

**Appendix II**  
**2025 Operating Financial Triannual Performance Report - Year End (Unaudited)**

**Drivers of Year-End Variance to 2025 Budget**  
**For the period ending December 31, 2025**

Service	Gross Revised Budget	Net Revised Budget	2025 Actual Year-End Position	2025 Year-End Surplus / (Deficit)	Variance to Net Budget	Comments
	\$'000				%	
<b>Property Tax Supported</b>						
Early Years and Child Care	642,498	20,339	17,040	3,299	16.2%	Early Years and Child Care reported a \$3.3 million surplus. A change to the funding model in early 2025 resulted in a \$7.2 million funding recovery for childcare programs, with providers mitigating impacts through the transition to the Canada-Wide Early Learning and Child Care (CWELCC) system. An unplanned \$1.5 million funding allocation was provided for the EarlyON program, of which \$0.4 million was utilized in 2025. An additional \$2.8 million supported childcare expansion initiatives, including Early Childhood Educator development and the creation of new spaces. These gains were partially offset by a \$2.2 million shortfall resulting from a 50% reduction in provincial administrative support funding.
Housing Support	390,820	219,146	213,155	5,991	2.7%	Housing Support is reporting a \$6.0 million surplus, primarily driven by under expenditures. These under expenditures are temporary in nature and are not expected to continue in future years. Key savings include \$6.9 million from subsidies primarily driven by higher rental revenues from rent geared to income units, which have reduced the overall subsidy requirement. Additional savings with the phase in of the implementation of the 200 new portable subsidies has resulted in gradual uptake through the end of 2025, with full annualization occurring in 2026. The Region received a one time property tax refund of \$1.5 million resulting from a provider receiving property tax exempt status; \$5.8 million resulting from the deferral of the Place Based Outreach and wrap around supports programs to 2027 as directed by Council to prioritize encampment protocols; \$2.6 million in staffing costs due to vacancies and additional federal and provincial funding to support administrative programs; \$1.3 million from the "My Home 2nd Units" program since discontinued; and \$1.2 million surplus in homelessness agency contracts due to a change in service delivery model and staffing vacancies at the agencies. These savings are partially offset by over expenditures, including \$8.0 million due to increased demand for homelessness shelter overflow; \$2.0 million to the local municipalities for encampment related costs as directed by Council; \$2.4 million for Peel's share of the Asylum Claimant Response not covered by the federal funding model; and \$0.9 million for maintenance and cleaning pressures at the Region shelters.

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Income Support	361,833	30,183	29,766	417	1.4%	Income Support reported a \$0.4 million surplus. In 2025, Income Support received \$1.6 million funding from Ministry of Children, Community and Social Services (MCCSS) for additional caseworker and support, with a regional contribution requirement of 50/50. Implementation time for hiring of 26 permanent Caseworkers resulted in \$2.7million surplus. This was offset by increased expenditures of \$2.0 million in the Life Stabilization Support (LSS) Program (digital literacy, winter clothing and food security) to maximize ministry funding and \$0.3 million in program delivery administration costs.
Paramedic Services	196,307	112,097	121,207	(9,110)	(8.1)%	Paramedic Services ended the year with a \$9.1 million deficit, driven by three significant pressures: a \$5.5 million shortfall tied to the provincial funding model, \$2.4 million for increased staffing costs to accommodate modified work schedules, higher Workplace Safety and Insurance Board (WSIB) claims, higher overtime and unbudgeted Collective agreement cost, and \$1.2 million in additional fleet repairs and maintenance resulted from delays in receiving vehicle replacements.
Waste Management	185,391	142,583	132,960	9,623	6.7%	The \$9.6 million surplus is driven by several key factors. The largest contributor is \$6.1 million tied to lower-than-budgeted tonnage, which produced a \$2.9 million surplus in collection costs—primarily for Yard Waste—along with \$2.7 million related to processing and disposal costs and \$0.5 million for Community Recycling Centres (CRC). There was a further \$2.6 million savings related to the transition of the blue box recycling program from the vendor and \$0.8 million resulting from the cancellation of the Cap & Trade program and the related federal carbon charge compensation effective April 1, 2025.
Seniors Services	153,922	56,760	66,333	(9,573)	(16.9)%	Senior Services recorded a \$9.6 million deficit mainly driven by rising base operating pressures. Although costs have increased significantly, provincial funding has not kept pace, resulting in a \$6.1 million funding gap. A further \$6.0 million in financial pressure stemmed from staffing -related expenses, including overtime, backfill requirements to maintain minimum staffing levels, rising employee benefit costs, and the impact of recently negotiated union settlements. Additional operating cost increases —covering food, medical supplies, repair and maintenance, and utilities—were only partially offset by \$2.5 million in higher resident user fees and provincial funding enhancements.

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Business Service	145,761	27,925	11,270	16,655	59.6%	Business Services recorded a \$16.7 million surplus, driven by three major positive variances: \$5.0 million in higher-than-expected Payments In Lieu of Taxes (PILT), \$8.5 million in additional supplementary tax revenue, and \$3.2 million from reduced tax write-offs.
Public Health	136,347	42,886	45,798	(2,912)	(6.8)%	Public Health recorded a \$2.9 million deficit, driven primarily by rising base operating pressures in labour related costs that outpaced the province's funding increase. With provincial funding growth capped at 1%, the service experienced a net funding shortfall of \$4.1 million. These pressures were partially mitigated by \$1.2 million in savings from staffing vacancies and turnover.
Roads	108,479	104,702	105,787	(1,085)	(1.0)%	Roads experienced a net deficit of \$1.1 million, largely because winter conditions were far more severe than anticipated. The division faced a \$2.6 million shortfall tied to higher-than-budgeted winter maintenance costs, driven by fourteen additional winter events that required more contracted services, expanded snow-removal operations, and increased use of sand and salt materials. These pressures were partially offset by a \$1.7 million surplus in streetlight maintenance and general roadside activities, where work volumes were lower than expected during the extended winter season. Even with these savings, they were not enough to fully offset the elevated winter maintenance costs, resulting in the overall deficit.
TransHelp	36,017	32,662	36,690	(4,028)	(12.3)%	TransHelp recorded a \$4.0 million deficit, largely driven by ridership that exceeded projections by 14% and the resulting need to rely more heavily on vendor-provided transportation services to cover ongoing driver shortages.

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Community Investment	23,508	18,800	21,843	(3,043)	(16.2)%	In 2025, Council approved an additional \$3M for the Food Security Fund to meet the rising demand for food security as well as additional funding for Anti-Human Sex Trafficking and Equity-Based Funding focused on Black serving agencies in Peel. This resulted in a \$4.2 million deficit. This pressure was partially offset by \$0.8 million in unanticipated funding for the Anti Human Sex Trafficking program from the Ministry of Children, Community and Social Services (MCCSS) and \$0.4 million in staffing vacancy savings, resulting in an overall \$3.0 million deficit.
Information and Technology	18,153	17,383	17,398	(15)	(0.1)%	Information and Technology finished the year in line with the budget with no major issues overall.
Real Property Asset Management	9,745	5,939	6,148	(208)	(3.5)%	Regional Property Asset Management recorded a \$0.2 million deficit, driven primarily by higher hydro costs, cleaning, and building operating expenses resulting from a greater number of staff working on-site at Region offices.
Heritage, Arts and Culture	6,185	5,870	5,718	152	2.6%	Heritage, Arts and Culture had a \$152 thousand surplus mainly driven by reduced operational expenses. In response to Council's motion to transition PAMA to the City of Brampton—and to limit external exhibition contract commitments while shifting toward collections-based exhibitions—Heritage, Arts and Culture paused both the Indigenous Sharing Circle exhibition and the recruitment of a museum curator.
Development Services	6,135	3,788	3,417	371	9.8%	Development Services had a \$0.4 million surplus mainly due to lower legal support charges related to a decrease in participation at Ontario Land Tribunal (OLT) hearings as a result of legislation changes.
Clerks	3,121	3,117	3,156	(39)	(1.3)%	Clerks recorded a \$39 thousand deficit, driven largely by \$74 thousand in unbudgeted recruitment costs for the Council-approved Auditor General position. This pressure was partially offset by \$66 thousand in savings related to Integrity Commissioner and Lobbyist Registrar services.
Regional Chair and Council	1,771	1,771	1,663	108	6.1%	Regional Chair and Council reported a \$0.1 million surplus, primarily due to unfilled student positions and underspending in goods and services.
<b>Peel Region Services</b>	<b>2,425,992</b>	<b>845,951</b>	<b>839,349</b>	<b>6,603</b>	<b>0.8%</b>	

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<b>External Organization</b>						
Peel Regional Police	819,957	761,860	761,860	-	0.0%	As at December 31, 2025, Peel Regional Police's financial operating position is on budget at year-end.
Ontario Provincial Police	18,150	15,480	15,143	337	2.2%	Ontario Provincial Police (OPP) is anticipated to be on budget at year-end, once the \$337K surplus is approved for allocation to the OPP Stabilization Reserve, by means of surplus management actions recommended to Council.
Community Events Policing Grant	301	301	301	-	0.0%	Per Council Resolution 2018-866 and 2019-599, funding payments have been submitted to both cities for the 2025 year. These payments comprise Region of Peel's contribution for Community organizations, in support of costs associated with police presence at community events, in the cities of Mississauga and Brampton.
<b>Subtotal Police Services</b>	<b>838,408</b>	<b>777,641</b>	<b>777,304</b>	<b>337</b>	<b>0.0%</b>	
Conservation Authorities	34,805	34,805	34,805	-	0.0%	Conservation Levy payments are based on approved budget. Therefore, year-end is on-target.
Municipal Property Assessment Corporation	20,446	20,446	20,446	-	0.0%	Municipal Property Assessment Corporation (MPAC) is on budget at year-end.
<b>Subtotal Conservation and Assessment</b>	<b>55,251</b>	<b>55,251</b>	<b>55,251</b>	<b>-</b>	<b>0.0%</b>	
<b>Regionally Financed External Organizations</b>	<b>893,659</b>	<b>832,892</b>	<b>832,555</b>	<b>337</b>	<b>0.0%</b>	
<b>Total Property Tax Supported</b>	<b>3,319,651</b>	<b>1,678,843</b>	<b>1,671,904</b>	<b>6,940</b>	<b>0.4%</b>	

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<b>Utility Rate Supported</b>						
Water & Wastewater	744,742	611,916	611,825	91	0.0%	Water and Wastewater ended the year with a \$0.1 million net surplus, which will be transferred back to reserve. The hotter-than-usual summer drove higher water consumption, generating \$2.9 million in additional billing revenue, while lower market prices for treatment chemicals contributed a further \$2.2 million in savings. These favourable results were offset by \$3.4 million in hydro rate increases that exceeded budget assumptions, along with \$1.6 million in higher insurance premiums and property taxes, reducing the overall surplus to a modest level.
<b>Total Utility Rate Supported Services</b>	<b>744,742</b>	<b>611,916</b>	<b>611,825</b>	<b>91</b>	<b>0.0%</b>	
<b>Total Region</b>	<b>4,064,393</b>	<b>2,290,759</b>	<b>2,283,729</b>	<b>7,031</b>	<b>0.3%</b>	