

**COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017 & 2016**

# COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

## INDEX TO FINANCIAL STATEMENTS

**DECEMBER 31, 2017**

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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The accompanying financial statements of the Cochrane District Social Services Administration Board are the responsibility of management and have been approved by the Board of Directors.

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of CPA Canada and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the financial statements.

The Board meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the financial statements and the external auditor's report.

The external auditors, MNP LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of Cochrane District Social Services Administration Board and meet when required.

On behalf of Cochrane District Social Services Administration Board:

  
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Brian Marks, CAO

  
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Linda O'Connell, Director of Finance

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## INDEPENDENT AUDITOR'S REPORT

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To the Chairman and Board of the Cochrane District Social Services Administration Board Administration Board

We have audited the accompanying financial statements of Cochrane District Social Services Administration Board Administration Board, which comprise the statement of financial position as at December 31, 2017, and the statements of financial activities and accumulated surplus, change in net debt, re-measurement gains and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Cochrane District Social Services Administration Board as at December 31, 2017 and the results of its financial activities and the changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Other Matter*

The supplementary information contained in schedule 1 is presented for the purposes of additional analysis and is not part of the basic audited financial statements. The information in schedule 1 was derived from the accounting records tested in forming an opinion on the financial statements as a whole.

Timmins, Ontario  
May 17, 2018

  
MNP LLP  
Chartered Professional Accountants  
Licensed Public Accountants

**COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD**


**STATEMENT OF FINANCIAL POSITION**

**AS AT DECEMBER 31**

	2017	2016
<b>FINANCIAL ASSETS</b>		
Cash	\$ 7,802,681	\$ 6,735,188
Accounts receivable	1,932,490	1,528,538
Due from Province of Ontario (Note 4)	-	29,381
Investments (Market Value - \$3,161,402)	3,057,176	4,143,669
Loan receivable (Note 3)	810,778	887,538
<b>TOTAL FINANCIAL ASSETS</b>	<b>13,603,125</b>	<b>13,324,314</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	5,676,590	4,986,823
Retirement and other employee future benefits (Note 7)	1,742,711	1,646,608
Due to Province of Ontario (Note 4)	426,652	-
Deferred revenue (Note 6)	1,970,942	1,018,851
Long-term debt (Note 5)	21,253,868	22,482,120
<b>TOTAL LIABILITIES</b>	<b>31,070,763</b>	<b>30,134,402</b>
<b>NET DEBT</b>	<b>(17,467,638)</b>	<b>(16,810,088)</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 8)	47,693,119	47,210,580
Prepaid expenses	927,950	776,513
	<b>48,621,069</b>	<b>47,987,093</b>
<b>ACCUMULATED SURPLUS (Schedule 7)</b>		
Accumulated operating surplus	31,157,589	30,882,439
Accumulated re-measurement gains (losses)	(4,158)	294,566
	<b>\$ 31,153,431</b>	<b>\$ 31,177,005</b>

Approved by:

  
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 Chair

  
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 Vice Chair

# COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

## STATEMENT OF FINANCIAL ACTIVITIES AND ACCUMULATED SURPLUS

YEARS ENDED DECEMBER 31

	2017 Budget	2017 Actual	2016 Actual
<b>REVENUE</b>			
Province of Ontario	\$ 35,929,373	<b>\$ 40,095,619</b>	\$ 35,637,384
Municipal and unincorporated territories contributions ( <i>Schedule 2</i> )	18,761,187	<b>18,761,187</b>	18,427,780
Government of Canada	4,059,533	<b>4,059,534</b>	4,236,176
Rent	7,277,033	<b>7,179,766</b>	7,047,860
Interest	235,025	<b>283,485</b>	280,447
<b>TOTAL REVENUE</b>	<b>66,262,151</b>	<b>70,379,591</b>	<b>65,629,647</b>
<b>EXPENSES - PROGRAMS</b>			
Child care	9,361,741	<b>10,233,519</b>	9,176,055
Employment placement	1,074,875	<b>1,176,000</b>	1,074,875
Ontario Works	14,813,267	<b>16,496,477</b>	14,548,893
Social housing	17,669,801	<b>15,834,047</b>	16,595,743
Social housing - Moosonee	1,999,983	<b>3,135,932</b>	2,773,243
Land ambulance - operating	12,376,978	<b>12,098,449</b>	11,680,945
Other	4,564,186	<b>5,127,406</b>	4,379,769
	61,860,831	<b>64,101,830</b>	60,229,523
<b>EXPENSES - ADMINISTRATION OF PROGRAMS</b>			
Amortization of capital assets	246,038	<b>246,038</b>	240,414
Bank charges and interest	382,132	<b>382,252</b>	395,299
Equipment and leasehold improvements	(4,013)	<b>(15,396)</b>	1,333
Miscellaneous	303,493	<b>299,712</b>	293,989
Office supplies	108,500	<b>185,645</b>	130,952
Professional fees and purchased services	75,000	<b>87,063</b>	63,664
Rent, building lease and utilities	150,082	<b>161,385</b>	149,727
Salaries, wages and benefits	1,611,046	<b>1,695,246</b>	1,592,382
Travel	2,300	<b>137</b>	846
Interest earned	(12,000)	<b>(7,528)</b>	(6,901)
	2,862,578	<b>3,034,554</b>	2,861,705
<b>TOTAL EXPENDITURES</b>	<b>64,723,409</b>	<b>67,136,384</b>	<b>63,091,228</b>
<b>ANNUAL SURPLUS</b>	1,538,742	<b>3,243,207</b>	2,538,419
Repayment to MCSS, EDU, municipalities and unincorporated territories	-	<b>(2,968,057)</b>	(964,593)
<b>ACCUMULATED OPERATING SURPLUS, BEGINNING OF YEAR</b>	<b>30,882,439</b>	<b>30,882,439</b>	<b>29,308,613</b>
<b>ACCUMULATED OPERATING SURPLUS, END OF YEAR</b>	<b>\$ 32,421,181</b>	<b>\$ 31,157,589</b>	<b>\$ 30,882,439</b>

# COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

## STATEMENT OF CHANGE IN NET DEBT

YEARS ENDED DECEMBER 31

	2017 Budget	2017 Actual	2016 Actual
<b>ANNUAL SURPLUS</b>	\$ 1,538,742	\$ 3,243,207	\$ 2,538,419
Acquisition of tangible capital assets	(2,251,571)	(2,812,177)	(1,973,743)
Amortization of tangible capital assets	2,289,806	2,289,806	2,192,298
Loss on sale of tangible capital assets	-	6,838	46,894
Proceeds on sale of tangible capital assets	-	32,994	7,488
Increase in prepaid expenses	-	(151,437)	(157,513)
Repayment to MCSS, EDU, municipalities and unincorporated territories	-	(2,968,057)	(964,593)
Remeasurement gain (loss)	-	(298,724)	294,566
	38,235	(3,900,757)	(554,603)
<b>CHANGE IN NET DEBT</b>	1,576,977	(657,550)	1,983,816
<b>NET DEBT, BEGINNING OF YEAR</b>	(16,810,088)	(16,810,088)	(18,793,904)
<b>NET DEBT, END OF YEAR</b>	\$ (15,233,111)	\$ (17,467,638)	\$ (16,810,088)

**COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD**

**STATEMENT OF RE-MEASUREMENT GAINS**

**YEARS ENDED DECEMBER 31**

	<b>2017</b>	<b>2016</b>
<b>ACCUMULATED RE-MEASUREMENT GAINS, BEGINNING OF YEAR</b>	<b>\$ 294,566</b>	<b>\$ -</b>
Unrealized gains (losses) attributable to derivatives	<b>(298,724)</b>	294,566
<b>ACCUMULATED RE-MEASUREMENT GAINS (LOSSES), END OF YEAR</b>	<b>\$ (4,158)</b>	<b>\$ 294,566</b>



# COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

## STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31

	2017	2016
<b>OPERATING ACTIVITIES</b>		
Annual surplus	\$ 3,243,207	\$ 2,538,419
Items not affecting cash:		
Amortization of tangible capital assets	2,289,806	2,192,298
Loss on disposal of tangible capital assets	6,838	46,894
Repayment to MCSS, EDU, municipalities and unincorporated territories	(2,968,057)	(964,593)
	<b>2,571,794</b>	<b>3,813,018</b>
Changes in non-cash working capital:		
Accounts receivable	(403,952)	(549,021)
Prepaid expenses	(151,437)	(157,513)
Accounts payable and accrued liabilities	689,769	169,103
Retirement and other employee future benefits	96,103	44,740
Due to Province of Ontario	456,033	(861,250)
Deferred revenue	952,090	272,981
	<b>1,638,606</b>	<b>(1,080,960)</b>
<b>CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>4,210,400</b>	<b>2,732,058</b>
<b>CAPITAL TRANSACTIONS</b>		
Acquisition of tangible capital assets	(2,812,177)	(1,973,743)
Proceeds on sale of tangible capital assets	32,994	7,488
<b>CASH USED IN CAPITAL TRANSACTIONS</b>	<b>(2,779,183)</b>	<b>(1,966,255)</b>
<b>INVESTING ACTIVITIES</b>		
Loan receivable receipts	76,760	73,041
Purchase of investments	(999,999)	(2,000,000)
Proceeds from sale of investments	2,132,787	-
Interest earned	(46,295)	(43,950)
<b>CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>	<b>1,163,253</b>	<b>(1,970,909)</b>
<b>FINANCING ACTIVITIES</b>		
Repayment of long-term debt	(1,526,977)	(1,570,788)
<b>CASH USED IN FINANCING ACTIVITIES</b>	<b>(1,526,977)</b>	<b>(1,570,788)</b>
<b>CHANGE IN CASH</b>	<b>1,067,493</b>	<b>(2,775,894)</b>
CASH, beginning of year	6,735,188	9,511,082
<b>CASH, end of year</b>	<b>\$ 7,802,681</b>	<b>\$ 6,735,188</b>
<b>CASH FLOW SUPPLEMENTARY INFORMATION:</b>		
Interest paid	\$ 1,199,038	\$ 1,304,031

See accompanying notes.

# COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

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### 1. NATURE OF OPERATIONS

Cochrane District Social Services Administration Board (CDSSAB) is an organization which administers various programs of the Ministry of Community and Social Services (MCSS), Ministry of Education (EDU), Ministry of Health and Long-Term Care (MOHLTC), Ministry of Municipal Affairs and Housing (MMAH), Ministry of Children and Youth Services (MCYS) and Ministry of Advanced Education and Skills Development (MAESD). The Board also provides social housing in the Cochrane District. The Board is funded primarily by the Province of Ontario, the Government of Canada and twelve incorporated municipalities from the District of Cochrane.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the CDSSAB are the representation of management prepared in accordance with Canadian public sector accounting standards. The more significant of these accounting policies are summarized below.

#### (a) ACCRUAL ACCOUNTING

The financial statements of the Cochrane District Social Services Administration Board have been prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

#### (b) REVENUE RECOGNITION AND GOVERNMENT TRANSFERS

The programs are funded primarily by the Province of Ontario in accordance with budget arrangements established by the Ministry of Community and Social Services, Ministry of Education, Ministry of Health and Long-Term Care, Ministry of Municipal Affairs and Housing, Ministry of Children and Youth Services and Ministry of Training, Colleges and Universities. Government transfers are transfers from senior levels of government that are not the result of an exchange transaction and are not expected to be repaid in the future. Government transfers without eligibility criteria or stipulations are recognized as revenue when the transfer is authorized. A transfer with eligibility criteria is recognized as revenue when the transfer is authorized and all eligibility criteria have been met. A transfer without eligibility criteria but with stipulations is recognized as revenue in the period the transfer is authorized and all eligibility criteria have been met, except where and to the extent that the transfer gives rise to an obligation that meets the definition of a liability. Government transfers that meet the definition of a liability are recognized as revenues as the liability is extinguished.

The programs are also funded by member municipalities from the District of Cochrane. Contributions for the year are based on the weighted assessments for each municipality. Any excess or deficiency of the municipalities' contributions in the year over their respective share of program's expenses is apportioned among the municipalities in the same proportion as the original contributions.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

#### (c) INVESTMENTS

Investments are recorded at the lower of cost and fair market value. The portfolio is comprised of fixed income investments.

# COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2017

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (d) TANGIBLE CAPITAL ASSETS

Tangible capital assets are recorded at cost, which includes all amounts directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over the estimated useful lives as follows:

Buildings	50 years
Building improvements	10 - 20 years
Communication, IT equipment and software	3 - 5 years
Furniture, fixtures and appliances	5 - 10 years
Land improvements	10 years
Leasehold improvements	10 years
Machinery and equipment	5 - 10 years
Office equipment	5 - 10 years
Vehicles and mobile equipment	5 - 10 years

The CDSSAB has a capitalization threshold dependant on the asset type so that individual tangible capital assets of lesser value than the threshold are expensed unless they are pooled because, collectively, they have a significant value for operational reasons.

#### (e) GENERAL REVENUE FUND

Adjustments to prior year funding are recorded as increases or decreases in the general revenue fund in the period it is incurred.

#### (f) RESERVES AND RESERVE FUNDS

Reserves and reserve funds represent amounts appropriated for general and specific purposes and are charged or credited to the respective fund in the period appropriated or drawn down. The amounts in reserves are approved by the Board and are within the limits defined in the District Social Services Administration Boards Act.

#### (g) RETIREMENT AND OTHER EMPLOYEE FUTURE BENEFITS

The Board provides future benefits to specified employee groups. These benefits include sick leave, vacation pay and health care benefits. The costs of other employee future benefit plans are actuarially determined using the Board's best estimate of accumulated sick days at retirement and health care costs trends, long-term inflation rates and discount rates.

The Board accrues its obligations under employment benefit plans as the employees render the services necessary to earn employee future benefits. The cost of retirement benefits earned by employees is actuarially determined using the projected benefit method pro-rated on service and management's best estimate of salary escalation, retirement ages and expected health care costs. Actuarial valuations, where necessary for accounting purposes, are performed triennially. The discount rate used to determine the accrued benefit obligation was the expected cost of long-term debt. Unamortized actuarial gains or losses are amortized on a straight-line basis over the expected average remaining service life of the employee group.

Where applicable, the Board has set aside reserves and reserve funds intended to fund these obligations, either in full or in part. These reserves and reserve funds do not meet the definition of a plan asset under CPA Canada PS 3250 Retirement Benefits. Therefore, for the purposes of these financial statements, the plans are considered unfunded.

#### (h) FUND ACCOUNTING

The organization follows the restricted method of accounting for contributions and maintains 3 funds: general revenue fund, tangible capital assets and reserve funds. The general revenue fund reports the organization's operational revenues and expenses. The tangible capital assets fund reports the organizations revenues and expenses related to the tangible capital assets. The reserve funds report revenue and expenses related to reserves.

# COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2017

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (i) MEASUREMENT UNCERTAINTY

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting periods. Such estimates include the estimated useful lives of tangible capital assets and the retirement and other employee benefits obligation. These have been made using careful judgment and in light of information available. The financial statements have in management's opinion, been properly prepared within reasonable limits of materiality. Actual results could differ from these estimates.

#### (j) NON-FINANCIAL ASSETS

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the Change in Net Financial Assets for the year.

### 3. LOAN RECEIVABLE

	2017	2016
Due from the Notre Dame Hospital, repayable in blended monthly instalments of \$4,379, interest calculated at 5%, maturing February 2026.	\$ 352,428	\$ 386,614
Due from Kaleidoscope, repayable in blended monthly instalments of \$3,964, interest calculated at 5%, maturing May 2027.	356,051	385,021
Due from Drury Street Non-Profit Housing Corporation, repayable in blended monthly instalments of \$1,591, interest calculated at 5%, maturing February 2024.	102,299	115,903
	<b>810,778</b>	887,538
Amounts receivable within one year.	<b>(80,669)</b>	(76,760)
	<b>\$ 730,109</b>	\$ 810,778

Principal payments required for each of the next five years and thereafter are approximately as follows:

2018	\$	80,669
2019		84,777
2020		89,094
2021		93,631
2022		98,399
Thereafter		364,208
	\$	810,778

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# COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2017

### 4. DUE TO (FROM) PROVINCE OF ONTARIO

	2017	2016
Due to Province - MMAH rent bank	\$ 102,344	\$ 102,344
Due to Province - MCSS for 2015	-	210,456
Due to Province - MCSS for 2017	107,593	-
Due from Province - EDU for 2013	(111,426)	(111,426)
Due to Province - EDU for 2014	133,140	133,140
Due to Province - EDU for 2015	166,200	166,200
Due to Province - EDU for 2016	4,009	315,846
Due to Province - EDU for 2017	110,448	-
Due from Province - MCSS Ontario Works (Form 5) 2015	(33,521)	(33,521)
Due from Province - MCSS Ontario Works (Form 5) 2016	(812,420)	(812,420)
Due to Province - MCSS Ontario Works (Form 5) 2017	763,690	-
Due to Province - EDU wage enhancement for 2016	30,644	-
Due from Province - Board mediation 2017	(34,049)	-
	<b>\$ 426,652</b>	<b>\$ (29,381)</b>

### 5. LONG-TERM DEBT

	2017	2016
Due to the City of Timmins, repayable in blended semi-annual payments of \$326,322, interest calculated at 5.06%, maturing May 16, 2034.	\$ 7,382,489	\$ 7,651,334
Due to TD bank (see below).	8,663,384	8,618,923
Debentures debt (see below).	5,207,995	6,211,863
	<b>\$ 21,253,868</b>	<b>\$ 22,482,120</b>

Principal payments required for each of the next five years and thereafter are approximately as follows:

2018	\$ 1,201,090
2019	1,591,405
2020	1,459,024
2021	1,485,960
2022	1,570,525
Thereafter	13,945,864
	<b>\$ 21,253,868</b>

The Ministry of Municipal Affairs and Housing (MMAH) transferred title to all the housing units to Cochrane District Local Housing Corporation. The transfer was made such that the MMAH retained the debt that was outstanding on the properties. The MMAH continues to make the mortgage payments. In return, the subsidies received from the MMAH and the Federal government are reduced by the amount of these principal and interest payments. There are 50 debentures with interest rates ranging from 6.09% to 7.85%. The principal and interest payments for 2017 were \$1,387,982.

# COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2017

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### 5. LONG-TERM DEBT (CONT'D)

The loan from TD Bank is a swap rate takeout loan agreement on the Cochrane Seniors Complex. The loan is a 25 year amortization. The swap is 20 years with a 5 year Optional Exit Strategy. The swap agreement exchanges CDSSAB's Banker's Acceptance variable loan payments for an established fixed rate payment. The exchange of interest payments result in an effective interest rate of 2.47% plus a 0.63% stamping fee for an all-in interest rate of 3.1%. TD Bank retains a general security agreement representing a first charge on all present and after acquired property, an assignment of rents and leases specific to 515-11th Street, Cochrane, Ontario and an assignment of fire insurance on said property. This loan matures in December 2035.

	2017	2016
TD loan payable	\$ 8,659,226	\$ 8,913,489
Plus fair value adjustment of derivative	4,158	(294,566)
	<b>\$ 8,663,384</b>	<b>\$ 8,618,923</b>

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### 6. DEFERRED REVENUE

	2017	2016
Tenants' prepaid rent	\$ 96,975	\$ 84,252
LEAP - Energy bank	24,781	32,187
Community Homelessness Prevention Initiative	161,033	116,835
MOH Dedicated Nurse Offload Program	1,885	8,210
Opasatika - St Antoine School	68,946	80,938
Affordable Housing Program	510,541	475,164
Social Infrastructure Fund	132,570	164,714
Investment in Affordable Housing Administration	-	14,685
Employment Ontario	52,938	41,866
Childcare ELCC	186,643	-
Childcare expansion funding	734,630	-
	<b>\$ 1,970,942</b>	<b>\$ 1,018,851</b>

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**COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD**

**NOTES TO FINANCIAL STATEMENTS (CONT'D)**

**DECEMBER 31, 2017**

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**7. RETIREMENT AND OTHER EMPLOYEE FUTURE BENEFITS**

	<b>2017</b>	2016
	<b>Total Employee Future Benefits</b>	Total Employee Future Benefits
Accrued employee future benefit obligations, beginning of year	<b>\$ 1,646,608</b>	\$ 1,601,868
Add: current year benefit cost	<b>106,480</b>	80,516
Add: interest on accrued benefit obligation	<b>76,060</b>	73,212
Recognized actuarial losses	<b>11,813</b>	11,813
Less: benefits paid	<b>(98,250)</b>	(120,801)
Total expenses	<b>96,103</b>	44,740
Accrued employee future benefit obligations, ending of year	<b>\$ 1,742,711</b>	\$ 1,646,608

The accrued benefit obligations for employee future benefit plans as at December 31, 2017 are based on actuarial valuations as at December 31, 2015. These actuarial valuations were based on assumptions about future events. The employee future benefits expenses have been included in salaries, wages and benefits expenses on the "Statement of Financial Activities and Accumulated Surplus". The next required actuarial valuation will be performed as at January 1, 2019.

# COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2017

### 7. RETIREMENT AND OTHER EMPLOYEE FUTURE BENEFITS (CONT'D)

The economic assumptions used in these valuations are the Board's best estimates of expected rates of the following:

	<b>2017</b>
	<b>%</b>
Inflation	2.0
Wage and salary escalation (includes inflation)	3.0
Dental cost escalation	4.0
Discount on accrued benefit obligations	4.25
Expected future sales tax	8.0
Future travel escalations	Escalate at the same rate as health care.
Expected average remaining service life	14 years for retirement benefits and 13 years for sick leave.
Expected future retirement rates	14 years for retirement benefits and 13 years for sick leave.
Expected future termination rates	133% of UP-94_2024.
Expected future mortality rates	UP94-2030 - the uninsured Pensioner mortality tables.
Health Care	Fiscal 2015 Combined Active and Retiree Cost Rates including taxes, (Non Union: \$45.72 family, \$21.48 single, CUPE: \$174.14 family, \$69.65 single) derived from CDSSAB experience, adjusted for age (25% during early retirement), plus future health care premium rate escalations.
Health care cost escalation	Escalates at 6.3333% for 2012, 6.0% for 2013 vs. 2012, reducing by 0.3333% per year over 6 years to 4% in 2019 vs. 2018 and 4.0% per year thereafter.
Expected future change in benefits	Future benefit caps will remain flat; fee schedules will track expected future premium escalation rates.
Emergency Medical Travel	Combined (Retiree plus Active) EMTI premiums of \$1.79 per month single and \$3.81 per month family were added to the Health Care rates for Non Union members, and are subject to Health Care escalation and a 25% age adjustment.
Month of Retirement Coverage	All eligible CDSSAB early retirees will receive early retirement benefits until age 65.
Life and Dependent Life	133% of UP-94_2024.

A reserve fund of \$586,239 (2016 - \$579,467) has been established to provide for housing employee entitlements. Also, reserves have been established to provide for sick leave and severance for land ambulance employees. The balance of these reserves is \$307,388 (2016 - \$349,521) and \$559,409 (2016 - \$559,409), respectively. These reserve funds and reserves are reported on Schedules 4 and 5.



# COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2017

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### 7. RETIREMENT AND OTHER EMPLOYEE FUTURE BENEFITS (CONT'D)

#### RETIREMENT BENEFITS

(a) RETIREMENT GRATUITIES

The Board provides retirement gratuities to certain groups of employees. The amount of the gratuities paid to eligible employees at retirement is based on their salary and accumulated sick days at retirement.

(b) RETIREMENT LIFE INSURANCE AND HEALTH CARE BENEFITS

The Board continues to provide life insurance and health care benefits to certain employee groups for one year after retirement. The benefit costs and liabilities related to this plan are included in the Board's financial statements.

#### OTHER EMPLOYEE FUTURE BENEFITS

(a) WORKPLACE SAFETY AND INSURANCE BOARD OBLIGATIONS

The Board is a Schedule 1 employer under the Workplace Safety and Insurance Act and, as such, the Board insures all claims by its injured workers under the Act. The Board's insurance premiums for the year ended December 31, 2017 were \$557,010 (2016 - \$564,899) and are included in the Board's current year benefit costs. No liabilities for claims by its injured workers under the Act are included in the Board's financial statements.

(b) LONG-TERM DISABILITY

The Board provides life insurance, dental and health care benefits to employees on long-term disability leave. The Board is responsible for the payment of life insurance premiums and the costs of health care benefits under this plan for a two-year period. The costs of salary compensation paid to employees on long-term disability leave are fully insured and not included in this plan.

### 8. RESERVES AND RESERVE FUNDS

Reserves are comprised of the following:

	2017	2016
For organization sick leave	\$ 307,388	\$ 349,521
For working capital	2,567,495	3,952,172
For computer development	595,000	595,000
For investment in affordable housing	800,611	800,611
For Housing Working Capital	245,000	245,000
For MOH - LA - severance	559,409	559,409
For MOH - LA - vehicle	48,490	48,490
For childcare mitigation funding	591,201	591,201
<b>TOTAL RESERVES (Schedule 4)</b>	<b>\$ 5,714,594</b>	<b>\$ 7,141,404</b>

Reserve funds are comprised of the following:

	2017	2016
500 Algonquin	\$ 906,167	\$ 846,060
Housing Employee Entitlement	586,239	579,467
Public Housing Capital	1,596,632	1,578,189
Federal Housing Capital	680,939	673,073
Moosonee Public Housing Capital	191,673	189,459
Non-Profit Housing Capital	368,838	364,578
<b>TOTAL RESERVE FUNDS (Schedule 5)</b>	<b>\$ 4,330,488</b>	<b>\$ 4,230,826</b>

# COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2017

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### 9. PENSION AGREEMENTS

The Board makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer plan, on behalf of members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

The amount contributed to OMERS for 2017 was \$1,180,610 (2016 - \$1,130,530) for current service. As this is a multi-employer pension plan, these contributions are CDSSAB's pension benefit expense. No pension liability for this type of plan is included in CDSSAB's financial statements.

### 10. FINANCIAL INSTRUMENTS

The Board is exposed to various risks through its financial instruments and monitors, evaluates and manages these risks. The following analysis provides information about the company's risk exposure and concentration as of December 31, 2017.

#### Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Board is exposed to credit risk from tenants. In order to reduce its credit risk, the Board reviews a clients' credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Board has a significant number of clients which minimizes the concentration of credit risk.

#### Fair value

The Board's carrying value of cash and cash equivalents, accounts receivable, and accounts payable approximates its fair value due to the immediate or short term maturity of these instruments.

The carrying amount of long-term debt approximates the fair value as the interest rates are consistent with current rates offered to the CDSSAB for debt with similar terms.

#### Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the company manages exposure through its normal operating and financing activities. The Board is exposed to interest rate risk primarily through its floating interest rate.

### 11. COMMITMENTS

The Board has leased office space under operating leases for various periods up to the year 2018. The Board is also paying rent on a month-to-month basis for leased office space.

Future minimum lease payments are as follows:

2018	\$ 81,301
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### 12. ECONOMIC DEPENDENCE

The majority of the Board's revenue is received from the provincial and federal governments and member municipalities. The continuation of this organization is dependent on this funding.

# COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2017

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### 13. CONTINGENCIES

The Board is involved in a number of claims and possible claims which are a result of normal on-going operations. In the eventuality that the Board is unsuccessful in defending some of these claims, amounts are available in existing reserves, reserve funds and the operating fund. Management is of the opinion that these amounts are sufficient to cover these claims. Any settlements or awards which may arise or any difference with the provision made will be reflected in the financial records in the year that the amount has been determined.

### 14. SEGMENTED INFORMATION

The District of Cochrane Social Services Administration Board supports the development of healthy and self-sufficient communities through the innovative and responsive delivery of Children's Services, Community Housing, Emergency Medical Services and Social Assistance. For reporting purposes, the Board's financial activities are organized and reported by program.

Certain programs that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

#### (a) SOCIAL HOUSING

Housing Services administers rent-gear-to-income assistance to eligible households in the Cochrane District. The department also manages a housing portfolio of 1,284 units and 227 rent supplement units and administers the Social Housing Reform Act 2000 for the various Non-Profit and Co-Operative Housing Providers' portfolio of 800 units. Providers operate affordable housing projects that offer rental units at Market Rents and units that are eligible for rent-gear-to-income subsidy.

Housing assistance is provided to families, seniors, couples, single people and people with special needs in a variety of buildings; townhouses, apartments, single and semi-detached. Private landlords have also agreed to supply accommodation under the rent supplement program.

#### (b) ONTARIO WORKS

The Ontario Works Department provides employment and financial assistance to individuals who comply with the participation requirements intended to assist them in finding and maintaining gainful employment. Individuals receiving assistance through Ontario Works participate in a wide range of employment assistance activities, which help them prepare for, find and keep a job.

#### (c) CHILD CARE

The Children's Services Division manages childcare funding within the District of Cochrane. This includes fee subsidy, resource centre funding, special needs resources, wage subsidy, National Child Reinvestment funding, and funding for special initiatives.

#### (d) LAND AMBULANCE

CDSSAB is responsible for the provision of Land Ambulance Services within the District of Cochrane based upon fundamental principles which include services that are seamless, accountable, responsive, integrated and accessible.

For each reported segment, revenue and expenses represent both the amounts that are directly attributable to the segment as well as amounts that can reasonably be allocated to the segment. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 2. For additional information, see the Schedule of Segment Disclosure (Schedule 6).

# COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2017

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### 15. CREDIT FACILITY AGREEMENTS

CDSSAB has three credit facilities in place with CIBC. The first facility is in the amount of \$5,000,000 to be used for day-to-day cash flow requirements for the admin account. Interest is payable at prime + 0.25% per annum and the balance is repayable on demand. The second facility is in the amount of \$850,000 and is to be used for day-to-day cash flow requirements for the client account. Interest is payable at prime + 0.25% per annum and balance is repayable on demand. The third facility is in the amount of \$300,000 and is to be used for day-to-day cash flow requirements for the housing account. Interest is payable at prime + 0.25% per annum and balance is repayable on demand. At December 31, 2017, the full amount of the admin facility was available, the client facility was fully utilized and \$215,529 of the housing facility was available.

### 16. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current year presentation.

### 17. BUDGET INFORMATION

The Budget adopted by the Board of Directors on November 17, 2016 was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require full accrual basis. The budget figures anticipated use of surpluses accumulated in previous years to reduce current year expenditures in excess of current year revenues is \$nil. In addition, the budget expensed all tangible capital expenditures rather than including amortization expense. As a result, the budget figures presented in the statements of financial activities and changes in net debt represent the Budget adopted by the Board of Directors on November 17, 2016 with adjustments as follows:

	<b>2017</b>
Budget surplus for the year	\$ -
Add:	
Capital expenditures	2,251,571
Debt principal repayments	1,526,977
Transfer to accumulated surplus	50,000
Less:	
Amortization	2,289,806
<b>Budget surplus per statement of financial activities</b>	<b>\$ 1,538,742</b>

### 18. EXPENDITURES BY OBJECT

The following is a summary of the expenditures reported on the "Statement of Financial Activities and Accumulated Surplus" by object:

	<b>2017</b>	<b>2016</b>
Salaries	\$ 17,336,775	\$ 16,263,157
Materials and services	12,958,369	12,037,470
Rent and financial expenses	2,257,939	2,332,913
External transfers	32,541,315	29,848,895
Contracted services	2,041,986	2,608,793
<b>Total expenditure</b>	<b>\$ 67,136,384</b>	<b>\$ 63,091,228</b>

**COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD**

**SCHEDULE OF OPERATIONS- PROGRAM FUNDING**

**SCHEDULE 1**

**YEAR ENDED DECEMBER 31**

**(UNAUDITED)**

	LAND AMBULANCE <i>(Note 2)</i>	EMPLOYMENT SUPPORTS MOOSONEE	EMPLOYMENT SUPPORTS <i>(Note 3)</i>	CHILDCARE OTHER	CHPI/ HOMELESSNESS INITIATIVE	OTHER SOCIAL ASSISTANCE	2017 SUB TOTAL
<b>EXPENSES <i>(Note 1)</i></b>	<b>\$ 12,351,021</b>	<b>\$ 9,000</b>	<b>\$ 1,167,000</b>	<b>\$ 7,832</b>	<b>\$ 1,053,942</b>	<b>\$ 14,579</b>	<b>\$ 14,603,374</b>
EXPENSES ARE ALLOCATED AS FOLLOWS:							
% OF EXPENSES FUNDED BY MINISTRIES	<i>(Note 2)</i>	100%	97.2%	80% & 100%	100%	100%	N/A
<b>MINISTRIES</b>	<b>\$ 6,241,112</b>	<b>\$ 9,000</b>	<b>\$ 1,134,352</b>	<b>\$ 6,841</b>	<b>\$ 1,053,942</b>	<b>\$ 14,579</b>	<b>\$ 8,459,826</b>
<b>BALANCE TO BE ALLOCATED</b>	<b>6,109,909</b>	<b>-</b>	<b>32,648</b>	<b>991</b>	<b>-</b>	<b>-</b>	<b>6,143,548</b>
UNINCORPORATED TERRITORIES - OTHER	677,589	-	-	-	-	-	677,589
UNINCORPORATED TERRITORIES - EDU	-	-	-	110	-	-	110
UNINCORPORATED TERRITORIES - MCSS/MCYS	-	-	3,621	-	-	-	3,621
<b>MUNICIPALITIES <i>(Sch. 2)</i></b>	<b>5,432,320</b>	<b>-</b>	<b>29,027</b>	<b>881</b>	<b>-</b>	<b>-</b>	<b>5,462,228</b>
<b>TOTAL REVENUE</b>	<b>\$ 12,351,021</b>	<b>\$ 9,000</b>	<b>\$ 1,167,000</b>	<b>\$ 7,832</b>	<b>\$ 1,053,942</b>	<b>\$ 14,579</b>	<b>\$ 14,603,374</b>

Note 1 : Expenses include allocated administration costs and are before any required adjustments to conform to Canadian public sector accounting standards for local governments as recommended by the Public Sector Accounting Board (PSAB) of CPA Canada.

Note 2: The Ministry of Health and Long-Term Care funded \$6,241,112 of land ambulance expenses. The remaining expenses are funded by the Municipalities.

Note 3: The Ministry of Community and Social Services (MCSS) funds the Employment Supports program based on pre-determined targets established by the provincial government. The Ministry is responsible for funding of up to 97.2% of the expenditures if targets are achieved. The Municipalities must provide 100% funding for expenses that exceed the funding received from MCSS.

**COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD**

**SCHEDULE OF OPERATIONS - PROGRAM FUNDING (CONT'D)**

**SCHEDULE 1 (CONT'D)**

**YEAR ENDED DECEMBER 31**

**(UNAUDITED)**

	AFFORDABLE HOUSING SPECIAL PROJECTS	SOCIAL HOUSING	SOCIAL HOUSING MOOSONEE	NON- PROFIT HOUSING	NON-PROFIT HOUSING MOOSONEE	O.W. COST OF ADMINISTRATION (Note 2)	COMMUNITY REINVESTMENT	2017 SUB TOTAL
EXPENSES (Note 1)	\$ 978,289	\$ 12,640,875	\$ 1,095,948	\$ 5,264,910	\$ 1,958,457	\$ 3,929,155	\$ 80,388	\$ 25,948,022
EXPENSES ALLOCATED AS FOLLOWS:								
% OF EXPENSES FUNDED BY MINISTRIES	0%	0%	100%	0%	100%	50%	0%	N/A
OTHER	\$ 328,878	\$ 6,330,012	\$ 520,876	\$ -	\$ -	\$ -	\$ -	\$ 7,179,766
FEDERAL GOVERNMENT	-	2,257,721	-	1,801,813	-	-	-	4,059,534
MINISTRIES	-	-	575,072	-	1,958,457	1,964,577	-	4,498,106
	328,878	8,587,733	1,095,948	1,801,813	1,958,457	1,964,577	-	15,737,406
BALANCE TO BE ALLOCATED	649,411	4,053,142	-	3,463,097	-	1,964,578	80,388	10,210,616
UNINCORPORATED TERRITORIES - OTHER	72,020	449,493	-	384,057	-	-	-	905,570
UNINCORPORATED TERRITORIES - EDU	-	-	-	-	-	-	8,915	8,915
UNINCORPORATED TERRITORIES - MCSS/MCYS	-	-	-	-	-	217,872	-	217,872
MUNICIPALITIES (Sch. 2)	577,391	3,603,649	-	3,079,040	-	1,746,706	71,473	9,078,259
TOTAL REVENUE	\$ 978,289	\$ 12,640,875	\$ 1,095,948	\$ 5,264,910	\$ 1,958,457	\$ 3,929,155	\$ 80,388	\$ 25,948,022

Note 1: Expenses include allocated administration costs and are before any required adjustments to conform to Canadian public sector accounting standards for local governments as recommended by the Public Sector Accounting Board (PSAB) of CPA Canada.

Note 2: The O.W. Cost of Administration is 50% funded up to the contracted amount of \$3,740,760. The Municipalities must provide 100% funding for expenses that exceed the funding received from the Ministry.

**COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD**

**SCHEDULE OF OPERATIONS - PROGRAM FUNDING (CONT'D)**

**SCHEDULE 1 (CONT'D)**

**YEAR ENDED DECEMBER 31**

**(UNAUDITED)**

	BOARD MEDIATION	CHILDCARE RESOURCE CENTRES	O.W. ASSISTANCE REG	O.W. ASSISTANCE I.W.S.	MOOSONEE O.W. ASSISTANCE	CHILDCARE FOR PROFIT	CHILDCARE ADMINISTRATION	2017 SUB TOTAL
<b>EXPENSES (Note 1)</b>	\$ 34,049	\$ 544,839	\$ 11,488,701	\$ 105,800	\$ 2,561,661	\$ 1,264,958	\$ 607,928	<b>\$ 16,607,936</b>
EXPENSES ALLOCATED AS FOLLOWS:								
% OF EXPENSES FUNDED BY MINISTRIES	100%	80%	97.2% & 100%	100%	100%	80% & 100%	50% & 100%	<b>N/A</b>
<b>MINISTRIES</b>	\$ 34,049	\$ 435,871	\$ 11,170,330	\$ 105,800	\$ 2,561,661	\$ 1,140,260	\$ 534,732	<b>\$ 15,982,703</b>
<b>BALANCE TO BE ALLOCATED</b>	-	108,968	318,371	-	-	124,698	73,196	<b>625,233</b>
UNINCORPORATED TERRITORIES - OTHER	-	-	-	-	-	-	-	-
UNINCORPORATED TERRITORIES - EDU	-	12,085	-	-	-	13,829	8,117	<b>34,031</b>
UNINCORPORATED TERRITORIES - MCSS/MCYS	-	-	35,307	-	-	-	-	<b>35,307</b>
<b>MUNICIPALITIES (Sch. 2)</b>	-	96,883	283,064	-	-	110,869	65,079	<b>555,895</b>
<b>TOTAL REVENUE</b>	\$ 34,049	\$ 544,839	\$ 11,488,701	\$ 105,800	\$ 2,561,661	\$ 1,264,958	\$ 607,928	<b>\$ 16,607,936</b>

Note 1: Expenses include allocated administration costs and are before any required adjustments to conform to Canadian public sector accounting standards for local governments as recommended by the Public Sector Accounting Board (PSAB) of CPA Canada.

**COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD**

**SCHEDULE OF OPERATIONS - PROGRAM FUNDING (CONT'D)**

**SCHEDULE 1 (CONT'D)**

**YEAR ENDED DECEMBER 31**

**(UNAUDITED)**

	AFFORDABLE HOUSING PROGRAM	MOOSONEE CHILDCARE NON-PROFIT	CHILDCARE DIRECT DELIVERY	MOOSONEE O.W. COST OF ADMINISTRATION	CHILDCARE NON-PROFIT	SIF/SHIP HOUSING PROGRAM	NON SHARABLE	2017 SUB TOTAL
<b>EXPENSES (Note 1)</b>	<b>\$775,563</b>	<b>\$ 695,384</b>	<b>\$ 293,791</b>	<b>\$ 583,482</b>	<b>\$ 6,691,408</b>	<b>\$ 1,270,844</b>	<b>\$ 100,090</b>	<b>\$ 10,410,562</b>
EXPENSES ALLOCATED AS FOLLOWS:								
% OF EXPENSES FUNDED BY MINISTRIES	100%	100%	80% & 100%	100%	80% & 100%	100%	0%	N/A
<b>MINISTRIES</b>	<b>\$775,563</b>	<b>\$ 695,384</b>	<b>\$ 270,093</b>	<b>\$ 583,482</b>	<b>\$ 6,192,844</b>	<b>\$ 1,270,844</b>	<b>\$ -</b>	<b>\$ 9,788,210</b>
BALANCE TO BE ALLOCATED	-	-	23,698	-	498,564	-	100,090	<b>622,352</b>
UNINCORPORATED TERRITORIES - OTHER	-	-	-	-	-	-	-	-
UNINCORPORATED TERRITORIES - EDU	-	-	2,628	-	55,291	-	-	<b>57,919</b>
UNINCORPORATED TERRITORIES - MCSS/MCYS	-	-	-	-	-	-	11,100	<b>11,100</b>
<b>MUNICIPALITIES (Sch. 2)</b>	<b>-</b>	<b>-</b>	<b>21,070</b>	<b>-</b>	<b>443,273</b>	<b>-</b>	<b>88,990</b>	<b>553,333</b>
<b>TOTAL REVENUE</b>	<b>\$775,563</b>	<b>\$ 695,384</b>	<b>\$ 293,791</b>	<b>\$ 583,482</b>	<b>\$ 6,691,408</b>	<b>\$ 1,270,844</b>	<b>\$ 100,090</b>	<b>\$ 10,410,562</b>

Note 1: Expenses include allocated administration costs and are before any required adjustments to conform to Canadian public sector accounting standards for local governments as recommended by the Public Sector Accounting Board (PSAB) of CPA Canada.



**COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD**

**SCHEDULE OF OPERATIONS - PROGRAM FUNDING (CONT'D)**

**SCHEDULE 1 (CONT'D)**

**YEAR ENDED DECEMBER 31**

**(UNAUDITED)**

	OEYIC	ECD PLANNING	BOARD	MOOSONEE CHILDCARE ADMINISTRATION	MOOSONEE CHILDCARE OTHER	EMPLOYMENT ONTARIO	2017 SUB TOTAL	2017 TOTAL
<b>EXPENSES (Note 1)</b>	\$26,546	\$ 179,266	\$ 58,776	\$ 115,192	\$ 380	\$ 846,157	\$ 1,226,317	\$ 68,796,211
EXPENSES ALLOCATED AS FOLLOWS:								
% OF EXPENSES FUNDED BY MINISTRIES	100%	100%	0%	100%	100%	100%	N/A	N/A
OTHER FEDERAL GOVERNMENT MINISTRIES		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,179,766
	26,546	179,266	-	115,192	380	846,157	1,167,541	4,059,534
	26,546	179,266	-	115,192	380	846,157	1,167,541	39,896,386
BALANCE TO BE ALLOCATED		-	58,776	-	-	-	58,776	17,660,525
UNINCORPORATED TERRITORIES - OTHER		-	-	-	-	-	-	1,583,159
UNINCORPORATED TERRITORIES - EDU		-	-	-	-	-	-	100,975
UNINCORPORATED TERRITORIES - MCSS/MCYS		-	6,518	-	-	-	6,518	274,418
MUNICIPALITIES (Sch. 2)		-	52,258	-	-	-	52,258	15,701,973
<b>TOTAL REVENUE</b>	\$26,546	\$ 179,266	\$ 58,776	\$ 115,192	\$ 380	\$ 846,157	\$ 1,226,317	\$ 68,796,211

Note 1: Expenses include allocated administration costs and are before any required adjustments to conform to Canadian public sector accounting standards for local governments as recommended by the Public Sector Accounting Board (PSAB) of CPA Canada.

**COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD**

**SCHEDULE OF CONTRIBUTIONS OF FUNDING MUNICIPALITIES**

**SCHEDULE 2**

**YEAR ENDED DECEMBER 31**

-----2017-----							
	Weighted Assessment (%)	Original Contribution	Share of Expenses	Corporate Service Adjustment	Current Position Due to Municipality	Transfer to Reserve	Due to Municipality
Cochrane	6.91	\$ 1,152,627	\$ 1,085,006	\$ (17,416)	\$ 85,037	\$ (42,519)	\$ 42,518
Fauquier- Strickland	0.94	156,797	147,599	(2,369)	11,567	(5,784)	5,783
Hearst	5.33	889,074	836,915	(13,434)	65,593	(32,797)	32,796
Iroquois Falls	5.77	962,469	906,004	(14,543)	71,008	(35,504)	35,504
Kapuskasing	7.41	1,236,030	1,163,516	(18,677)	91,191	(45,595)	45,596
Black River-Matheson	4.59	765,638	720,721	(11,569)	56,486	(28,243)	28,243
Mattice - Val Coté	1.46	243,536	229,249	(3,680)	17,967	(8,984)	8,983
Moonbeam	1.89	315,263	296,767	(4,764)	23,260	(11,630)	11,630
Opasatika	0.58	96,747	91,071	(1,462)	7,138	(3,569)	3,569
Smooth Rock Falls	1.82	303,587	285,776	(4,587)	22,398	(11,199)	11,199
Timmins	62.46	10,418,686	9,807,452	(157,431)	768,665	(384,330)	384,335
Val Rita - Harty	0.84	140,117	131,897	(2,117)	10,337	(5,169)	5,168
	100.00	16,680,571	15,701,973	(252,049)	1,230,647	(615,323)	615,324
Unincorporated territories - other	11.09	1,681,540	1,583,159	(25,414)	123,795	-	123,795
Unincorporated territories - MCSS/MCYS	11.09	288,480	274,418	(4,405)	18,467	-	18,467
Unincorporated territories - EDU	11.09	110,596	100,975	(1,620)	11,241	-	11,241
Unincorporated territories - Blended %	11.09	2,080,616	1,958,552	(31,439)	153,503	-	153,503
	111.09	\$ 18,761,187	\$ 17,660,525	\$ (283,488)	\$ 1,384,150	\$ (615,323)	\$ 768,827

**NOTES:**

- 1) The above figures are based on weighted assessment and 2017 figures.
- 2) The levy for the unincorporated areas was deducted from the total municipal costs. The remainder was apportioned based on the weighted assessment.

**COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD****DUE TO PROVINCE OF ONTARIO - MCSS AND EDU****YEARS ENDED DECEMBER 31**

	<b>2017</b>	<b>2016</b>
Approved funding	<b>\$ 41,255,643</b>	<b>\$ 35,828,271</b>
Deferred revenue	<b>(1,160,025)</b>	<b>(190,888)</b>
	<b>40,095,618</b>	<b>35,637,383</b>
Share of expenses	<b>39,896,386</b>	<b>35,321,537</b>
Due to Province - MCSS/EDU	<b>\$ 199,232</b>	<b>\$ 315,846</b>

**COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD**

**ANALYSIS OF RESERVES**

**SCHEDULE 4**

**YEAR ENDED DECEMBER 31, 2017**

	WORKING CAPITAL	ORGANIZATION/ SICK LEAVE	COMPUTER DEVELOPMENT	MOH/LA SEVERANCE	MOH/LA VEHICLE	INVESTMENT IN AFFORDABLE HOUSING	HOUSING WORKING CAPITAL	CHILDCARE MITIGATION FUNDING	TOTAL
<b>RESERVES</b>									
BALANCE, beginning of year	\$ 3,952,172	\$ 349,521	\$ 595,000	\$ 559,409	\$ 48,490	\$ 800,611	\$ 245,000	\$ 591,201	<b>\$ 7,141,404</b>
TRANSFER TO MUNICIPALITIES	(1,384,677)	-	-	-	-	-	-	-	<b>(1,384,677)</b>
APPROPRIATIONS FROM CURRENT OPERATIONS	-	(42,133)	-	-	-	-	-	-	<b>(42,133)</b>
BALANCE, end of year	\$ 2,567,495	\$ 307,388	\$ 595,000	\$ 559,409	\$ 48,490	\$ 800,611	\$ 245,000	\$ 591,201	<b>\$ 5,714,594</b>

**COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD**

**ANALYSIS OF RESERVE FUNDS**

**SCHEDULE 5**

**YEAR ENDED DECEMBER 31, 2017**

	500 ALGONQUIN	NON-PROFIT HOUSING CAPITAL	PUBLIC HOUSING CAPITAL	HOUSING EMPLOYEE ENTITLEMENT	FEDERAL HOUSING CAPITAL	MOOSONEE PUBLIC HOUSING CAPITAL	<b>TOTAL</b>
<b>RESERVE FUNDS</b>							
BALANCE, beginning of year	\$ 846,060	\$ 364,578	\$ 1,578,189	\$ 579,467	\$ 673,073	\$ 189,459	<b>\$ 4,230,826</b>
INCOME EARNED IN YEAR	10,106	4,261	18,443	6,772	7,866	2,214	<b>49,662</b>
APPROPRIATIONS FROM CURRENT OPERATIONS	50,000	-	-	-	-	-	<b>50,000</b>
BALANCE, end of year	\$ 906,166	\$ 368,839	\$ 1,596,632	\$ 586,239	\$ 680,939	\$ 191,673	<b>\$ 4,330,488</b>

**COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD**

**SCHEDULE OF SEGMENT DISCLOSURE**

**SCHEDULE 6**

**YEAR ENDED DECEMBER 31, 2017**

	LAND AMBULANCE	SOCIAL HOUSING	ONTARIO WORKS	CHILD CARE	TOTAL
<b>REVENUES</b>					
Ministries	\$ 6,241,112	\$ 4,579,936	\$19,477,929	\$ 9,597,409	<b>\$39,896,386</b>
Government of Canada	-	4,059,534	-	-	<b>4,059,534</b>
Municipalities	5,432,320	7,260,080	2,200,045	809,528	<b>15,701,973</b>
Unincorporated territories	677,589	905,570	274,418	100,975	<b>1,958,552</b>
Rent	-	7,179,766	-	-	<b>7,179,766</b>
Revenues per Schedule 1	12,351,021	23,984,886	21,952,392	10,507,912	<b>68,796,211</b>
Due to MCSS	-	-	88,782	-	<b>88,782</b>
Due to EDU	-	-	-	110,448	<b>110,448</b>
Due to Municipalities	288,875	703,586	148,050	90,136	<b>1,230,647</b>
Due to unincorporated territories	36,032	87,763	18,467	11,241	<b>153,503</b>
Revenues per statement of financial activities	12,675,928	24,776,235	22,207,691	10,719,737	<b>70,379,591</b>
<b>EXPENSES</b>					
Salaries	8,198,084	3,672,259	4,693,249	677,081	<b>17,240,673</b>
Materials and services	2,011,837	10,120,421	1,883,149	641,363	<b>14,656,770</b>
Rent and financial expenses	99,114	1,965,542	200,811	-	<b>2,265,467</b>
External transfers	-	8,226,664	15,175,182	9,189,469	<b>32,591,315</b>
Contracted services	2,041,986	-	-	-	<b>2,041,986</b>
Expenses per Schedule 1	12,351,021	23,984,886	21,952,391	10,507,913	<b>68,796,211</b>
Loss on disposal of assets	31,077	(24,239)	-	-	<b>6,838</b>
Post-employment benefits	6,727	10,571	72,077	6,727	<b>96,102</b>
Income earned on reserve funds	-	(7,528)	-	-	<b>(7,528)</b>
Capital expenditures	(573,987)	(3,339,057)	(82,001)	-	<b>(3,995,045)</b>
Transfer to reserves	-	-	(50,000)	-	<b>(50,000)</b>
Amortization	534,921	1,446,755	305,811	2,319	<b>2,289,806</b>
Expenses per statement of financial activities	12,349,759	22,071,388	22,198,278	10,516,959	<b>67,136,384</b>
<b>NET REVENUES</b>	<b>\$ 326,169</b>	<b>\$ 2,704,847</b>	<b>\$ 9,413</b>	<b>\$ 202,778</b>	<b>\$ 3,243,207</b>

**COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD**

**SCHEDULE OF SEGMENT DISCLOSURE (CONT'D)**

**SCHEDULE 6 (CONT'D)**

**YEAR ENDED DECEMBER 31, 2016**

	LAND AMBULANCE	SOCIAL HOUSING	ONTARIO WORKS	CHILD CARE	TOTAL
<b>REVENUES</b>					
Ministries	\$ 6,165,304	\$ 3,524,423	\$ 17,072,309	\$ 8,559,501	<b>\$35,321,537</b>
Government of Canada	-	4,236,176	-	-	<b>4,236,176</b>
Municipalities	5,158,111	7,670,110	2,483,257	783,134	<b>16,094,612</b>
Unincorporated territories	629,715	936,387	303,162	95,606	<b>1,964,870</b>
Rent	-	7,047,859	-	-	<b>7,047,859</b>
Revenues per 2016 Schedule 1	11,953,130	23,414,955	19,858,728	9,438,241	<b>64,665,054</b>
Due to EDU	-	-	-	315,846	<b>315,846</b>
Due to Municipalities	588,083	(273,386)	145,675	117,791	<b>578,163</b>
Due to unincorporated territories	71,795	(33,377)	17,785	14,381	<b>70,584</b>
Revenues per statement of financial activities	12,613,008	23,108,192	20,022,188	9,886,259	<b>65,629,647</b>
<b>EXPENSES</b>					
Salaries	7,400,523	3,642,879	4,561,518	613,497	<b>16,218,417</b>
Materials and services	1,872,250	9,649,432	1,837,323	240,131	<b>13,599,136</b>
Rent and financial expenses	71,563	2,069,320	198,930	-	<b>2,339,813</b>
External transfers	-	8,053,323	13,260,957	8,584,615	<b>29,898,895</b>
Contracted services	2,608,793	-	-	-	<b>2,608,793</b>
Expenses per 2016 Schedule 1	11,953,129	23,414,954	19,858,728	9,438,243	<b>64,665,054</b>
Loss on disposal of assets	46,894	-	-	-	<b>46,894</b>
Post-employment benefits	3,132	4,921	33,555	3,132	<b>44,740</b>
Income earned on reserve funds	-	(6,900)	-	-	<b>(6,900)</b>
Capital expenditures	(611,310)	(3,070,231)	(119,316)	-	<b>(3,800,857)</b>
Transfer to reserves	-	-	(50,000)	-	<b>(50,000)</b>
Amortization	526,350	1,390,629	273,129	2,189	<b>2,192,297</b>
Expenses per statement of financial activities	11,918,195	21,733,373	19,996,096	9,443,564	<b>63,091,228</b>
<b>NET REVENUES</b>	<b>\$ 694,813</b>	<b>\$ 1,374,819</b>	<b>\$ 26,092</b>	<b>\$ 442,695</b>	<b>\$ 2,538,419</b>

## COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

## SCHEDULE OF ACCUMULATED SURPLUS

YEARS ENDED DECEMBER 31

	2017	2016
<b>RESERVE FUNDS</b>		
500 Algonquin	\$ 906,166	\$ 846,060
Non-Profit Housing Capital	368,839	364,578
Public Housing Capital	1,596,632	1,578,189
Housing Employee Entitlement	586,239	579,467
Federal Housing Capital	680,939	673,073
Moosonee Public Housing Capital	191,673	189,459
<b>TOTAL RESERVE FUNDS</b>	<b>4,330,488</b>	<b>4,230,826</b>
<b>RESERVES</b>		
Sick Leave	307,388	349,521
Working Capital	2,567,495	3,952,172
Organization/Computer Development	595,000	595,000
MOH/LA Severance	559,409	559,409
MOH/LA Vehicle	48,490	48,490
Investment in Affordable Housing	800,611	800,611
Housing Working Capital	245,000	245,000
Childcare Mitigation Funding	591,201	591,201
<b>TOTAL RESERVES</b>	<b>5,714,594</b>	<b>7,141,404</b>
<b>TOTAL RESERVE FUNDS AND RESERVES</b>	<b>10,045,082</b>	<b>11,372,230</b>
<b>SURPLUS (DEFICIT)</b>		
Invested in Tangible Capital Assets	26,439,251	24,728,460
General Revenue Fund	(3,588,191)	(3,277,077)
<b>UNFUNDED</b>		
Employee Benefits Payable	(1,742,711)	(1,646,608)
<b>TOTAL SURPLUS</b>	<b>21,108,349</b>	<b>19,804,775</b>
<b>ACCUMULATED SURPLUS</b>	<b>\$31,153,431</b>	<b>\$31,177,005</b>



**COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD**

**SCHEDULE OF TANGIBLE CAPITAL ASSETS**

**SCHEDULE 8**

**YEARS ENDED DECEMBER 31**

	<b>General Capital Assets</b>					<b>Totals</b>	
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Office Furniture and Fixtures	2017	2016
<b>Cost</b>							
Opening costs	\$ 3,864,856	\$ 51,588,886	\$ 3,567,525	\$ 1,265,497	\$ 3,296,034	<b>\$ 63,582,798</b>	\$ 62,254,417
Additions during the year	13,878	1,218,347	459,553	120,871	999,528	<b>2,812,177</b>	1,973,743
Disposals and write downs	-	-	(434,330)	-	-	<b>(434,330)</b>	(645,362)
Closing costs	3,878,734	52,807,233	3,592,748	1,386,368	4,295,562	<b>65,960,645</b>	63,582,798
<b>Accumulated Amortization</b>							
Opening accum'd amortization	947,749	10,652,993	1,803,176	1,048,288	1,920,012	<b>16,372,218</b>	14,770,900
Amortization	117,016	1,315,391	438,618	101,880	316,901	<b>2,289,806</b>	2,192,298
Disposals and write downs	-	-	(394,498)	-	-	<b>(394,498)</b>	(590,980)
Closing accum'd amortization	1,064,765	11,968,384	1,847,296	1,150,168	2,236,913	<b>18,267,526</b>	16,372,218
<b>Net Book Value of Tangible Capital Assets</b>	<b>\$ 2,813,969</b>	<b>\$ 40,838,849</b>	<b>\$ 1,745,452</b>	<b>\$ 236,200</b>	<b>\$ 2,058,649</b>	<b>\$ 47,693,119</b>	<b>\$ 47,210,580</b>

Included in the assets above are assets in the amount of \$1,086,262 which are not being amortized as they are either under construction or have not yet been put to use.