

# Staff Report

## COR-09-2026

**Council date:** April 8, 2026

**To:** Warden and Members of Haliburton County Council

**From:** Andrea Robinson, Director of Corporate Services

## Q4 Financial Report

### RECOMMENDATION(S)

That Report No. COR-09-2025, Q4 Financial Report, be received as information;

And that all reserve transfers outlined within the report be hereby approved.

### Purpose:

- To provide Council with an overview of the County's financial status as of December 31st;
- To bring to Council's attention any budget variances that Directors have been monitoring and departmental year-end budget compliance;
- To provide information for decision-making processes, ensure transparency and support strategic planning for Q4 and beyond;
- Financial reports for the period ending December 31, 2025 are presented for Council's review and information in Appendix 1.

### REPORT HIGHLIGHTS

#### Key Findings:

The Q4 Financial Report includes details on the following items for Council's information:

#### Revenues:

- 2025 was an above average year for Supplementals & Write-off's with \$126,658 in unbudgeted revenue
- Federal Funding – The County received \$25,000 unbudgeted funding from the Tourism Growth Program for the Hike Haliburton Festival
- Unbudgeted Provincial Funding received/recorded in 2025:
  - \$420,000 of 2024 OCIF funding moved to deferred revenue to be used for the 2025 budgeted Paudash bridge project
  - \$364,000 of CPLTC funding unspent at year end in 2024 was moved to 2025 and was utilized prior to the funding deadline of March 31, 2025
  - \$(124,500) of 2025 CPLTC funding was unspent and transferred to 2026 to be spent by March 31, 2026
  - \$184,000 unbudgeted Municipal Ice Storm Assistance (MISA) Program funding
  - \$60,400 unbudgeted Seniors Active Living Centres (SALC) Program funding
  - \$11,500 unbudgeted Seniors Community Grant

- User Charges – approximately \$130,000 below budget primarily due to Cross Boarding billing within the Paramedic Services not reaching budget targets for 2025
- Investment Income – above average year with approximately \$361,000 in surplus revenue
- Unbudgeted Other Revenue received in 2025:
  - \$113,865 unbudgeted 2024 WSIB rebate received in 2025
  - \$132,448 unbudgeted 2025 WSIB rebate
  - \$87,794 Municipal Accommodation Tax (MAT) transferred to Municipal Services Corporation reserve

**Expenses:**

- Overall Wages & Benefits – under budget by approximately \$328,000, of this \$107,000 is in relation to the Community Paramedicine Long Term Care (CPLTC) program and \$49,000 Haliburton County Public Library (HCPL), the balance is due to staff leaves and delayed recruitment initiatives
- Overall Materials & Supplies – over budget by approximately \$537,000:
  - \$107,000 in emergency ice storm clean up expenses
  - \$315,000 in winter maintenance materials
  - \$124,000 in fleet parts, repairs and maintenance
- Overall Contracted Services – under budget by approximately \$380,000, of this \$164,000 worth of projects moved to 2026 for completion and the balance is a result of the acquisition of new equipment purchase in 2025 and being able to do brushing in house
- Transfer to Other Entities:
  - Social Services & Housing – Q4 2024 invoice received April 2025 and included a \$58,000 overage that is reflected with the 2025 year end numbers
  - Health Care Professional Recruitment – over budget by \$150,000 due to successful recruitment initiatives – all have been previously reported, funded by reserves and approved by Council
- Overall Capital – reporting to be \$1.135M under budget:
  - \$410,000 – tandem, purchased not yet received, moved to reserve for 2026
  - \$1.2M - building renovation delays
  - \$144,000 – structure tender savings
  - (\$392,000) – CPLTC overage offset by 2024 revenues previously noted
  - (\$265,000) – Paramedic Services overage, unbudgeted ambulance, Council report EMS-02-2025 funded by reserves

**2025 Projects/Purchases transferred to 2026:**

1. Planning:
  - a. \$20,000 – legal from 2025 to 2026 to cover potential appeal(s)
2. Information Technology:
  - a. \$4,000 – tv replacement in Council Chambers
  - b. \$30,000 – website project
  - c. \$14,000 – Questica upgrade
3. Accessibility:
  - a. \$10,000 – Augmentative & Alternative Communication Boards to be completed in Minden Hills, Algonquin Highlands & Highlands East
4. Public Works:
  - a. \$410,000 – Tandem Plow, purchased, not yet delivered
  - b. \$100,000 – CR2 Culvert replacement project

Total year end net surplus is \$1,073,734 and recommended reserve transfers as per the Reserve Policy are:

- \$386,636.06 to Human Resources Reserve
- \$1,248.83 to the Accessibility Reserve

- \$31,941.60 to the Information Technology Reserve
- \$7,279.08 to the CSWB Reserve
- \$10,705.01 to the Health Professional Recruitment Reserve
- \$27,533.63 to the Rail Trail Reserve
- \$80,950.54 to the Library Reserve
- \$76,144.14 to the Structures Reserve
- \$41,403.44 to the Social Housing Reserve
- \$409,892.03 to the working fund reserve

### **Financial Implications:**

All year-to-date revenue and expenses are monitored and reported quarterly to Council.

Directors have been able to address previous identified budget variance issues as part of the County's internal budget monitoring practices throughout the 2025 reporting year within the approved 2025 budget allocations.

The audited financial statements will be presented to Council at the May 13, 2026, meeting.

## **BACKGROUND**

The 4th Quarter Financial Report is for information purposes and provides Council a review of the financial position of the County as of December 31, 2025.

Budgeted figures are annualized but the timing of large expenses, such as contracts, may occur unevenly and at various times of the year. In addition, expenses are more generally within the control of staff and are therefore managed well in relation to approved budgets. Revenues, other than tax, are driven by activities typically outside our control and are monitored to flag concerns on a timely basis.

The County's 2025 budget was passed January 8, 2025 with By-law 4282.

### **Analysis:**

Overall, as of December 31, 2025 the County had collected 101.43% of budgeted revenues, 101.62% of operating expenses have been incurred and 83.45% of capital expenditures have been incurred.

The total year end net surplus to be transferred to County reserves is \$1,073,734 (includes Library surplus).

The following are details from staff's Q4 analysis to bring to Council's attention.

### **Revenue:**

#### **Supplementaries & Write-offs**

Actual tax supplementaries and write-offs are provided to the County from the Local municipalities during the year end process. Supplementaries are extra property taxes that may be added during the year, such as new builds and/or major renovations. Budgeting for these line items are based on a 4yr average. 2025 was an above average year with an extra \$126,658 in unbudgeted revenue received.

Actuals over the last four years:

	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
Supps	357,825	397,497	368,081	215,708
W/O	<u>-46,566</u>	<u>-35,947</u>	<u>-31,598</u>	<u>-82,383</u>
<b>Total</b>	<b>311,259</b>	<b>361,550</b>	<b>336,483</b>	<b>133,325</b>

### **Federal Funding**

Federal Funding Budget vs Year to Date Actual shows an additional \$25,000 in funding received. This is a result of a successful unbudgeted Tourism Growth Program grant received for the Hike Haliburton Festival for 2025.

### **Provincial Funding**

Provincial Funding Budget vs Year to Date Actual shows additional funding received of just over \$900,000. This represents:

- \$420,000 of 2024 OCIF funding that was moved to deferred revenue to be used for the Paudash Bridge project in 2025
- \$364,000 of 2024 unspent Community Paramedicine LTC funding which was moved to and spent prior to March 31, 2025
- (\$124,500) of unspent revenue, to be transferred to 2026 & spent by March 31, 2026
- \$184,000 unbudgeted Municipal Ice Storm Assistance (MISA) Program funding
- \$60,400 unbudgeted Seniors Active Living Centres (SALC) Program
- \$11,500 unbudgeted Seniors Community Grant

### **Municipal Funding**

This funding is based on expense recovery only from the local municipalities and therefore offset additional unbudgeted expenses primarily in IT and Public Works.

### **User Charges**

User Charges are approximately \$130,000 below budget, this is primarily due to Cross Border Billing within the Land Ambulance Service not reaching budget targets. This budget is determined using a 4 year average and saw an almost \$70,000 decrease from 2024 actuals.

### **Investment Income**

Investment income, as presented to Council in January 2026, exceeded forecasted amounts with a total of \$446,575 in investment revenue received in 2025. This combined with our annual interest earned in our chequing account of \$34,646 has left the County with a year-end surplus of approximately \$361,221.

### **Other Revenue**

As noted in the Q1 report, the County has received an unbudgeted amount of \$113,865 from WSIB as a 2024 surplus rebate. WSIB distributed \$2 billion in surplus monies to eligible safe businesses recognizing the important role they play in funding their no-fault work-related injury and illness insurance system. The County's rebate was 60% of the premiums reported in 2023.

The County has also received this fall a 2025 surplus rebate based on their 2024 premiums in the amount of \$132,448 for a total unbudgeted revenue of \$246,313. These surplus monies are being recommended to be transferred to the Human Resources reserve.

The Municipal Services Corporation collected a total of \$87,794 in 2025 from the 4 local municipalities. These monies have been transferred to the newly established Municipal Services Corporation reserve as per Councils direction with report EDT-02-2026.

**Expenses:**

**Overall Wages & Benefits**

Overall wages and benefits were approximately \$328,000 under budget, of this \$107,000 is in relation to the CPLTC program and will be carried to 2026 to be spent prior to March 31, 2026 and \$49,000 is the libraries surplus, leaving the balance to be transferred to the Human Resources reserve. This surplus balance is due to recruitment delays and/or staff leaves. The County had a total of 47 staff leaves in 2025, this includes short- & long-term disability, WSIB, and Employment Standards leaves. At year end there were 13 open claims.

**Overall Materials and Supplies**

Overall the County was over budget in Materials and Supplies by approximately \$537,000. This is partly due to the increased funding noted above but also includes overages in 3 major areas:

- \$107,000 in emergency ice storm clean up expenses
- \$315,000 over budget in winter maintenance materials
- \$124,000 over budget in fleet parts, repairs & maintenance

**Overall Contracted Services**

Overall the County was under budget in Contracted Services by approximately \$380,600, of this, approximately \$164,000 worth of projects moved to 2026 for completion, see projects to be transferred further in the report. The remaining unspent funds are in relation to mowing and brushing being able to be completed in house with the purchase of a brusher head in early 2025.

**Transfers to Other Entities**

***Social Services and Housing***

As reported on your Q2 report the Q4-2024 invoice from City of Kawartha Lakes was received on April 25, 2025 and was \$58,248 over the 2024 budgeted accrual that was set up at year end. This overage is reflected in the 2025 actuals.

***Health Care Professional Recruitment***

Previously reported and approved by Council, Physician Recruitment is over budget due to the successful recruitment and incentive payments of three additional doctors. All unbudgeted costs were funded by reserves as per Council's previous approval.

**Overall Capital**

Overall, capital is ending the year only 83.45% spent or \$1.135 million underspent. This is due to:

- \$410,000 for tandem purchase not yet received, monies moved to reserve until delivered
- \$1.2M due to building renovation delays
- \$144,000 Structure tender savings
- (\$392,000) CPLTC overage offset by 2024 revenues noted previously in report
- (\$265,000) Land Ambulance overage, unbudgeted ambulance, Council report EMS-02-2025, offset by funding from reserves

**Projects/Purchases Transferred to 2026:**

The following reserve transfers have been completed as part of the year end procedures for projects/purchases that were not able to be completed in 2025 and are anticipated to be completed in 2026:

1. Planning:
  - a. \$20,000 – legal from 2025 to 2026 to cover potential appeal(s)
2. Information Technology:
  - a. \$4,000 - tv replacement in Council Chambers
  - b. \$30,000 – website project
  - c. \$14,000 – Questica upgrade
3. Accessibility:
  - a. \$10,000 – Augmentative & Alternative Communication Boards to be completed in Minden Hills, Algonquin Highlands & Highlands East
4. Public Works:
  - a. \$410,000 – Tandem Plow, purchased, not yet delivered
  - b. \$100,000 – CR2 Culvert replacement project

**Year End Surplus & Reserve Allocations:**

In finalizing our year end, the year-to-date actuals are compared to the operating and capital budgets for all divisions. Any unspent/overspent funds are transferred to/from the related reserve as per the County’s Reserve Policy to ensure coverage of future overages and/or to fund future projects. The total year end surplus to be transferred to County reserves is \$1,073,734.36 (includes Library surplus).

Department	Description	Amount	To/From Reserve
All	Salary gapping	\$140,323.40	To Human Resources Reserve
Accessibility	YE surplus	\$1,248.83	To Accessibility Reserve
All	WSIB rebates	\$246,312.66	To Human Resources Reserve
Community Safety & Well-being	YE surplus	\$7,279.08	To CSWB Reserve
Information Technology	YE surplus	\$31,941.60	To Information Technology Reserve
Health Professional Recruitment	YE surplus	\$10,705.01	To Health Professional Recruitment Reserve
Rail Trail	YE surplus	\$27,533.63	To Rail Trail Reserve
Structures	YE net surplus	\$76,144.14	To Structures Reserve
Social	YE surplus	\$41,403.44	Social

Department	Description	Amount	To/From Reserve
Housing			Housing Reserve
All (excluding the above)	YE net surplus – mainly unbudgeted investment income & supps	\$409,892.03	To Working Fund Reserve
Library	YE surplus	\$80,950.54	To Library Reserve

**Existing Policy/By-Law:**

By-law No. 4282 - 2025 County Budget By-law  
 FN-09 Reserve and Reserve Fund Policy

**Financial Impact:**

All year-to-date revenue and expenses are monitored and reported quarterly to Council.

Directors have been able to address previous identified budget variance issues as part of the County’s internal budget monitoring practices throughout the 2025 reporting year within the approved 2025 budget allocations.

The internal financial reports for the County are prepared on a basis that is consistent with the County’s budget process. Consistent with the majority of municipalities in Ontario, there are differences between the County’s budget processes and Public Sector Accounting Standards used in the preparation of the County’s audited financial statements, including the following:

- The County’s budget and internal financial reporting reflects capital expenditures as an expense in the period incurred. The County’s audited financial statements reflect capital expenditures as an increase in the County’s tangible capital assets, which is subject to annual depreciation.
- The County’s budget and internal financial reporting reflects transfers from reserves and proceeds on the issuance of debt as revenue whereas the County’s financial statements reflect these as changes in the County’s long-term debt and reserve balances (i.e. not reflected as revenue). Similarly, transfers to reserves are reflected as expenses in the County’s budget and internal financial reporting, which differs from the County’s audited financial statements that reflect transfers to reserves as a change in reserve balances (i.e. not reflected as revenue).
- The County’s audited financial statements reflect adjustments for deferred revenue, including Gas Tax funding, which are not necessarily included in the County’s budget and internal financial reporting.

As a result of these differences, the financial results reported in the County’s audited financial statements will differ from the County’s budget and internal financial reporting.

The audited financial statements will be presented to Council at the May 13, 2026 meeting.

**Input and/or Consultation (internal and external):**

The County's budgeting and reporting software allows Directors and Managers direct access to monitor accountancy in comparison with budget for their respective cost centres. The consolidated results for 2025 have been discussed with the Senior Management Team.

**Communications:**

This report will be posted on the Financial Reports page of the County website. This page is found under County Office/ Finance and Budget.

**Previous Reports/Authorities:**

The 1st quarter financials were presented to Council May 28, 2025 on Report COR-10-2025

The 2nd quarter financials were presented to Council August 27, 2025 on Report COR-11-2025

The 3rd quarter financials were presented to Council December 10, 2025 on Report COR-15-2025

**SIGNATURES****Prepared by:**

Andrea Robinson, Director of Corporate Services

**Final Approval:**

Gary Dyke, CAO/Clerk

**ATTACHMENTS**

Appendix 1 - Overall YTD Summary as at December 31, 2025

Appendix 2 - YTD Detail as at December 31, 2025.

Appendix 3 - Reserves