

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD
FINANCIAL STATEMENTS
DECEMBER 31, 2018

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

INDEX TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING	1
INDEPENDENT AUDITOR'S REPORT	2 - 3
FINANCIAL STATEMENTS	
Statement of Financial Position	4
Statement of Financial Activities and Accumulated Surplus	5
Statement of Change in Net Debt	6
Statement of Re-Measurement Gains	7
Statement of Cash Flows	8
NOTES TO FINANCIAL STATEMENTS	9 - 19
SCHEDULES	
1- Schedule of Operations - Program Funding	20 - 25
2- Schedule of Contributions of Funding Municipalities	26
3- Due to Province of Ontario - MCCSS and EDU	27
4- Analysis of Reserves	28
5- Analysis of Reserve Funds	29
6- Schedule of Segment Disclosure	30 - 31
7- Schedule of Accumulated Surplus	32
8- Schedule of Tangible Capital Assets	33

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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:



Brian Marks, CAO



Linda O'Connell, Director of Finance

INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the accompanying financial statements of Cochrane District Social Services Administration Board (the "Organization"), which comprise the statement of financial position as at December 31, 2018, 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.

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, 2018 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Board in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Timmins, Ontario
May 30, 2019

MNP LLP

MNP LLP
Chartered Professional Accountants
Licensed Public Accountants

MNP
LLP

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

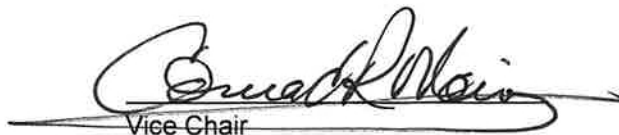
STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31

	2018	2017
FINANCIAL ASSETS		
Cash	\$ 13,478,638	\$ 7,802,681
Accounts receivable	1,733,326	1,932,490
Investments (<i>Market Value - \$2,157,289</i>)	2,082,125	3,057,176
Loan receivable (<i>Note 3</i>)	865,313	810,778
TOTAL FINANCIAL ASSETS	18,159,402	13,603,125
LIABILITIES		
Accounts payable and accrued liabilities	6,235,131	5,676,590
Retirement and other employee future benefits (<i>Note 7</i>)	1,791,982	1,742,711
Due to Province of Ontario (<i>Note 4</i>)	2,373,266	426,652
Deferred revenue (<i>Note 6</i>)	2,299,254	1,970,942
Long-term debt (<i>Note 5</i>)	19,736,213	21,253,868
TOTAL LIABILITIES	32,435,846	31,070,763
NET DEBT	(14,276,444)	(17,467,638)
NON-FINANCIAL ASSETS		
Tangible capital assets (<i>Schedule 8</i>)	46,924,443	47,693,119
Prepaid expenses	952,507	927,950
	47,876,950	48,621,069
ACCUMULATED SURPLUS (<i>Schedule 7</i>)		
Accumulated operating surplus	33,550,356	31,157,589
Accumulated re-measurement gains (losses)	50,150	(4,158)
	\$ 33,600,506	\$ 31,153,431

Approved by:


Chair


Vice Chair

See accompanying notes.

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

STATEMENT OF FINANCIAL ACTIVITIES AND ACCUMULATED SURPLUS

YEARS ENDED DECEMBER 31

	2018 Budget	2018 Actual	2017 Actual
REVENUE			
Province of Ontario	\$ 43,652,716	\$ 46,998,231	\$ 40,095,619
Municipal and unincorporated territories contributions (<i>Schedule 2</i>)	19,061,744	19,061,744	18,761,187
Government of Canada	3,721,176	3,721,174	4,059,534
Rent	7,269,375	7,185,992	7,179,766
Interest	215,044	365,572	283,485
TOTAL REVENUE	73,920,055	77,332,713	70,379,591
EXPENSES - PROGRAMS			
Child care	13,533,162	14,050,778	10,233,519
Employment placement	1,214,370	1,209,701	1,176,000
Ontario Works	17,119,275	17,622,357	16,496,477
Social housing	18,546,849	16,631,035	15,834,047
Social housing - Moosonee	2,794,541	3,085,935	3,135,932
Land ambulance - operating	12,408,566	12,085,392	12,098,448
Other	4,881,526	5,142,440	5,127,407
	70,498,289	69,827,638	64,101,830
EXPENSES - ADMINISTRATION OF PROGRAMS			
Amortization of capital assets	250,363	250,363	246,038
Bank charges and interest	368,372	368,327	382,252
Equipment and leasehold improvements	(227,094)	7,400	(15,396)
Miscellaneous	295,889	270,503	299,712
Office supplies	118,000	122,373	185,645
Professional fees and purchased services	75,000	68,281	87,063
Rent, building lease and utilities	151,000	139,224	161,385
Salaries, wages and benefits	1,733,000	1,754,856	1,695,246
Travel	1,150	493	137
Interest earned	(4,000)	(30,422)	(7,528)
	2,761,680	2,951,398	3,034,554
TOTAL EXPENDITURES	73,259,969	72,779,036	67,136,384
ANNUAL SURPLUS	660,086	4,553,677	3,243,207
Repayment to MCCSS, EDU, municipalities and unincorporated territories	-	(2,160,910)	(2,968,057)
ACCUMULATED OPERATING SURPLUS, BEGINNING OF YEAR	31,157,589	31,157,589	30,882,439
ACCUMULATED OPERATING SURPLUS, END OF YEAR	\$ 31,817,675	\$ 33,550,356	\$ 31,157,589

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

STATEMENT OF CHANGE IN NET DEBT

YEARS ENDED DECEMBER 31

	2018 Budget	2018 Actual	2017 Actual
ANNUAL SURPLUS	\$ 660,086	\$ 4,553,677	\$ 3,243,207
Acquisition of tangible capital assets	(1,532,834)	(1,659,052)	(2,812,177)
Amortization of tangible capital assets	2,386,095	2,386,095	2,289,806
Loss on sale of tangible capital assets	-	40,937	6,838
Proceeds on sale of tangible capital assets	-	696	32,994
Increase in prepaid expenses	-	(24,557)	(151,437)
Repayment to MCCSS, EDU, municipalities and unincorporated territories	-	(2,160,910)	(2,968,057)
Remeasurement gain (loss)	-	54,308	(298,724)
	853,261	(1,362,483)	(3,900,757)
CHANGE IN NET DEBT	1,513,347	3,191,194	(657,550)
NET DEBT, BEGINNING OF YEAR	(17,467,638)	(17,467,638)	(16,810,088)
NET DEBT, END OF YEAR	\$ (15,954,291)	\$ (14,276,444)	\$ (17,467,638)

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

STATEMENT OF RE-MEASUREMENT GAINS

YEARS ENDED DECEMBER 31

	2018	2017
ACCUMULATED RE-MEASUREMENT GAINS (LOSSES), BEGINNING OF YEAR	\$ (4,158)	\$ 294,566
Unrealized gains (losses) attributable to derivatives	54,308	(298,724)
ACCUMULATED RE-MEASUREMENT GAINS (LOSSES), END OF YEAR	\$ 50,150	\$ (4,158)

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31

	2018	2017
OPERATING ACTIVITIES		
Annual surplus	\$ 4,553,677	\$ 3,243,207
Items not affecting cash:		
Amortization of tangible capital assets	2,386,095	2,289,806
Loss on disposal of tangible capital assets	40,937	6,838
Repayment to MCCSS, EDU, municipalities and unincorporated territories	(2,160,910)	(2,968,057)
	4,819,799	2,571,794
Changes in non-cash working capital:		
Accounts receivable	199,164	(403,952)
Prepaid expenses	(24,557)	(151,437)
Accounts payable and accrued liabilities	558,539	689,769
Retirement and other employee future benefits	49,271	96,103
Due to Province of Ontario	1,946,615	456,033
Deferred revenue	328,313	952,090
	3,057,345	1,638,606
CASH PROVIDED BY OPERATING ACTIVITIES	7,877,144	4,210,400
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(1,659,052)	(2,812,177)
Proceeds on sale of tangible capital assets	696	32,994
CASH USED IN CAPITAL TRANSACTIONS	(1,658,356)	(2,779,183)
INVESTING ACTIVITIES		
Loan receivable advances	(161,988)	-
Loan receivable receipts	107,452	76,760
Purchase of investments	-	(999,999)
Proceeds from sale of investments	1,014,999	2,132,787
Interest earned	(39,947)	(46,295)
CASH PROVIDED BY INVESTING ACTIVITIES	920,516	1,163,253
FINANCING ACTIVITIES		
Repayment of long-term debt	(1,463,347)	(1,526,977)
CASH USED IN FINANCING ACTIVITIES	(1,463,347)	(1,526,977)
CHANGE IN CASH	5,675,957	1,067,493
CASH, beginning of year	7,802,681	6,735,188
CASH, end of year	\$ 13,478,638	\$ 7,802,681
CASH FLOW SUPPLEMENTARY INFORMATION:		
Interest paid	\$ 1,099,882	\$ 1,199,038

See accompanying notes.

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

1. NATURE OF OPERATIONS

Cochrane District Social Services Administration Board (CDSSAB) is an organization which administers various programs of the Ministry of Children, Community and Social Services (MCCSS), Ministry of Education (EDU), Ministry of Health and Long-Term Care (MOHLTC), Ministry of Municipal Affairs and Housing (MMAH) and Ministry of Training, Colleges and Universities (MTCU). 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 Children, Community and Social Services, Ministry of Education, Ministry of Health and Long-Term Care, Ministry of Municipal Affairs and Housing 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, 2018

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, 2018

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

	2018	2017
Due from the Notre Dame Hospital, repayable in blended monthly instalments of \$4,379, interest calculated at 5%, maturing February 2026.	\$ 316,514	\$ 352,429
Due from Kaleidoscope, repayable in blended monthly instalments of \$3,964, interest calculated at 5%, maturing May 2027.	325,599	356,051
Due from Drury Street Non-Profit Housing Corporation, repayable in blended monthly instalments of \$1,591, interest calculated at 5%, maturing February 2024.	87,996	102,298
Due from Tisdale-Whitney Cooperative Homes, repayable in blended monthly instalments of \$3,053, interest calculated at 5%, maturing January 2023.	135,204	-
	865,313	810,778
Amounts receivable within one year.	(115,412)	(80,669)
	\$ 749,901	\$ 730,109

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

2019	\$ 115,412
2020	119,729
2021	124,266
2022	129,034
2023	103,409
Thereafter	273,463
	\$ 865,313

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2018

4. DUE TO (FROM) PROVINCE OF ONTARIO

	2018	2017
Due to Province - MMAH rent bank	\$ 102,344	\$ 102,344
Due to Province - MCCSS for 2017	88,782	107,593
Due to Province - MCCSS for 2018	71,902	-
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	3,528	4,009
Due to Province - EDU for 2017	174,666	110,448
Due to Province - EDU for 2018	1,896,652	-
Due to Province - EDU - Journey Together and Community Based Capital	(484,060)	-
Due from Province - MCCSS Ontario Works (Form 5) 2015	-	(33,521)
Due from Province - MCCSS Ontario Works (Form 5) 2016	(274,969)	(812,420)
Due to Province - MCCSS Ontario Works (Form 5) 2017	763,690	763,690
Due to Province - MCCSS Ontario Works (Form 5) 2018	(159,856)	-
Due to Province - EDU wage enhancement for 2016	30,644	30,644
Due from Province - Board mediation 2017	-	(34,049)
Due from Province - TWOMO Election Funding	(27,971)	-
	\$ 2,373,266	\$ 426,652

5. LONG-TERM DEBT

	2018	2017
Due to the City of Timmins, repayable in blended semi-annual payments of \$326,322, interest calculated at 5.06%, maturing May 16, 2034.	\$ 7,099,869	\$ 7,382,489
Due to TD bank (see below).	8,346,819	8,663,384
Debentures debt (see below).	4,289,525	5,207,995
	\$ 19,736,213	\$ 21,253,868

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

2019	\$ 1,547,916
2020	1,422,289
2021	1,380,861
2022	1,239,771
2023	1,092,638
Thereafter	13,052,738
	\$ 19,736,213

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 2018 were \$1,237,622.

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2018

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.

	2018	2017
TD loan payable	\$ 8,396,969	\$ 8,659,226
Plus fair value adjustment of derivative	(50,150)	4,158
	\$ 8,346,819	\$ 8,663,384

6. DEFERRED REVENUE

	2018	2017
Tenants' prepaid rent	\$ 110,858	\$ 96,975
LEAP - Energy bank	25,959	24,781
Community Homelessness Prevention Initiative	241,064	161,033
MOH Dedicated Nurse Offload Program	2,256	1,885
Opasatika - St Antoine School	58,068	68,946
Home For Good Supportive Housing	88,796	-
Affordable Housing Program	1,130,863	510,541
Social Infrastructure Fund	125,706	132,570
Anti-Human Trafficking Other Housing	34,332	-
Moosonee Housing Program	299,771	-
Employment Ontario	106,924	52,938
Childcare ELCC	74,657	186,643
Childcare expansion funding	-	734,630
	\$ 2,299,254	\$ 1,970,942

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2018

7. RETIREMENT AND OTHER EMPLOYEE FUTURE BENEFITS

	2018	2017
	Total Employee Future Benefits	Total Employee Future Benefits
Accrued employee future benefit obligations, beginning of year	\$ 1,742,711	\$ 1,646,608
Add: current year benefit cost	113,226	106,480
Add: interest on accrued benefit obligation	78,592	76,060
Recognized actuarial losses	11,813	11,813
Less: benefits paid	(154,360)	(98,250)
Total expenses	49,271	96,103
Accrued employee future benefit obligations, ending of year	\$ 1,791,982	\$ 1,742,711

The accrued benefit obligations for employee future benefit plans as at December 31, 2018 are based on actuarial valuations as at December 31, 2018. 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, 2022.

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2018

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:

	2018
	%
Inflation	1.8
Wage and salary escalation (includes inflation)	2.8
Discount on accrued benefit obligations	3.75
Expected future sales tax	8.0
Future travel escalations	Escalate at the same rate as health care.
Expected average remaining service life	13 years for retirement benefits and 13 years for sick leave.
Expected future retirement rates	13 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 2018 Combined Active and Retiree Cost Rates including taxes, (Non Union: \$205.94 family, \$82.38 single, CUPE: \$163.02 family, \$65.21 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 6.4167% for 2020 vs. 2019, reducing by 0.3333% per year to 3.75% in 2028 vs. 2027 and 3.75% 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 \$1.88 per month single and \$4.00 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 \$596,106 (2017 - \$586,239) 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 \$260,586 (2017 - \$307,388) and \$559,409 (2017 - \$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, 2018

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, 2018 were \$699,513 (2017 - \$557,010) 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:

	2018	2017
For organization sick leave	\$ 260,586	\$ 307,388
For working capital	2,627,644	2,567,495
For computer/organization development	795,000	595,000
For investment in affordable housing	1,401,412	800,611
For housing working capital	245,000	245,000
For MOH - LA - severance	559,409	559,409
For MOH - LA - vehicle	225,000	48,490
For childcare mitigation funding	591,201	591,201
For homelessness capital and services	500,000	-
TOTAL RESERVES (Schedule 4)	\$ 7,205,252	\$ 5,714,594

Reserve funds are comprised of the following:

	2018	2017
500 Algonquin	\$ 971,756	\$ 906,167
Housing Employee Entitlement	596,106	586,239
Public Housing Capital	1,623,505	1,596,632
Federal Housing Capital	692,400	680,939
Moosonee Public Housing Capital	194,899	191,673
Non-Profit Housing Capital	375,046	368,838
TOTAL RESERVE FUNDS (Schedule 5)	\$ 4,453,712	\$ 4,330,488

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2018

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 2018 was \$1,305,231 (2017 - \$1,180,610) 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, 2018.

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 2024. The Board is also paying rent on a month-to-month basis for leased office space.

Future minimum lease payments are as follows:

2019	\$	96,546
2020	\$	96,546
2021	\$	97,004
2022	\$	97,470
2023	\$	54,963
Subsequent	\$	24,747

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, 2018

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 171 rent supplement units and administers the Housing Services Act of 2011 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, Community 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, 2018

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, 2018, the full amount of the admin facility was available, \$750,500 of the client facility was available and \$239,516 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 February 15, 2018 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 February 15, 2018 with adjustments as follows:

	2018
Budget surplus for the year	\$ -
Add:	
Capital expenditures	1,532,834
Debt principal repayments	1,463,347
Transfer to accumulated surplus	50,000
Less:	
Amortization	2,386,095
Budget surplus per statement of financial activities	\$ 660,086

18. EXPENDITURES BY OBJECT

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

	2018	2017
Salaries	\$ 18,714,384	\$ 17,336,775
Materials and services	13,977,527	12,958,369
Rent and financial expenses	2,125,852	2,257,939
External transfers	36,690,496	32,541,315
Contracted services	1,270,777	2,041,986
Total expenditure	\$ 72,779,036	\$ 67,136,384

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

SCHEDULE OF OPERATIONS- PROGRAM FUNDING

SCHEDULE 1

YEAR ENDED DECEMBER 31

(UNAUDITED)

	LAND AMBULANCE (Note 2)	EMPLOYMENT SUPPORTS MOOSSONEE	EMPLOYMENT SUPPORTS (Note 3)	CHILDCARE OTHER	HOMELESSNESS INITIATIVE	OTHER SOCIAL ASSISTANCE	2018 SUB TOTAL
EXPENSES (Note 1)	\$ 12,566,144	\$ 9,000	\$ 1,200,701	\$ 14,500	\$ 1,158,480	\$ 14,579	\$ 14,963,404
EXPENSES ARE ALLOCATED AS FOLLOWS:							
% OF EXPENSES FUNDED BY MINISTRIES	(Note 2)	100%	100%	100%	100%	100%	N/A
MINISTRIES	\$ 6,455,885	\$ 9,000	\$ 1,200,701	\$ 14,500	\$ 1,158,480	\$ 14,579	\$ 8,853,145
BALANCE TO BE ALLOCATED	6,110,259	-	-	-	-	-	6,110,259
UNINCORPORATED TERRITORIES - OTHER	679,461	-	-	-	-	-	679,461
UNINCORPORATED TERRITORIES - EDU	-	-	-	-	-	-	-
UNINCORPORATED TERRITORIES - MCCSS	-	-	-	-	-	-	-
MUNICIPALITIES (Sch. 2)	5,430,798	-	-	-	-	-	5,430,798
TOTAL REVENUE	\$ 12,566,144	\$ 9,000	\$ 1,200,701	\$ 14,500	\$ 1,158,480	\$ 14,579	\$ 14,963,404

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 \$6,455,885 of land ambulance expenses. The remaining expenses are funded by the Municipalities.

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

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 MOOSENEE	NON-PROFIT HOUSING	NON-PROFIT HOUSING MOOSENEE	O.W. COST OF ADMINISTRATION (Note 2)	COMMUNITY REINVESTMENT	2018 SUB TOTAL
EXPENSES (Note 1)	\$ 988,161	\$ 12,091,795	\$ 1,089,937	\$ 5,461,151	\$ 1,786,015	\$ 4,074,560	\$ 104,155	\$ 25,595,774
EXPENSES ALLOCATED AS FOLLOWS:								
% OF EXPENSES FUNDED BY MINISTRIES	0%	0%	100%	0%	100%	50%	0%	N/A
OTHER	\$ 345,106	\$ 6,331,893	\$ 508,993	\$ -	\$ -	\$ -	\$ -	\$ 7,185,992
FEDERAL GOVERNMENT MINISTRIES	-	1,919,361	-	1,801,813	-	-	-	3,721,174
	-	-	580,944	-	1,786,015	2,037,280	-	4,404,239
	345,106	8,251,254	1,089,937	1,801,813	1,786,015	2,037,280	-	15,311,405
BALANCE TO BE ALLOCATED	643,055	3,840,541	-	3,659,338	-	2,037,280	104,155	10,284,369
UNINCORPORATED TERRITORIES - OTHER	71,508	427,068	-	406,918	-	-	-	905,494
UNINCORPORATED TERRITORIES - EDU	-	-	-	-	-	-	11,582	11,582
UNINCORPORATED TERRITORIES - MCCSS	-	-	-	-	-	226,546	-	226,546
MUNICIPALITIES (Sch. 2)	571,547	3,413,473	-	3,252,420	-	1,810,734	92,573	9,140,747
TOTAL REVENUE	\$ 988,161	\$ 12,091,795	\$ 1,089,937	\$ 5,461,151	\$ 1,786,015	\$ 4,074,560	\$ 104,155	\$ 25,595,774

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 \$4,820,000. 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 (Note 2)	O.W. ASSISTANCE I.W.S.	MOOSONEE O.W. ASSISTANCE	CHILDCARE FOR PROFIT	CHILDCARE ADMINISTRATION	2018 SUB TOTAL
EXPENSES (Note 1)	\$ -	\$ 1,576,478	\$ 12,283,941	\$ 109,574	\$ 2,869,825	\$ 1,271,446	\$ 519,804	\$ 18,631,068
EXPENSES ALLOCATED AS FOLLOWS:								
% OF EXPENSES FUNDED BY MINISTRIES	100%	100%	100%	100%	100%	100%	88%	N/A
MINISTRIES	\$ -	\$ 1,576,478	\$ 12,111,108	\$ 109,574	\$ 2,869,825	\$ 1,271,446	\$ 456,416	\$ 18,394,847
BALANCE TO BE ALLOCATED	-	-	172,833	-	-	-	63,388	236,221
UNINCORPORATED TERRITORIES - OTHER	-	-	-	-	-	-	-	-
UNINCORPORATED TERRITORIES - EDU	-	-	-	-	-	-	7,049	7,049
UNINCORPORATED TERRITORIES - MCCSS	-	-	19,219	-	-	-	-	19,219
MUNICIPALITIES (Sch. 2)	-	-	153,614	-	-	-	56,339	209,953
TOTAL REVENUE	\$ -	\$ 1,576,478	\$ 12,283,941	\$ 109,574	\$ 2,869,825	\$ 1,271,446	\$ 519,804	\$ 18,631,068

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 balance to be allocated consists of excess discretionary benefits. The Ministry covers 100% up to \$10/case. Caseload includes OW, ODSP, TCA and ACSD. Any amounts over are non-shareable and become a municipal cost.

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	2018 SUB TOTAL
EXPENSES (Note 1)	\$564,910	\$ 662,551	\$ 386,840	\$ 601,634	\$ 6,553,050	\$ 1,037,060	\$ 111,792	\$ 9,917,837
EXPENSES ALLOCATED AS FOLLOWS:								
% OF EXPENSES FUNDED BY MINISTRIES	100%	100%	100%	100%	80% & 100%	100%	0%	N/A
MINISTRIES	\$564,910	\$ 662,551	\$ 386,840	\$ 601,634	\$ 5,635,282	\$ 1,037,060	\$ -	\$ 8,888,277
BALANCE TO BE ALLOCATED	-	-	-	-	917,768	-	111,792	1,029,560
UNINCORPORATED TERRITORIES - OTHER	-	-	-	-	-	-	-	-
UNINCORPORATED TERRITORIES - EDU	-	-	-	-	102,056	-	-	102,056
UNINCORPORATED TERRITORIES - MCCSS	-	-	-	-	-	-	12,431	12,431
MUNICIPALITIES (Sch. 2)	-	-	-	-	815,712	-	99,361	915,073
TOTAL REVENUE	\$564,910	\$ 662,551	\$ 386,840	\$ 601,634	\$ 6,553,050	\$ 1,037,060	\$ 111,792	\$ 9,917,837

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

	OEYIC	TWOMO ELECTION	HOME FOR GOOD SUPPORTIVE HOUSING	ANTI-HUMAN TRAFFICKING OTHER HOUSING ADMINISTRATION	MOOSONEE CHILDCARE ADMINISTRATION	MOOSONEE CHILDCARE OTHER	EMPLOYMENT ONTARIO	2018 SUB TOTAL
EXPENSES (Note 1)	\$ 212,060	\$ 27,971	\$ 411,104	\$ 20,028	\$ 134,808	\$ 1,433	\$ 776,319	\$ 1,583,723
EXPENSES ALLOCATED AS FOLLOWS:								
% OF EXPENSES FUNDED BY MINISTRIES	100%	100%	100%	100%	100%	100%	100%	N/A
OTHER	-	-	-	-	-	-	-	-
GOVERNMENT OF CANADA	-	-	-	-	-	-	-	-
MINISTRIES	\$ 212,060	\$ 27,971	\$ 411,104	\$ 20,028	\$ 134,808	\$ 1,433	\$ 776,319	\$ 1,583,723
BALANCE TO BE ALLOCATED	-	-	-	-	-	-	-	-
UNINCORPORATED TERRITORIES - OTHER	-	-	-	-	-	-	-	-
UNINCORPORATED TERRITORIES - EDU	-	-	-	-	-	-	-	-
UNINCORPORATED TERRITORIES - MCCSS	-	-	-	-	-	-	-	-
MUNICIPALITIES (Sch. 2)	-	-	-	-	-	-	-	-
TOTAL REVENUE	\$ 212,060	\$ 27,971	\$ 411,104	\$ 20,028	\$ 134,808	\$ 1,433	\$ 776,319	\$ 1,583,723

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 the CPA Canada.

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

SCHEDULE OF OPERATIONS - PROGRAM FUNDING (CONT'D)

SCHEDULE 1 (CONT'D)

YEAR ENDED DECEMBER 31

(UNAUDITED)

	ELCC AND COMMUNITY BASED CAPITAL	CHILD CARE EXPANSION	MOOSEHORN EXPANSION	EARLY YEARS PLANNING	BOARD	2018 SUB TOTAL	2018 TOTAL
EXPENSES (Note 1)	\$ 1,226,848	\$ 1,466,697	\$ 54,252	\$ 157,648	\$ 37,093	\$ 2,942,538	\$ 73,634,344
EXPENSES ALLOCATED AS FOLLOWS:							
% OF EXPENSES FUNDED BY MINISTRIES	100%	100%	100%	100%	0%	N/A	N/A
OTHER	-	-	-	-	-	-	7,185,992
FEDERAL GOVERNMENT MINISTRIES	1,226,848	1,466,697	54,252	157,648	-	2,905,445	3,721,174
	1,226,848	1,466,697	54,252	157,648	-	2,905,445	45,029,676
BALANCE TO BE ALLOCATED	-	-	-	-	37,093	37,093	17,697,502
UNINCORPORATED TERRITORIES - OTHER	-	-	-	-	-	-	1,584,955
UNINCORPORATED TERRITORIES - EDU	-	-	-	-	-	-	120,687
UNINCORPORATED TERRITORIES - MCCSS	-	-	-	-	4,125	4,125	262,321
MUNICIPALITIES (Sch. 2)	-	-	-	-	32,968	32,968	15,729,539
TOTAL REVENUE	1,226,848	1,466,697	54,252	157,648	37,093	2,942,538	73,634,344

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

-----2018-----

	Weighted Assessment (%)	Original Contribution	Share of Expenses	Corporate Service Adjustment	Current Position Due to Municipality	Transfer to Reserve	Due to Municipality
Cochrane	7.01	\$ 1,187,640	\$ 1,102,641	\$ (22,777)	\$ 107,776	\$ (107,776)	\$ -
Fauquier- Strickland	0.93	157,561	146,285	(3,022)	14,298	(14,298)	-
Hearst	5.37	909,790	844,676	(17,448)	82,562	(82,562)	-
Iroquois Falls	5.83	987,723	917,032	(18,943)	89,634	(89,634)	-
Kapuskasig	7.27	1,231,689	1,143,538	(23,622)	111,773	(111,773)	-
Black River-Matheson	4.73	801,360	744,007	(15,369)	72,722	(72,722)	-
Mattice - Val Coté	1.42	240,578	223,360	(4,614)	21,832	(21,832)	-
Moonbeam	1.85	313,428	290,996	(6,011)	28,443	(28,443)	-
Opasatika	0.56	94,876	88,086	(1,820)	8,610	(8,610)	-
Smooth Rock Falls	1.79	303,263	281,558	(5,816)	27,521	(27,521)	-
Timmins	62.41	10,573,551	9,816,805	(202,782)	959,528	(959,528)	-
Val Rita - Harty	0.83	140,619	130,555	(2,697)	12,761	(12,761)	-
	100.00	16,942,078	15,729,539	(324,921)	1,537,460	(1,537,460)	-
Unincorporated territories - other	11.12	1,743,129	1,584,955	(33,011)	191,185	-	191,185
Unincorporated territories - MCCSS	11.12	264,252	262,321	(5,148)	7,079	-	7,079
Unincorporated territories - EDU	11.12	112,285	120,687	(2,493)	(5,909)	-	(5,909)
Unincorporated territories - Blended %	11.12	2,119,666	1,967,963	(40,652)	192,355	-	192,355
	111.12	\$ 19,061,744	\$ 17,697,502	\$ (365,573)	\$ 1,729,815	\$ (1,537,460)	\$ 192,355

NOTES:

- 1) The above figures are based on weighted assessment and 2018 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**

	2018	2017
Approved funding	\$ 47,446,834	\$ 41,255,643
Deferred revenue	(448,604)	(1,160,025)
	46,998,230	40,095,618
Share of expenses	45,029,676	39,896,386
Due to Province - MCCSS/EDU	\$ 1,968,554	\$ 199,232

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

ANALYSIS OF RESERVES

YEAR ENDED DECEMBER 31, 2018

SCHEDULE 4

	WORKING CAPITAL	ORGANIZATION/ SICK LEAVE	COMPUTER DEVELOPMENT	MOH/LA SEVERANCE	MOH/LA VEHICLE	INVESTMENT IN AFFORDABLE HOUSING	HOUSING WORKING CAPITAL	CHILD CARE HOMELESSNESS MITIGATION FUNDING	CAPITAL AND SERVICES	TOTAL
RESERVES										
BALANCE, beginning of year	\$ 2,567,495	\$ 307,388	\$ 595,000	\$ 559,409	\$ 48,490	\$ 800,611	\$ 245,000	\$ 591,201	\$ -	\$ 5,714,594
TRANSFER FROM MUNICIPALITIES	60,149	-	200,000	-	176,510	600,801	-	-	500,000	1,537,460
APPROPRIATIONS FROM CURRENT OPERATIONS	-	(46,802)	-	-	-	-	-	-	-	(46,802)
BALANCE, end of year	\$ 2,627,644	\$ 260,586	\$ 795,000	\$ 559,409	\$ 225,000	\$ 1,401,412	\$ 245,000	\$ 591,201	\$ 500,000	\$ 7,205,252

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

ANALYSIS OF RESERVE FUNDS

YEAR ENDED DECEMBER 31, 2018

SCHEDULE 5

	500 ALGONQUIN	NON-PROFIT HOUSING CAPITAL	PUBLIC HOUSING CAPITAL	HOUSING EMPLOYEE ENTITLEMENT	FEDERAL HOUSING CAPITAL	MOOSONEE PUBLIC HOUSING CAPITAL	TOTAL
RESERVE FUNDS							
BALANCE, beginning of year	\$ 906,167	\$ 368,838	\$ 1,596,632	\$ 586,239	\$ 680,939	\$ 191,673	\$ 4,330,488
INCOME EARNED IN YEAR	15,589	6,208	26,873	9,867	11,461	3,226	73,224
APPROPRIATIONS FROM CURRENT OPERATIONS	50,000	-	-	-	-	-	50,000
BALANCE, end of year	\$ 971,756	\$ 375,046	\$ 1,623,505	\$ 596,106	\$ 692,400	\$ 194,899	\$ 4,453,712

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

SCHEDULE OF SEGMENT DISCLOSURE

SCHEDULE 6

YEAR ENDED DECEMBER 31, 2018

	LAND AMBULANCE	SOCIAL HOUSING	ONTARIO WORKS	CHILD CARE	TOTAL
REVENUES					
Ministries	\$ 6,455,885	\$ 4,400,061	\$20,916,471	\$13,257,259	\$45,029,676
Government of Canada	-	3,721,174	-	-	3,721,174
Municipalities	5,430,798	7,237,440	2,096,677	964,624	15,729,539
Unincorporated territories	679,461	905,494	262,321	120,687	1,967,963
Rent	-	7,185,992	-	-	7,185,992
Revenues per Schedule 1	12,566,144	23,450,161	23,275,469	14,342,570	73,634,344
Due to MCCSS	-	-	71,902	-	71,902
Due to EDU	-	-	-	1,896,652	1,896,652
Due to Municipalities	348,511	1,210,996	35,188	(57,236)	1,537,459
Due to unincorporated territories	43,603	151,512	4,402	(7,161)	192,356
Revenues per statement of financial activities	12,958,258	24,812,669	23,386,961	16,174,825	77,332,713
EXPENSES					
Salaries	9,039,495	3,954,852	4,825,536	845,230	18,665,113
Materials and services	2,134,085	9,399,794	1,902,778	1,369,026	14,805,683
Rent and financial expenses	121,787	1,828,430	202,057	-	2,152,274
External transfers	-	8,267,085	16,345,098	12,128,314	36,740,497
Contracted services	1,270,777	-	-	-	1,270,777
Expenses per Schedule 1	12,566,144	23,450,161	23,275,469	14,342,570	73,634,344
Loss on disposal of assets	40,937	-	-	-	40,937
Post-employment benefits	3,449	5,420	36,953	3,449	49,271
Income earned on reserve funds	-	(26,423)	-	-	(26,423)
Capital expenditures	(789,445)	(2,374,940)	(90,803)	-	(3,255,188)
Transfer to reserves	-	-	(50,000)	-	(50,000)
Amortization	528,208	1,541,433	314,135	2,319	2,386,095
Expenses per statement of financial activities	12,349,293	22,595,651	23,485,754	14,348,338	72,779,036
NET REVENUES	\$ 608,965	\$ 2,217,018	\$ (98,793)	\$ 1,826,487	\$ 4,553,677

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

SCHEDULE OF SEGMENT DISCLOSURE (CONT'D)

SCHEDULE 6 (CONT'D)

YEAR ENDED DECEMBER 31, 2017

	LAND AMBULANCE	SOCIAL HOUSING	ONTARIO WORKS	CHILD CARE	TOTAL
REVENUES					
Ministries	\$ 6,241,112	\$ 4,579,936	\$ 19,477,929	\$ 9,597,409	\$ 39,896,386
Government of Canada	-	4,059,534	-	-	4,059,534
Municipalities	5,432,320	7,260,080	2,200,045	809,528	15,701,973
Unincorporated territories	677,589	905,570	274,418	100,975	1,958,552
Rent	-	7,179,766	-	-	7,179,766
Revenues per 2017 Schedule 1	12,351,021	23,984,886	21,952,392	10,507,912	68,796,211
Due to MCCSS	-	-	88,782	-	88,782
Due to EDU	-	-	-	110,448	110,448
Due to Municipalities	288,875	703,586	148,050	90,136	1,230,647
Due to unincorporated territories	36,032	87,763	18,467	11,241	153,503
Revenues per statement of financial activities	12,675,928	24,776,235	22,207,691	10,719,737	70,379,591
EXPENSES					
Salaries	8,198,084	3,672,259	4,693,249	677,081	17,240,673
Materials and services	2,011,837	10,120,421	1,883,149	641,363	14,656,770
Rent and financial expenses	99,114	1,965,542	200,811	-	2,265,467
External transfers	-	8,226,664	15,175,182	9,189,469	32,591,315
Contracted services	2,041,986	-	-	-	2,041,986
Expenses per 2017 Schedule 1	12,351,021	23,984,886	21,952,391	10,507,913	68,796,211
Loss on disposal of assets	31,077	(24,239)	-	-	6,838
Post-employment benefits	6,727	10,571	72,077	6,727	96,102
Income earned on reserve funds	-	(7,528)	-	-	(7,528)
Capital expenditures	(573,987)	(3,339,057)	(82,001)	-	(3,995,045)
Transfer to reserves	-	-	(50,000)	-	(50,000)
Amortization	534,921	1,446,755	305,811	2,319	2,289,806
Expenses per statement of financial activities	12,349,759	22,071,388	22,198,278	10,516,959	67,136,384
NET REVENUES	\$ 326,169	\$ 2,704,847	\$ 9,413	\$ 202,778	\$ 3,243,207

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

SCHEDULE OF ACCUMULATED SURPLUS

YEARS ENDED DECEMBER 31

	2018	2017
RESERVE FUNDS		
500 Algonquin	\$ 971,756	\$ 906,167
Non-Profit Housing Capital	375,046	368,838
Public Housing Capital	1,623,505	1,596,632
Housing Employee Entitlement	596,106	586,239
Federal Housing Capital	692,400	680,939
Moosonee Public Housing Capital	194,899	191,673
TOTAL RESERVE FUNDS	4,453,712	4,330,488
RESERVES		
Sick Leave	260,586	307,388
Working Capital	2,627,644	2,567,495
Organization/Computer Development	795,000	595,000
MOH/LA Severance	559,409	559,409
MOH/LA Vehicle	225,000	48,490
Investment in Affordable Housing	1,401,412	800,611
Housing Working Capital	245,000	245,000
Childcare Mitigation Funding	591,201	591,201
Homelessness - Capital & Services	500,000	-
TOTAL RESERVES	7,205,252	5,714,594
TOTAL RESERVE FUNDS AND RESERVES	11,658,964	10,045,082
SURPLUS (DEFICIT)		
Invested in Tangible Capital Assets	27,188,230	26,439,251
General Revenue Fund	(3,454,706)	(3,588,191)
UNFUNDED		
Employee Benefits Payable	(1,791,982)	(1,742,711)
TOTAL SURPLUS	21,941,542	21,108,349
ACCUMULATED SURPLUS	\$ 33,600,506	\$ 31,153,431

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

SCHEDULE OF TANGIBLE CAPITAL ASSETS

SCHEDULE 8

YEARS ENDED DECEMBER 31

	General Capital Assets					Totals
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Office Furniture and Fixtures	
Cost						
Opening costs	\$ 3,878,734	\$ 52,807,230	\$ 3,592,753	\$ 1,386,368	\$ 4,295,560	\$ 65,960,645
Additions during the year	54,136	329,141	641,227	275,322	359,226	1,659,052
Disposals and write downs	-	-	(309,244)	(280,670)	(449,701)	(1,039,615)
Closing costs	3,932,870	53,136,371	3,924,736	1,381,020	4,205,085	66,580,082
Accumulated Amortization						
Opening accum'd amortization	1,064,766	11,968,383	1,847,299	1,150,166	2,236,912	18,267,526
Amortization	112,356	1,345,673	464,558	109,474	354,034	2,386,095
Disposals and write downs	-	-	(267,611)	(280,670)	(449,701)	(997,982)
Closing accum'd amortization	1,177,122	13,314,056	2,044,246	978,970	2,141,245	19,655,639
Net Book Value of Tangible Capital Assets	\$ 2,755,748	\$ 39,822,315	\$ 1,880,490	\$ 402,050	\$ 2,063,840	\$ 46,924,443

Included in the assets above are assets in the amount of \$686,226 which are not being amortized as they are either under construction or have not yet been put to use.