



City of
Peterborough

To: Members of the General Committee

From: Richard Freymond, Commissioner, Finance & Corporate Support Services

Meeting Date: August 5, 2025

Report: March 31, 2025 Financial Report (Unaudited), Report FCSFS25-014

Subject

A report to provide a financial update on the Operating Budget and Capital Works in Progress.

Recommendations

That Council approve the recommendations outlined in Report FCSFS25-014, dated August 5, 2025 of the Commissioner, Finance & Corporate Support Services as follows:

- a) That the March 31, 2025 Quarterly Financial Update Report (Unaudited) attached as Appendix A to Report FCSFS25-014, dated August 5, 2025, be received;
- b) That the \$4,075,316 Airport Water and Sewer Upgrades (2022 Capital Budget #18-143) project budget be reduced by the \$866,700 Canada Community Building Fund allocation for a total approved budget of \$3,208,616; and
- c) That three new capital projects be created and the Incentives for Affordable Housing (2025 Capital Budget 15882) uncommitted budget be transferred into these projects as outlined in Chart 2 of Report FCSFS25-014.

Executive Summary

- This report presents the financial update as of March 31, 2025 and addresses any budget transfers that have been made up to the date of this report.
- Appendix A to this report provides both a summary and supporting details of expenditures and revenues for the Operating Budget and a summary of expenditures and revenues for the Capital Budget. The format of the March Financial Update is consistent with the presentation adopted in the 2025 Budget.

Background

Operating Budget

Schedule 1 of Appendix A is the Summary of Net Operating Revenue and Expenses as of March 31, 2025 and Schedule 2 provides more details of Departmental Operating Expenses.

The year-to-date figures are based on a modified accrual basis where expenses and revenues are reported on a cash basis and then some adjustments have been made for presentation purposes.

As expenditures and revenues are not necessarily incurred or received evenly throughout the year, some of the March 31 percentage variance figures are over or under the 25% figure that would otherwise be expected after one quarter of the year.

Schedule 1 – Summary of Net Operating Revenue and Expenditures

Lines 1 to 8 of Schedule 1 provide a highly summarized list of the Corporation's 2025 revenues that are not directly related to departmental expenses. Explanations of the more significant variances are:

Taxation Revenues

The Tax Levy revenues at 46.4% of budget as shown on Schedule 1 reflects the 2025 interim tax billing. The final tax billing occurred in June.

Supplementary Taxes

The Municipal Property Assessment Corporation has indicated that there will be monthly supplementary assessment rolls issued starting in April through to November. Staff expects to issue supplementary tax billings in the months of July, October, and November.

Schedule 2 - Summary of the Departmental Net Operating Expenses

Children's Services

Additional Children's Services funding has been accepted, a budget created and funding agreement executed under delegated authority of Section 15 of the City's Procurement By-law 24-077.

The funding changes in the first quarter of 2025 for Children's Services under the Canada Wide Early Learning Child Care (CWELCC) Program were as follows:

- a) When CWELCC came into effect, the Ministry of Education set a target to create 86,000 spaces across the province by the end of 2026. The Ministry announced changes to the original space targets per CMSM in the first quarter of 2025, which resulted in funding adjustments to align with the changes. The changes to the city's allocation for 2025 are:

Cost Based Funding – increase of \$389,385

Administration – increase of \$9,290

Start-Up Funding – increase of \$951,987 (to be used by December 31,2026)

These funds will be used to support additional licensed childcare spaces being constructed and/or opening in 2025.

- b) On March 31, 2025 the Ministry announced a new fund called the Early Learning and Child Care Infrastructure Fund. It will support infrastructure projects with a goal of increasing inclusion in childcare for underserved communities through the creation of new, licensed childcare spaces in not-for-profit centres for ages 0-4 years. The city has received an allocation of \$2,309,487. Any funds not committed to be used by the end of the year or funds committed in 2025 but not spent by December 31, 2026 must be returned to the Ministry.

There will be no financial implications to the City due to the increases as this program is 100% provincial funding.

Haliburton Kawartha Northumberland Peterborough Health Unit

Through the 2025 Budget process, Council approved \$1,875,270 funding for Peterborough Public Health. On March 12, 2025, the City received notification that for 2025, the annual levy for the City of Peterborough for public health services is \$1,912,039. This is \$36,769 more than the approved budget. Through the Treasurer's delegated authority permitted under Section 13 of the Procurement By-law 24-077, \$36,769 was transferred from Contingency to fund this additional amount and is reported in Chart 3 - Transfers Made under Delegated Authority.

Contingency

Chart 1 summarizes the changes that were made to the Contingency Budget during the 2025 Budget process and activity in the Contingency budget during the period of January 1 – March 31, 2025.

Chart 1

**Transfers to/from 2025 Contingency
As of March 31, 2025**

Ref	Description	Amount Transfer (from) to	Balance
1	2025 Approved Contingency		\$1,000,000
2	Transfers Approved as part of the 2025 Budget Process	\$0	
3	Transfers Approved by Council	\$0	
4	Transfers Approved through Delegated Authority	(\$36,769)	
5	2025 Contingency Available – March 31		\$963,231
6	Transfers Recommended through this Financial Update Report	\$0	
7	Direct Charges		
8	Direct charges to Contingency as at March 31, 2025	(\$27,441)	
9	Direct charges or recoveries to Contingency subsequent to March 31, 2025	(\$32,501)	
10	Other Potential Commitments	\$0	
11	Balance Available		\$903,289

Schedule 3 - Summary of Capital Works in Progress

Schedule 3 of Appendix A is the Summary of Capital Works in Progress and provides a high-level overview. The Summary reflects all capital works including projects approved in the 2025 Capital Budget as well as projects previously approved but are still ongoing.

Airport Water and Sewer Upgrades

The City’s commitment under the Canada Community Building Fund (CCBF) agreement is that funds will be spent within five years of receipt. With the deferral of this project, it is recommended that the \$4,075,316 Airport Water and Sewer Upgrades (2022 Capital Budget #18-143) project budget be reduced by the \$866,700 Canada Community Building Fund allocation for a total approved budget of \$3,208,616. The CCBF funding will be repurposed through the 2026 Capital Budget.

Incentives for Affordable Housing

Report IPGPL25-012 Housing Accelerator Fund 2 Program Update, dated March 10, 2025, included budget transfers to the Incentives for Affordable Housing (Capital Budget #15882). For administrative purposes, it is beneficial to separate this project into three separate projects, as follows:

- Incentives for Affordable Housing (Q#26-011) - incentives paid to developers;
- Incentives for Affordable Housing – Tax Rebates (Q#26-040) - tax rebates paid to developers
- Municipal Housing Facility – Tax Exemptions (Q#26-012) - tracks the value of the lost assessment taxation revenue resulting from providing tax exemptions to developers as per the Municipal Housing Facility by-law.

Chart 2 details the new projects, budget transfers and corresponding funding sources.

Chart 2 - Incentives for Affordable Housing - Recommended Budget Transfers

Current Capital Project		New Capital Projects		
Incentives for Affordable Housing Q# 15882	Budget	Incentives for Affordable Housing Q# 26-011	Incentives for Affordable Housing - Tax Rebates Q# 26-040	Municipal Housing Facility - Tax Exemptions Q# 26-012
Capital Levy	\$1,140,068	\$1,140,068		
Capital Levy Reserve	\$200,000	\$200,000		
HAF Grant	\$246,521	\$246,521		
Transfer Between Cap and Op	\$310,000			\$310,000
Transfer from General Assistance	\$166,311	\$166,311		
Housing Reserve	\$550,000	\$550,000		
Affordable Housing Partnership Reserve	\$150,000	\$59,000	\$91,000	
Total Funding for Project	\$2,762,900	\$2,361,900	\$91,000	\$310,000

Budget Creation and Transfers made under Delegated Authority of Sections 13 or 15 of the City’s Purchasing By-law 24-077

Certain budget creations or transfers have been made under delegated authority as set out in Sections 13 and 15 of the City’s Purchasing By-law 24-077 which state the following:

- 13 Other than when Section 14 applies, the CAO or the Treasurer are authorized to transfer an Approved Budget, including any uncommitted general contingency, or the capital levy reserve where the net required transfer is equal to or less than \$100,000. All such transfers will be reported in the quarterly financial report.
- 15 The CAO or the Treasurer is authorized to create a budget and execute the funding agreement where 100% funding has become available, subsequent to the annual budget approval, for a specific Deliverable, and where no new full-time staff is required. All such budget creation will be reported in the quarterly financial report.

**Chart 3
Transfers Made under Delegated Authority**

Ref	Approval Date	By-Law 24-077 Ref	Approver	Description
1.	January 17, 2025	13	Treasurer	King Street Parkade Brick Repair Project The Treasurer approved a transfer of \$9,400 from the Facility Maintenance Reserve to the King St. Parking Garage - Replace Windows in Stairwells & Exterior Brick Repairs project (Q#21-005) to cover additional sections requiring brick repair.
2.	January 20, 2025	13	Treasurer	New Specialized Transit Vehicles Project The Treasurer approved a transfer of \$47,100 from the Transit Capital Reserve to fund additional requirements for the New Specialized Transit Vehicles project (Q#20-079).
3.	January 20, 2025	13 15	Treasurer	Housing Innovation and Alternative Construction Methods Housing Accelerator Fund (HAF2) Initiative The Treasurer approved the creation of the Housing Innovation and Alternative Construction Methods HAF2 Initiative project

Ref	Approval Date	By-Law 24-077 Ref	Approver	Description
				and the transfer of \$36,000 from HAF2 funds to fund the project.
4.	January 27, 2025	13 15	Treasurer	<p>Federation of Municipalities (FCM) Growing Canada's Canopy Cover (GCCC) Tree Planting</p> <p>The Treasurer approved the creation of the FCM GCCC Tree planting project (Q#25-088) funded through \$1,623,230 FCM-GCCC grant.</p>
5.	February 3, 2025	13 15	Treasurer	<p>Stewart Street Bridge Design</p> <p>The Treasurer approved the creation of the Stewart St. Bridge Project and a transfer of \$36,000 from General Recreation Reserve to retain an engineering firm to provide design solutions, assist with the tender process and perform contract administration as it relates to the Stewart Street Bridge.</p>
6.	February 11, 2025	13	Treasurer	<p>Tree purchase and installation in Quaker Square</p> <p>The Treasurer approved a transfer of \$7,377.60 from the Sports Tourism Sponsorship project (Q#18-146) into the Quaker Square Cost Centre for the cost of the tree purchase and installation in Quaker Square.</p>
7.	February 24, 2025	13	Treasurer	<p>Customer Relationship Management (CRM) Project</p> <p>The Treasurer approved a transfer of \$100,000 from the Next Generation 9-1-1 Project (Q#19-104) to the Information Technology- City Departmental Projects (Q#22-028) for higher than budgeted costs for the CRM Project.</p>

Ref	Approval Date	By-Law 24-077 Ref	Approver	Description
8.	February 25, 2025	13 15	Treasurer	<p>Partnership Policy for Housing Development Housing Accelerator Fund (HAF2) Initiative</p> <p>The Treasurer approved the creation of the Partnership Policy for Housing Development HAF2 Initiative project and the transfer of \$50,000 from HAF2 funds to fund the project.</p>
9.	February 25, 2025	13	Treasurer	<p>Airport Governance Study</p> <p>The Treasurer approved a transfer of \$16,700 from the Airport Pumping Station Generator Repair project (Q#24-101) to the Airport Governance Study (Q#23-039) to facilitate two workshops and integrate additional findings into the Airport Governance Study report.</p>
10.	April 9, 2025	13	Treasurer	<p>Museum Renovation Reserve to Operating 2025</p> <p>The Treasurer approved a transfer of \$17,860 from the Museum Renovation Reserve to the Museum Operating Budget 2025 in support of the six months rental of an exhibition from Research Casting International, Trenton, Ontario.</p>
11.	April 28, 2025	13	Treasurer	<p>Fleet Replacement and Enhancement</p> <p>The Treasurer approved a transfer of \$61,967.79 from Additional Hydro Excavation Truck (Q#23-036) to Fleet Replacement and Equipment (Q#20-038) to cover the additional cost to purchase a Wastewater Vacuum Truck and a Wastewater Collection Work-Body.</p>
12.	April 29, 2025	13	Treasurer	<p>Airport Governance Study</p> <p>The Treasurer approved a transfer of \$25,960 from the Airport Pumping Station Generator Repair project (Q#24-101) to the Airport Governance Study (Q#23-039) to fund the</p>

Ref	Approval Date	By-Law 24-077 Ref	Approver	Description
				business case and integrate additional findings into the Airport Governance Study report.
13.	May 7, 2025	13	Treasurer	<p>Airport Pumphouse Generator Replacement</p> <p>The Treasurer approved the transfer of \$99,915.50 to the project Airport Pumphouse Generator Replacement (Q#22-032) from the following projects:</p> <ul style="list-style-type: none"> -\$19,615.50 from the project Airport Pumping Station Generator Repair (Q#24-101) -\$80,300.00 from the project Apron III Aircraft Bypass (Q#23-019)
14.	May 22, 2025	13	CAO	<p>Small Business Advisory Centre</p> <p>The CAO approved the transfer of \$32,686.50 from the Municipal Accommodation Tax Reserve to the Economic Development Operating Budget for the operations of the Small Business Advisory Centre.</p>
15.	July 9, 2025	13	Treasurer	<p>Haliburton Kawartha Northumberland Peterborough Health Unit</p> <p>The Treasurer approved a transfer of \$36,769 from Contingency to cover the 2025 levy for public health services of \$1,912,039.</p>

Strategic Plan

Strategic Pillar: Governance & Fiscal Sustainability

Strategic Initiative: Pursue service excellence in governance to support long-term fiscal sustainability of the City while respecting the impact of decisions on taxpayers.

Approval of this quarterly financial report is a key process in ensuring accountable, transparent and responsible financial management

Budget and Financial Implications

There are no budget or financial implications to receiving this report.

Conclusion

With approval of the recommendations of this report, staff will proceed to make the required financial entries and adjustments.

Attachments

Appendix A

Schedule 1 Summary of Operating Revenues and Expenditures

Schedule 2 Summary of Departmental Operating Expenses

Schedule 3 Capital Works in Progress by Function

Appendix B

Supplemental Information

Submitted by,

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