



Staff Report

Report To: River District Board of Management
Report From: Kate Allan, Director of Corporate Services
Meeting Date: September 9, 2026
Report Code: CR-26-083
Subject: 2025 Year End and 2026 Financial Update

Recommendations:

THAT in consideration of Staff Report CR-26-083 respecting the 2025 Year End and 2026 Financial Update, the River District Board of Management:

1. Approves the 2025 River District operating surplus and related reserve transfers as outlined in the report;
2. Directs staff to transfer \$23,721.20 to the Board Treasurer to be deposited into the River District bank account; and
3. Directs staff to transfer the surplus from 2026 to reserves once confirmed as part of the 2026 year end.

Highlights:

- The River District ended 2025 with an \$8,353 operating surplus, with a net \$8,876.79 transfer to reserves after budgeted reserve activity.
- Combined with the outstanding 2024 amount, \$23,721.20 is recommended to be transferred to the River District Board, subject to Board approval.
- The 2026 budget is currently forecast to end with a nominal surplus, with final results to be reported to the Board following completion of the 2026 year-end.

River District Plan Alignment:

Regular financial reporting.

Previous Report/Authority:

[CR-25-122 River District 2025 Mid Year Financial Update](#)

Background:

The River District Board of Management approves an annual levy to fund initiatives that directly benefit businesses and properties within the River District boundaries.

Staff provided a mid-year financial update in September 2025, at which time the River District budget was forecast to end the year with a small operating surplus.

Analysis and Options:

The River District ended the 2025 fiscal year with an operating surplus of \$8,353. After incorporating the budgeted transfers to and from reserves, the net 2025 amount available for transfer is \$8,876.79.

The year-end surplus was primarily attributable to:

- approximately \$6,000 in lower Board expenses, including unused Board member education budgets and celebration costs below the \$5,000 budget;
- approximately \$2,000 related to the Citizens on Patrol donation, which was no longer required as the program ceased operating; and
- approximately \$6,500 in parking pass revenue above budget.

These favourable variances were partially offset by wages exceeding budget, primarily because employee step increases were not fully reflected in the 2025 budget. Total revenue was also approximately \$2,000 below budget due to higher than anticipated charity rebates and tax write-offs resulting from assessment changes.

The 2025 amount will be combined with the outstanding 2024 transfer. Subject to Board approval, a total payment of \$23,721.20 will be issued to the River District Board by the end of 2026.

Based on results to date, the 2026 River District budget is forecast to end the year with a nominal surplus. Final results will be confirmed following completion of the 2026 fiscal year.

Resource Alignment:

Financial Resources

The 2025 operating surplus of \$8,353 will be transferred to reserves along with the annual \$10,000 budgeted reserve contribution. Approximately \$9,500 will be drawn from reserves to fund the Board share of decorative lighting installed within the River District.

After accounting for these transactions, the net 2025 transfer is \$8,876.79.

Combined with the outstanding 2024 amount, the total recommended payment to the River District Board's reserves is \$23,721.20.

In addition to expenditures funded through the River District levy, the City incurred approximately \$200,000 in wages and materials related to downtown beautification in 2025, funded outside of the River District levy.

Human Resources

Administration of the River District Board's finances is undertaken by City staff in accordance with the Memorandum of Understanding between the City and the River District Board of Management. These services are provided without charge as an in-kind contribution to the Board.

Time and Scheduling

The next financial update to the River District Board is anticipated in approximately September 2027, following completion of the 2026 fiscal year-end reporting.

Technology and Infrastructure

N/A.

Climate and Environmental Impacts:

There are no anticipated climate or environmental impacts.

Communication and Engagement:

MNP prepares the River District Board's annual financial statements, which are currently in finalized draft form. The City's auditors are expected to present the 2025 financial statements to the River District Board at a future meeting.

Once finalized, the audited financial statements will be posted on the City's website.

Report Developed in Consultation With:

River District Coordinator

Tax Collector

Director of Community Services

Attachments:

2025 Year End Details

Reviewed by:

Pam Coulter, Director of Community Services

Submission approved by:

Tim Simmonds, City Manager

For more information on this report, please contact Kate Allan, Director of Corporate Services at kallan@owensound.ca or 519-376-4440 ext. 1238.