth largest city in BC with an estimated population of over 110,000.

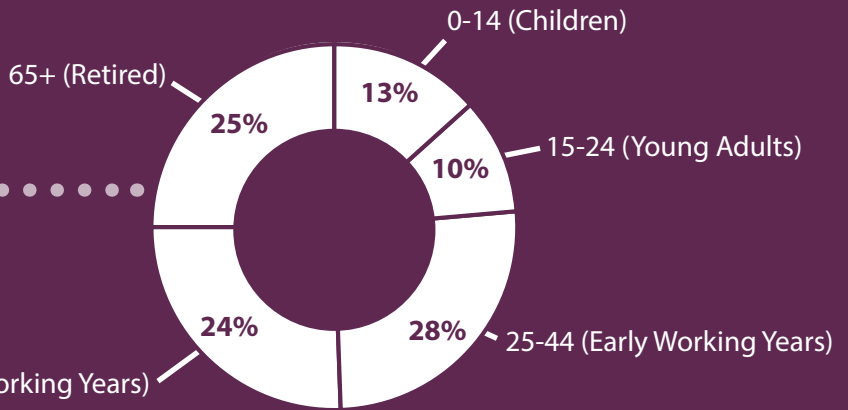
Our community boasts over 100 parks, an extensive trail system, public beaches, picnic areas and several recreational facilities. Along with vast recreation opportunities, we have a variety of art galleries and museums, a world-class symphony and, in a typical year, host a number of community events and festivals, including the world famous bathtub races during the Marine Festival.



111,845



People call Nanaimo home



Total # of households



Average household size



Rent



Own



Average household income: \$118,750
Median household income: \$93,296

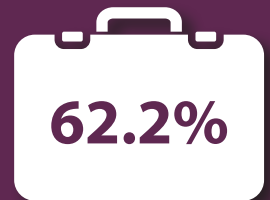


Average assessed value (residential property)

7,316



Licensed businesses operating in our community



In labour force

Sources: 2021 Statistics Canada Census of Population, City of Nanaimo Finance Department, 2025 State of the Nanaimo Economy Report



Sunset over te lúxwtún (Mt. Benson)

A Message from Mayor Leonard Krog

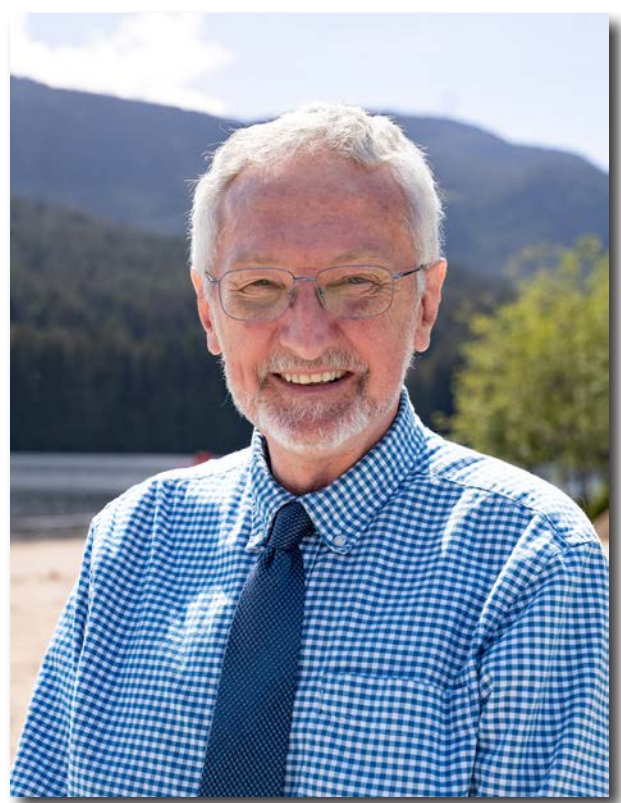


As we reflect on 2025, I am proud of the progress Nanaimo continues to make as a growing, vibrant and resilient community. This past year brought meaningful investments in infrastructure, public spaces and community experiences that are helping shape a city where people can thrive today and for generations to come.

One of the most memorable highlights was Luminous Paths: Nanaimo 150 and Beyond, a downtown celebration that brought residents and visitors together through illuminated art and storytelling. Events like this, along with the excitement and inspiration generated by the Canadian Forces Snowbirds' visit, reminded us of the power of community connection and civic pride.

Creating a more accessible and inclusive Nanaimo also remained a priority. The completion of major accessibility improvements at Westwood Lake Park marked an important step toward ensuring one of our most treasured public spaces can be enjoyed by more residents, regardless of age or ability. Enhancements including accessible pathways, improved facilities and inclusive amenities demonstrate our commitment to building a community where everyone feels welcome.

Behind the scenes, significant work also advanced on the future of our city's essential infrastructure. Progress on the Public Works Yard project



represents an important investment in the services residents rely on every day. Modernizing these facilities will strengthen our ability to deliver core services efficiently and responsibly as Nanaimo continues to grow.

Planning for that growth was also reflected in the launch of the Woodgrove Area Plan, an important initiative that will help guide the future of one of Nanaimo’s key urban centres. Through community input and thoughtful planning, we are working to create complete, connected neighbourhoods that support housing, transportation, amenities and quality of life for decades to come.

Finally, Nanaimo was honoured to host the 55+ BC Games, welcoming athletes, volunteers and visitors from across the province. The event showcased not only our community spirit and hospitality, but also the important role recreation and connection play in healthy, active living.

These accomplishments are a reflection of what we can achieve together. On behalf of Council, thank you to residents, staff, volunteers and community partners for your continued dedication to making Nanaimo an exceptional place to call home.



Leonard Krog
Mayor, City of Nanaimo





Mayor and Council (Left to Right): Councillors Sheryl Armstrong, Tyler Brown, Paul Manly, Erin Hemmens, Mayor Leonard Krog, Councillors Ian Thorpe, Janice Perrino, Ben Geselbracht, Hilary Eastmure

Nanaimo City Council



City Council is responsible for local government leadership and decision-making. Their responsibilities include establishing and implementing the priorities of the City of Nanaimo as well as overseeing the overall administration of civic business.

The Mayor and Councillors also serve on many committees, boards and advisory groups where they provide strategic input and direction on City initiatives, set budget priorities and advise on regional issues.

Councillors serve on various boards including:

- Regional District of Nanaimo (RDN) Board
- Vancouver Island Regional Library Board
- Nanaimo Port Authority/City Liaison Committee
- Snuneymuxw First Nation Liaison Committee Protocol Agreement Working Group (PAWG)
- Municipal Insurance Association of BC (MIABC)

- Coastal Communities Social Procurement Initiative
- Nanaimo Systems Planning Organization Society
- Nanaimo Prosperity Corporation (non-voting member)

Council’s Boards and Committees include:

- Advisory Committee on Accessibility and Inclusiveness
- Design Advisory Panel
- Finance and Audit Committee (all members of Council)
- Governance and Priorities Committee (all members of Council)
- Mayor’s Leaders’ Table
- Special District 68 Sports Field and Recreation Committee

Declarations of disqualified Council Members:

No members of Council were disqualified in 2025.

Scan to learn more about City Boards and Committees:





Strategic Priorities



Our vision is...

To be a community that is livable, environmentally sustainable and full of opportunity for all generations and walks of life.

The 2023-2026 Council Strategic Framework was endorsed by Council at the June 5, 2023 Council meeting. The Framework reflects six key focus areas that will serve to guide Council's decision-making in the years ahead:

Implementing City Plan Action Plans and Key City Management Plans:

Develop Action Plans that will help guide Council's priority setting & implementation of City Plan over the term and into the future.

Social, Health and Public Safety Challenges:

Continue to implement the Downtown Safety Action Plan and support the Nanaimo Systems Planning Organization while continuing to advocate to senior levels of government for support.

Maintaining and Growing Current Services:

Ensure that the City continues to plan for, maintain and grow its services while ensuring we are fiscally responsible to our community's evolving needs.

Capital Projects:

Recognize the capital projects, both large and small, that will contribute to service and quality of life improvements across the City and commit to working to plan and resource future key capital projects.

Communicating with the Community:

Commit to communication that is based on the principles of transparency, accountability and accessibility, understanding the importance of engaging with our community and stakeholders and ensuring we are responsive to their needs and concerns.

Governance and Corporate Excellence:

Ensure that good governance and corporate excellence continue to be foundational to our work, allowing the City to provide excellent service delivery and innovative, expeditious information-based decision making.



Expanded the afterschool children's sports programming at Oliver Woods Community Centre. Programs such as lacrosse, indoor soccer, basketball, volleyball and art have maintained strong registration levels. In 2025, the Afterschool programs recorded 2,237 registrations.

Completed the first phase of Commercial Street improvements, a project to refresh and revitalize the area to make it more inviting, flexible, pedestrian-friendly and event ready.



Partnered with Vancouver Island University (VIU), Nanaimo Ladysmith Public Schools, Nanaimo Foodshare and Nanaimo Search and Rescue among other local organizations to deliver Recreation Prescription to 150 students from three schools. This 16-week program funded by Building Safer Communities and part of the Nanaimo Youth Resiliency Strategy introduced students to recreation activities as part of the school curriculum.

Continued delivery of the Downtown Nanaimo Community Safety Action Plan, hired six additional Community Safety Officers and maintained coordination of the Vandalism Relief Grant to support businesses affected by property crime.



Implemented the Nanaimo Youth Resilience Strategy to target and engage youth at risk of participating in gun and gang violence and distributed over \$520,000 in Public Safety Canada funding for youth programming in Nanaimo.

Hosted the BC 55+ Games in coordination with Tourism Nanaimo. There were 2,700 athletes competing and 1,100 volunteers participating in a number of City sporting venues and fields.



Approved two new 2025 Temporary Public Art Projects – Lost Intersections by Jackie Wong and Histogram Histories by Kiranjot Kaur.



Acquired 3.26 acres of land to support a range of City projects including land acquisitions for a future South End Community Centre, the remaining lot for the Chinese Memorial Gardens and acquisitions to enhance the road connectivity within the Midtown Gateway Project.

Consulted with local retailers regarding the sale of invasive plants to understand how local retailers manage their inventory of invasive plants as staff work towards voluntary compliance to eliminate the sale of invasive plants. In total there were 34 work party events with 271 volunteers helping to remove invasive plants in Nanaimo Parks.



Completed Phase 2 of Westwood Lake Park upgrades focusing on improving accessibility and overall park experiences, including: new washrooms, an expanded beach, new landscape areas, trees and pavers, Public Art (David Martinello), end of trip facilities including bike wash and repair, accessible wayfinding signage, a new playground, beach access mat and new trail improvements.

Completed the Midtown Gateway project to create a new transportation network that increases the safety and comfort for people who walk, bike, take transit and drive, all while improving the safe flow of commercial and industrial goods and services.



Redesigned and constructed the Rock City Road stair access to Linley Valley Park.



Colliery Dam Park

Financial Highlights



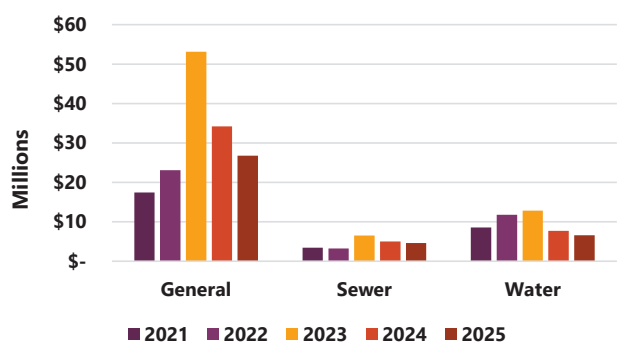
The following are excerpts of the Director of Finance's Letter of Transmittal. Financial data used to prepare this information is taken directly from the 2025 Financial Statements for highlight purposes only. For a copy of the full 2025 Annual Report, including the complete Letter of Transmittal and Audited Financial Statements, visit the City website at: www.nanaimo.ca/goto/AnnualReport.

SURPLUS

In 2025, the City's financial position strengthened, with accumulated surplus increasing by \$38.0 million as continued investments were made in infrastructure to support service levels in a growing community. Investments in tangible capital assets represent the majority of the City's accumulated surplus (\$887 million), reflecting the net book value of the diverse infrastructure owned by the City such as land, buildings, roads and underground linear assets. The remaining accumulated surplus consists of operating reserves (\$96 million) and statutory reserve funds (\$110 million).

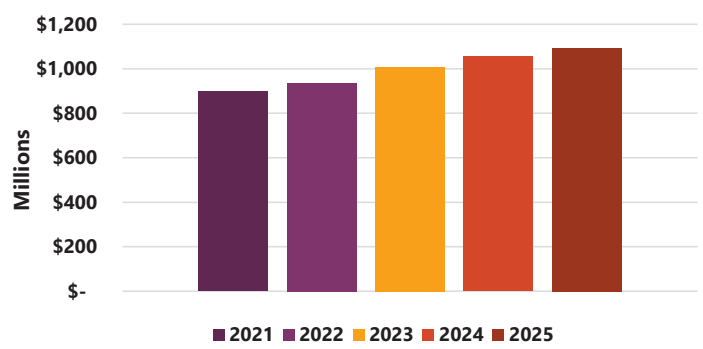
SURPLUS FOR THE YEAR 2021-2025

Source: City of Nanaimo Finance Department



ACCUMULATED CONSOLIDATED SURPLUS 2021-2025

Source: City of Nanaimo Finance Department

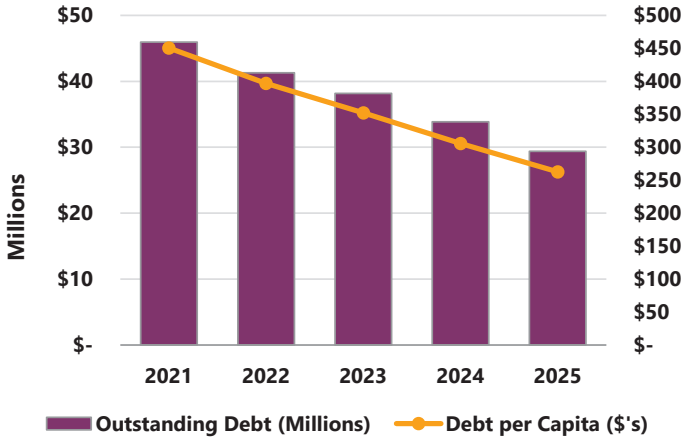


DEBT

The City remains committed to sustainable, prudent, and transparent management of financial resources used to provide valued community services. This commitment is supported by established reserve and debt management policies. A low debt servicing limit (12.2% of the allowable limit at December 31, 2024) and dedicated financial stability reserves provide flexibility and support ongoing financial health.

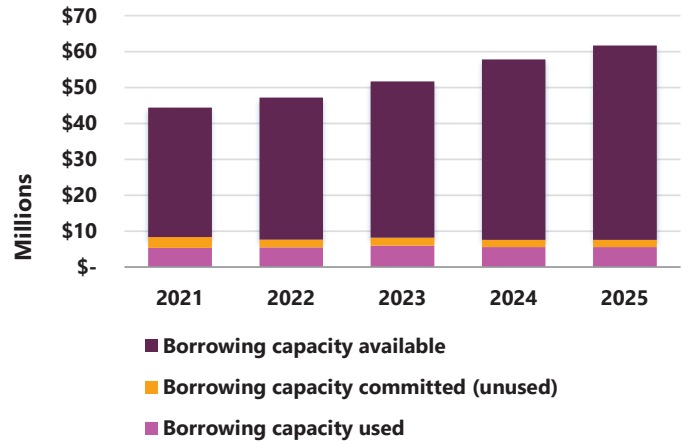
DEBT PER CAPITA 2021-2025

Source: City of Nanaimo Finance Department



LEGAL DEBT LIMIT 2021-2025

Source: City of Nanaimo Finance Department

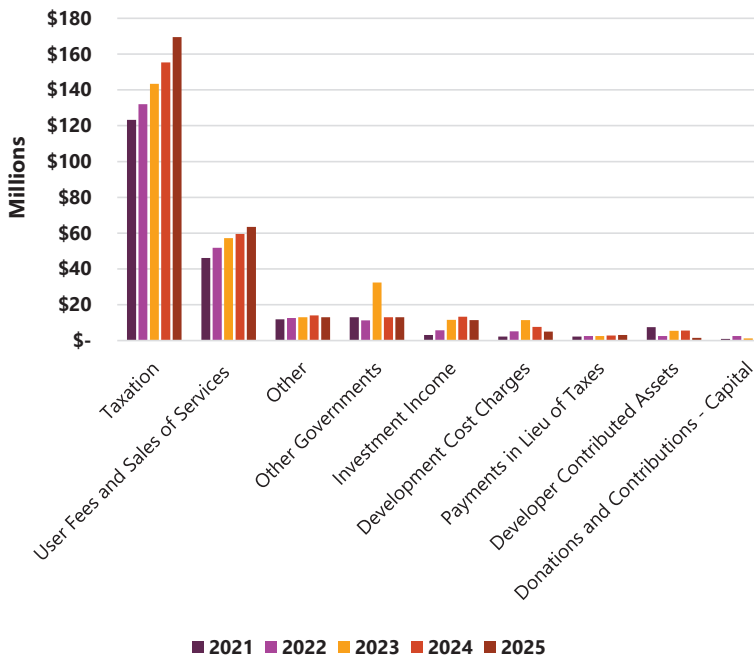


REVENUES

Revenues in 2025 were \$9.1 million higher than in 2024, while expenses increased by \$18.0 million. The most significant revenue changes were in taxation, user fees and sales of services and developer contributed assets. Taxation revenue increased by \$14.2 million, primarily due to a 7.8% property tax increase, which included a 1% increase dedicated to asset management as part of the City's continued commitment to addressing infrastructure funding needs.

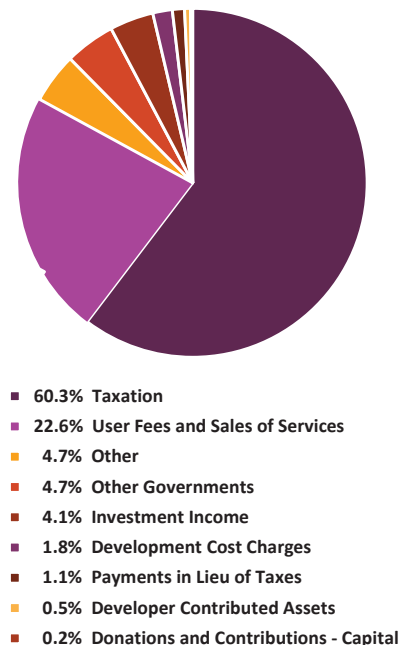
REVENUE BY SOURCE 2021-2025

Source: City of Nanaimo Finance Department



REVENUE BY FUNCTION % 2025

Source: City of Nanaimo Finance Department

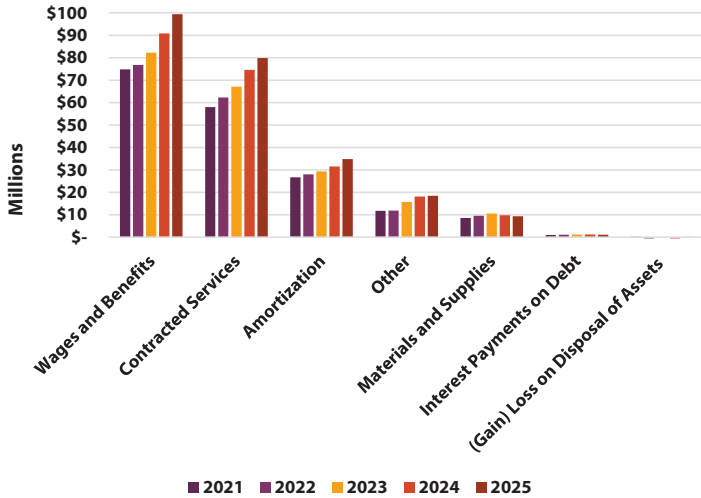


EXPENSES

The largest expense increases were in wages and benefits and contracted services. Wages and benefits rose by \$8.6 million, reflecting negotiated contract increases and the addition of 31.5 permanent full-time equivalent positions to support service delivery. This included the addition of twenty new firefighters in January, completing the planned increase of forty firefighters under the Fire Master Plan, as well as the first phase of expansion for the Community Safety Officer team, including six new team members and additional administrative support.

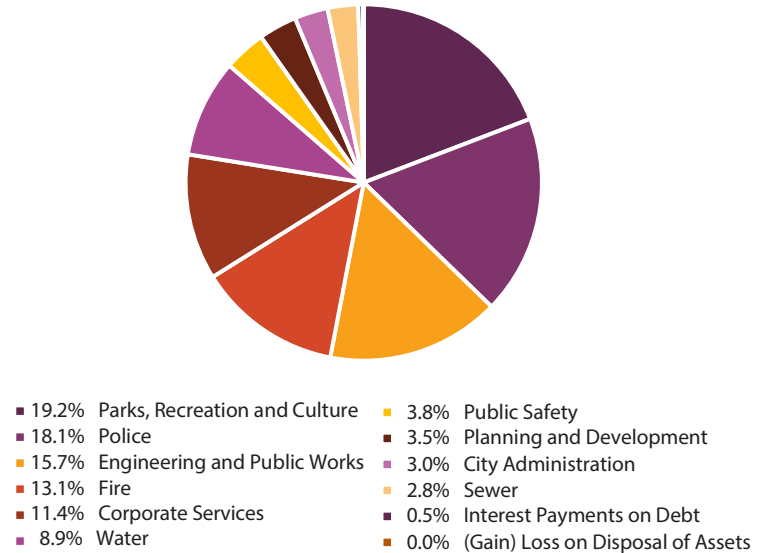
EXPENSES BY OBJECT 2021-2025

Source: City of Nanaimo Finance Department



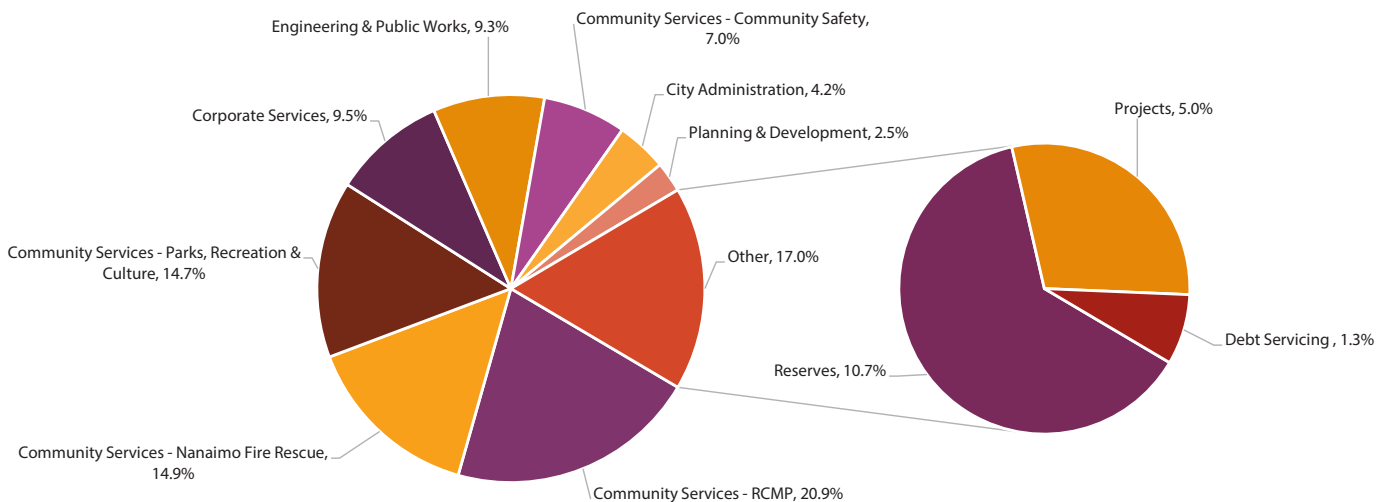
EXPENSES BY FUNCTION % 2025

Source: City of Nanaimo Finance Department



HOW TAX DOLLARS ARE USED

2025 Municipal Taxes for a residential property with an assessed value of \$787,743



UNDERSTANDING AND INTERPRETING CITY OF NANAIMO FINANCIAL STATEMENTS



On an annual basis, the City of Nanaimo Financial Statements are prepared in accordance with provisions set out in the Community Charter and must comply with Canadian public sector accounting standards.

The condensed financial information presented in this report has been collected from the City of Nanaimo's 2025 Annual Report and is for highlight purposes only.

There are two main components to the condensed Financial Statements:

1. Statement of Financial Position

This statement reports on the City's assets, liabilities and accumulated surplus at the end of each year. It gives the reader an indication whether or not the City has the necessary assets to provide services to its citizens in the future and meet its current financial commitments.

2. Statement of Operations

This statement reports on revenues, expenses and results of operations for the entire year.

Additional Details

City Council is responsible for ensuring that the administration fulfills its responsibilities for financial reporting, internal control and risk management. To assist City Council with these responsibilities, a City Council appointed Finance and Audit Committee has been established.

The committee oversees the activities of the external auditors to help ensure the administration's accountability to Council. The committee reviews the audit plan, year-end audit results, summary of audit differences, the Independent Auditors' report and the management letter. To fulfill the City's provincially legislated audit requirements, the Committee engages the external auditor, KPMG LLP who carries out the audit of the City of Nanaimo's financial statements, in accordance with generally accepted auditing standards. The external auditors have full and unrestricted access to the Finance and Audit Committee to discuss their audit and related findings, as to the integrity of the City's annual financial statements and related processes.

Council approved the 2025 City of Nanaimo Financial Statements at its meeting on April 20, 2026.

For more information, the 2025 Annual Report can be found at: www.nanaimo.ca/goto/AnnualReport.

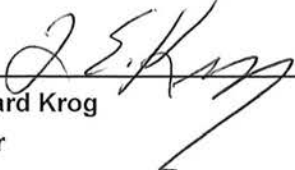
CITY OF NANAIMO
STATEMENT OF FINANCIAL POSITION


as at December 31, 2025, with comparative figures for 2024

	2025	2024
FINANCIAL ASSETS		
Cash and cash equivalents	\$ 119,780,276	\$ 109,871,027
Accounts receivable (Note 2)	31,466,321	32,007,158
Development cost charges receivable (Note 3)	536,093	1,178,040
Term deposits	200,000,000	200,000,000
	351,782,690	343,056,225
LIABILITIES		
Accounts payable and accrued liabilities (Note 4)	49,966,880	56,390,528
Compensated absences and termination benefits (Note 5)	9,790,529	9,558,514
Deferred revenue (Note 6)	33,559,582	30,910,777
Deferred development cost charges (Note 7)	62,910,494	62,165,815
Debt (Note 8)	29,380,800	33,860,958
Asset retirement obligations (Note 9)	1,994,820	1,935,439
	187,603,105	194,822,031
NET FINANCIAL ASSETS	164,179,585	148,234,194
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 10)	922,944,206	901,259,929
Prepaid expenses	2,748,207	2,279,011
Inventories of supplies	3,240,964	3,372,860
	928,933,377	906,911,800
ACCUMULATED SURPLUS (Note 11)	\$ 1,093,112,962	\$ 1,055,145,994

Commitments and contingencies (Note 12)
 Contractual rights (Note 23)
 See accompanying notes to the financial statements

Approved on behalf of the Council


 Leonard Krog
 Mayor


 Ian Thorpe
 Councillor

CITY OF NANAIMO STATEMENT OF OPERATIONS

for the year ended December 31, 2025, with comparative figures for 2024

	2025 Budget (Note 14)	2025	2024
REVENUES			
Taxes	\$ 169,694,547	\$ 169,490,067	\$ 155,331,300
Payments in lieu of taxes	2,921,300	3,154,122	2,806,432
Taxation and payments in lieu (Note 15)	172,615,847	172,644,189	158,137,732
User fees and sales of services (Note 16)	60,834,626	63,514,755	59,505,154
Investment income	7,978,483	11,418,813	13,382,072
Other revenue	7,029,778	9,502,635	10,924,089
Transfers from other governments-operating (Note 17)	7,733,622	6,532,800	6,448,733
Transfers from other governments-capital (Note 17)	7,525,282	5,156,309	5,265,376
Development cost charges (Note 7)	8,478,073	5,082,818	7,571,572
Building permits	2,200,000	2,558,955	2,186,881
Developer contributed assets (Note 10)	-	1,536,885	5,589,662
Regional recreation sharing	1,383,310	1,383,310	1,336,345
Property rentals	985,104	1,014,424	921,127
Donations and contributions-capital	1,936,490	556,416	498,232
	278,700,615	280,902,309	271,766,975
EXPENSES			
Parks, recreation & culture	48,287,961	46,646,248	41,256,249
Police	49,503,846	43,929,606	42,062,365
Engineering & public works	42,481,450	38,339,105	39,770,219
Fire	32,768,267	32,216,894	28,000,905
Corporate services	28,694,315	27,621,826	23,383,470
Water	23,220,826	22,230,840	20,553,003
Public safety	10,481,535	9,277,541	8,228,994
Planning & development	11,974,547	8,447,635	8,191,920
City administration	8,424,402	7,368,593	7,092,467
Sewer	7,573,922	6,857,053	6,360,851
	263,411,071	242,935,341	224,900,443
ANNUAL SURPLUS	15,289,544	37,966,968	46,866,532
ACCUMULATED SURPLUS - BEGINNING OF YEAR	1,055,145,994	1,055,145,994	1,008,279,462
ACCUMULATED SURPLUS - END OF YEAR	\$ 1,070,435,538	\$ 1,093,112,962	\$ 1,055,145,994

See accompanying notes to the financial statements





Contact Information



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250-755-4405

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250-754-4251

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250-755-4406

HOURS OF OPERATION

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PARKS, RECREATION & CULTURE
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250-754-4251 EXT. 4230

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250-755-4422

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250-755-4429
BUILDING
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250-755-4429

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250-753-7311 (non-emergency line)

NANAIMO RCMP DETACHMENT
250-754-2345 (non-emergency line)

2025 CITY OF NANAIMO Annual Report Highlights



For more information on this report,
please contact the Communications Department:

411 Dunsmuir Street
Nanaimo BC V9R 0E4

Phone: 250.754.4251 • Fax: 250.755.4440

This report can also be viewed and printed from
www.nanaimo.ca