



Council Report

Report Number: **CORP2025-021**
Meeting Date: July 22, 2025
Title: **2024 Audited Financial Statements**
Description: Approval of 2024 Audited Financial Statements
Author and Title: Carolyn Daynes, Treasurer

Recommendation(s):

That Report CORP 2025-021, 2024 Audited Financial Statements, be received; and

That the 2024 audited financial statements, attached as Appendix A to Report CORP2025-021, be approved.

Department Head: _____

Financial/Legal/HR/Other:_____

Chief Administrative Officer:_____

Background:

At the April 22, 2025 Council Meeting, Report CORP2025-015 2024 Financial Year End Position, was approved:

That Report **CORP2025-015 2024 Financial Year End Position**, be received; and,

That the 2024 Operating Deficit of \$1,139,474.10 be financed from the Tax Stabilization Reserve – uncommitted (1.32285 A 412430); and,

That Council approve the transfer of deferred grant revenue of \$56,155.26 to the following reserves as per Table C in Report CORP2025-015:

- Tax Stabilization – Economic Development (1.32285 A 331182) \$31,155.26
- Tax Stabilization – uncommitted (1.32285 A 412430) \$25,000.00”

The finalized 2024 Audited Financial Statements have not changed the year end deficit since the report above. This report is required for Council to approve the Final 2024 Audited Financial Statements, as per Municipal Act regulations.

Rationale:

The 2024 audit is now complete, and the attached draft financial statements (Appendix A) are before Council to approve. As stated above, Council has already been informed of the financial year-end position through CORP2025-015 which is attached as Appendix B to this report. The City finished the year in a deficit of \$1,139,474.10, which matches the year end deficit presented and approved in the resolution above. The main reason for the deficit, as per the Council report, was reduced investment income due to declining interest rates, WSIB expenditures that resulted in overages of approximately \$700,000, increased wage costs in the Paramedic area and increased contracted services in Fire. Winter Control expenditures had a surplus in 2024 of approximately \$1M and Supplementary taxes were over-budget by approximately \$400,000.

The City financial position over the last 6 years has resulted in an overall surplus position for 5 of the 6 years since 2019. This is the first year since 2016 where the City has incurred a deficit. It should be noted that the current 2024 deficit of just over \$1.1M represents less than a half of a percent on the gross City budget of \$253M.

Additionally, both the Area Rate and the Water and Wastewater year-end financial positions were in a surplus which were transferred to various reserves, prior to audit.

Kawartha Lakes Haliburton Housing Corporation had a small deficit which was covered by a Housing reserve, set aside for this purpose.

Other Alternatives Considered:

Council has approved the 2024 deficit financing and therefore there are no other alternatives considered.

Alignment to Strategic Priorities

The 2024 Audited Financial Statement report supports the strategic goal of Good Government. An external audit firm performs the annual audit on the financial position of the municipality to provide assurance of the validity of the financial status to the taxpayers of the City of Kawartha Lakes.

Financial/Operation Impacts:

None

Consultations:

None

Attachments:

Appendix A: 2024 Draft Audited Financial Statements



ATTACHMENT A -
CKL AUDIT FINANCIAL

Appendix B – CORP2025-015 2024 Financial Year End Position



Appendix B
-CORP2025-15

Department Head email: sbeukeboom@kawarthalakes.ca

Department Head: Sara Beukeboom

Department File: Corporate Services