

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD
FINANCIAL STATEMENTS
DECEMBER 31, 2020

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

INDEX TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

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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

Angela Delaurier, 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, 2020, and the statements of financial activities and accumulated surplus, change in net debt, re-measurement gains (losses) 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, 2020 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.

MNP LLP

Timmins, Ontario
May 20, 2021

Chartered Professional Accountants
Licensed Public Accountants

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31

	2020	2019
FINANCIAL ASSETS		
Cash	\$ 19,177,865	\$ 14,398,132
Accounts receivable	3,253,939	1,454,114
Portfolio investments (Note 3)	2,437,743	2,317,008
Loans receivable (Note 4)	628,621	749,901
TOTAL FINANCIAL ASSETS	25,498,168	18,919,155
LIABILITIES		
Accounts payable and accrued liabilities	8,091,389	6,212,296
Retirement and other employee future benefits (Note 8)	1,851,716	1,811,648
Due to Province of Ontario (Note 5)	5,849,118	2,196,062
Deferred revenue (Note 7)	3,097,764	1,706,131
Long-term debt (Note 6)	19,712,313	18,462,046
TOTAL LIABILITIES	38,602,300	30,388,183
NET DEBT	(13,104,132)	(11,469,028)
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 8)	47,920,615	46,183,668
Prepaid expenses	1,609,102	1,547,343
	49,529,717	47,731,011
ACCUMULATED SURPLUS (Schedule 7)		
Accumulated operating surplus	37,022,438	36,283,903
Accumulated re-measurement losses	(596,853)	(21,920)
	\$ 36,425,585	\$ 36,261,983

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

	2020 Budget	2020 Actual	2019 Actual
REVENUE			
Province of Ontario	\$46,765,062	\$47,550,581	\$46,658,105
Municipal and unincorporated territories contributions (<i>Schedule 2</i>)	19,175,522	19,202,798	19,386,383
Government of Canada	3,653,093	3,647,119	3,667,625
Rent	7,540,408	7,862,493	7,490,327
Interest	333,461	359,353	433,419
TOTAL REVENUE	77,467,546	78,622,344	77,635,859
EXPENSES - PROGRAMS			
Child care	13,872,787	10,745,299	13,649,043
Employment placement	1,313,100	1,313,100	1,313,100
Ontario Works	19,955,401	18,904,651	18,522,475
Social housing	19,413,797	17,966,655	17,021,360
Social housing - Moosonee	1,805,320	2,693,074	2,637,543
Land ambulance - operating	13,158,209	13,323,713	12,605,103
Other	4,018,083	5,978,320	4,514,039
	73,536,697	70,924,812	70,262,663
EXPENSES - ADMINISTRATION OF PROGRAMS			
Amortization of capital assets	281,120	281,120	282,174
Bank charges and interest	338,483	338,560	354,098
Equipment and leasehold improvements	13,536	10,743	1,589
Miscellaneous	314,800	295,515	304,881
Office supplies	114,000	290,313	105,815
Professional fees and purchased services	75,000	76,971	79,344
Rent, building lease and utilities	118,672	153,743	167,107
Salaries, wages and benefits	2,013,478	2,016,361	1,846,021
Travel	1,150	13,222	602
Interest earned	(4,000)	(85,155)	(107,409)
	3,266,239	3,391,393	3,034,222
TOTAL EXPENDITURES	76,802,936	74,316,205	73,296,885
ANNUAL SURPLUS	664,610	4,306,139	4,338,974
Repayment to MCCSS, EDU, municipalities and unincorporated territories	-	(3,567,604)	(1,605,427)
ACCUMULATED OPERATING SURPLUS, BEGINNING OF YEAR	36,283,903	36,283,903	33,550,356
ACCUMULATED OPERATING SURPLUS, END OF YEAR	\$36,948,513	\$37,022,438	\$36,283,903

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

STATEMENT OF CHANGE IN NET DEBT

YEARS ENDED DECEMBER 31

	2020 Budget	2020 Actual	2019 Actual
ANNUAL SURPLUS	\$ 664,610	\$ 4,306,139	\$ 4,338,974
Acquisition of tangible capital assets	(1,656,274)	(4,242,159)	(1,753,852)
Amortization of tangible capital assets	2,480,335	2,480,335	2,476,042
Gain on sale of tangible capital assets	-	(28,242)	(52,101)
Proceeds on sale of tangible capital assets	-	53,120	70,686
Increase in prepaid expenses	-	(61,760)	(594,836)
Repayment to MCCSS, EDU, municipalities and unincorporated territories	-	(3,567,604)	(1,605,427)
Remeasurement loss	-	(574,933)	(72,070)
	824,061	(5,941,243)	(1,531,558)
CHANGE IN NET DEBT	1,488,671	(1,635,104)	2,807,416
NET DEBT, BEGINNING OF YEAR	(11,469,028)	(11,469,028)	(14,276,444)
NET DEBT, END OF YEAR	\$ (9,980,357)	\$ (13,104,132)	\$ (11,469,028)

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

STATEMENT OF RE-MEASUREMENT GAINS (LOSSES)

YEARS ENDED DECEMBER 31

	2020	2019
ACCUMULATED RE-MEASUREMENT GAINS (LOSSES), BEGINNING OF YEAR	\$ (21,920)	\$ 50,150
Unrealized gains (losses) attributable to:		
Derivatives	(635,337)	(273,750)
Portfolio investments	60,404	201,680
Net re-measurement losses for the year	(574,933)	(72,070)
ACCUMULATED RE-MEASUREMENT LOSSES, END OF YEAR	\$ (596,853)	\$ (21,920)

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31

	2020	2019
OPERATING ACTIVITIES		
Annual surplus	\$ 4,306,139	\$ 4,338,974
Items not affecting cash:		
Amortization of tangible capital assets	2,480,335	2,476,042
Gain on disposal of tangible capital assets	(28,242)	(52,101)
Repayment to MCCSS, EDU, municipalities and unincorporated territories	(3,567,604)	(1,605,427)
	3,190,628	5,157,488
Changes in non-cash working capital:		
Accounts receivable	(1,799,825)	228,859
Prepaid expenses	(61,760)	(594,836)
Accounts payable and accrued liabilities	1,879,093	27,519
Retirement and other employee future benefits	40,068	19,666
Due to Province of Ontario	3,653,056	(177,204)
Deferred revenue	1,391,633	(593,124)
	5,102,265	(1,089,120)
CASH PROVIDED BY OPERATING ACTIVITIES	8,292,893	4,068,368
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(2,188,559)	(1,753,852)
Proceeds on sale of tangible capital assets	53,120	70,686
CASH USED IN CAPITAL TRANSACTIONS	(2,135,439)	(1,683,166)
INVESTING ACTIVITIES		
Loan receivable receipts	121,280	115,412
Interest earned	(60,330)	(33,204)
CASH PROVIDED BY INVESTING ACTIVITIES	60,950	82,208
FINANCING ACTIVITIES		
Repayment of long-term debt	(1,438,671)	(1,547,916)
CASH USED IN FINANCING ACTIVITIES	(1,438,671)	(1,547,916)
CHANGE IN CASH	4,779,733	919,494
CASH, beginning of year	14,398,132	13,478,638
CASH, end of year	\$ 19,177,865	\$ 14,398,132
CASH FLOW SUPPLEMENTARY INFORMATION:		
Interest paid	\$ 990,597	\$ 1,009,247

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

1. NATURE OF OPERATIONS

Cochrane District Social Services Administration Board (the "Organization") 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 Labour, Training, and Skills Development (MLTSD). 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.

Impact on operations of COVID-19 (coronavirus)

In early March 2020 the impact of the global outbreak of COVID-19 (coronavirus) began to have a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders.

The Organization's operations were impacted by COVID-19 due to increased need for services for social housing, increased emergency homeless shelter, food security and EMS costs, closure of child care spaces, and added cleaning and supply costs.

At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Organization as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may cause increased EMS costs and requirements, closure of child care spaces, and other cleaning costs, all of which may negatively impact the Organization's business and financial condition.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Organization 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 Organization 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) 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.

(c) CASH AND CASH EQUIVALENTS

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less.

(d) PORTFOLIO INVESTMENTS

Portfolio investments with prices quoted in an active market are measured at fair value while those that are not quoted in an active market are measured at cost less impairment. Portfolio investments with prices quoted in an active market include equities. Changes in fair value are recorded in the statement of remeasurement gains (losses).

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2020

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

(e) RETIREMENT AND OTHER EMPLOYEE FUTURE BENEFITS

The Organization 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 Organization's best estimate of accumulated sick days at retirement and health care costs trends, long-term inflation rates and discount rates.

The Organization 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 Organization 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.

(f) 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.

(g) 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 Organization 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.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2020

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

(h) 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 Labour, Training, and Skills Development. 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.

(i) 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.

(j) 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.

(k) 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, accruals, allowance for doubtful accounts 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.

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2020

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

(l) FINANCIAL INSTRUMENTS

The Organization recognizes its financial instruments when the Organization becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the Organization may irrevocably elect to subsequently measure any financial instrument at fair value. The Organization has not made such an election during the year.

The Organization subsequently measures investments in equity instruments quoted in an active market and all derivative instruments at fair value. Fair value is determined by published price quotations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating surplus (deficit). Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

All financial assets except derivatives are tested annually for impairment. Management considers recent collection experience for the loans, such as a default or delinquency in interest or principal payments, in determining whether objective evidence of impairment exists. Any impairment, which is not considered temporary, is recorded in the statement of financial activities. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurements of financial assets measured at fair value are reported in the statement of remeasurement gains and losses.

(m) FAIR VALUE MEASUREMENTS

The Organization classifies fair value measurements recognized in the statement of financial position using a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

- Level 1: Quoted prices (unadjusted) are available in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices in active markets that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Unobservable inputs in which there is little or no market data, which require the Organization to develop its own assumptions.

Fair value measurements are classified in the fair value hierarchy based on the lowest level input that is significant to that fair value measurement. This assessment requires judgment, considering factors specific to an asset or a liability and may affect placement within the fair value hierarchy.

(n) DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments are financial contracts whose value changes in response to a change in an underlying variable, such as specified interest rate or financial instrument. The Organization enters into derivative contracts to manage its exposure to interest rate risks associated with its long-term debt.

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2020

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

(o) STATEMENT OF REMEASUREMENT GAINS AND LOSSES

By presenting remeasurement gains (losses) separately, changes in the carrying value of financial instruments arising from fair value measurement are distinguished from revenues and expenses reported in the statement of financial activities. The statement of financial activities reports the extent to which revenues raised in the period were sufficient to meet the expenses incurred. Remeasurement gains (losses) do not affect this assessment as they are recognized in the statement of remeasurement gains and losses. Taken together, the two statements account for changes in Organization's accumulated surplus in the period.

Upon settlement, the cumulative gain (loss) is reclassified from the statement of remeasurement gains and losses and recognized in the statement of financial activities. Interest attributable to all financial instruments is reported in the statement of financial activities.

3. PORTFOLIO INVESTMENTS

	2020	2019
Portfolio investments, at cost	\$ 2,175,659	\$ 2,115,328
Unrealized gains	262,084	201,680
Portfolio investments, at fair value:	2,437,743	2,317,008

4. LOANS RECEIVABLE

	2020	2019
Due from the Notre Dame Hospital, repayable in blended monthly instalments of \$4,379, interest calculated at 5%, maturing February 2026.	\$ 239,137	\$ 278,781
Due from Kaleidoscope Co-operative Homes Inc., repayable in blended monthly instalments of \$3,964, interest calculated at 5%, maturing May 2027.	259,941	293,589
Due from Drury Street Non-Profit Housing Corporation, repayable in blended monthly instalments of \$1,591, interest calculated at 5%, maturing February 2024.	57,160	72,962
Due from Tisdale-Whitney Housing Co-operative Inc., repayable in blended monthly instalments of \$3,053, interest calculated at 5%, maturing January 2023.	72,383	104,569
	628,621	749,901

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

2021	\$	127,446
2022		133,926
2023		106,450
2024		94,116
2025		93,929
Thereafter		72,754
	\$	628,621

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2020

5. DUE TO (FROM) PROVINCE OF ONTARIO

	2020	2019
Due to Province - MMAH rent bank	\$ 1,103	\$ 1,103
Due to Province - MCCSS for 2017	-	88,782
Due to Province - MCCSS for 2018	71,902	71,902
Due from Province - MCCSS for 2019	(84,901)	(84,901)
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	3,528
Due from Province - EDU for 2017	(494)	(494)
Due to Province - EDU for 2018	955,523	955,523
Due to Province - EDU for 2019	416,540	859,496
Due to Province - EDU for 2020	3,599,399	-
Due from Province - MCCSS Ontario Works (Form 5) 2016	(274,969)	(274,969)
Due to Province - MCCSS Ontario Works (Form 5) 2017	763,690	763,690
Due from Province - MCCSS Ontario Works (Form 5) 2018	(159,856)	(159,856)
Due from Province - MCCSS Ontario Works (Form 5) 2019	(246,300)	(246,300)
Due to Province - MCCSS Ontario Works (Form 5) 2020	593,144	-
Due from Province - MCCSS Business Case Funding	(50,000)	-
Due to Province - EDU wage enhancement for 2016	30,644	30,644
Due to Province - MOHLTC 2020	141,421	-
Due to Province - EDU TWOMO	(99,170)	-
	\$ 5,849,118	\$ 2,196,062

6. LONG-TERM DEBT

	2020	2019
Due to the City of Timmins, repayable in blended semi-annual payments of \$326,322, interest calculated at 5.06%, maturing May 16, 2034.	\$ 6,490,443	\$ 6,802,768
Due to TD bank (Cochrane Seniors Complex) (see below)	8,716,211	8,350,065
Due to TD bank (residential properties) (see below)	1,917,400	-
Due to TD bank (interim acquisition facility) (see below)	110,000	-
Debentures debt (see below)	2,478,259	3,309,213
	\$ 19,712,313	\$ 18,462,046

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

2021	\$ 1,540,594
2022	1,290,399
2023	1,144,177
2024	1,074,859
2025	685,761
Thereafter	13,976,523
	\$ 19,712,313

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2020

6. LONG-TERM DEBT (CONT'D)

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 29 (2019 - 33) debentures with interest rates ranging from 6.09% to 7.81% (2019 6.09% to 7.81%). The principal and interest payments for 2020 were \$1,038,103.

The first loan from TD Bank is a swap rate term 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.

The second loan from TD Bank is a swap rate term loan agreement on 183-189 5th Avenue, 45 Spruce Street, and 71 Main Street, all in Timmins, Ontario. The loan is a 30 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 1.07% plus a 0.71% stamping fee for an all-in interest rate of 1.78%. 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 183-189 5th Avenue, 45 Spruce Street, and 71 Main Street and an assignment of fire insurance on said property. This loan matures in December 2050.

The third loan from TD bank is a variable interim loan agreement for various housing projects within Cochrane District. The loan is unsecured with no specific terms of repayment, repayable on demand, and bearing interest and the prime rate (2020: 2.45%) - 0.5%.

	2020	2019
TD loans payable	\$ 9,884,673	\$ 8,126,465
Plus fair value adjustment of derivative	858,938	223,600
	\$ 10,743,611	\$ 8,350,065

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2020

7. DEFERRED REVENUE

	2020	2019
Tenants' prepaid rent	\$ 147,291	\$ 131,538
Ministry of Labour, Training and Skills Development	103,009	42,612
LEAP - Energy bank	28,603	26,329
Community Homelessness Prevention Initiative	189,189	92,895
Canada Ontario Housing Benefit	7,750	-
Affordable Housing Program	848,898	623,630
Home For Good Supportive Housing	181,348	129,310
Social Housing Improvement Program	792,704	555,990
Social Infrastructure Fund	38,735	85,638
Anti-Human Trafficking Other Housing	33,896	18,189
Nurse Offload	13,962	-
Childcare ELCC	62,779	-
Childcare One-Time Funding	649,600	-
	\$ 3,097,764	\$ 1,706,131

8. RETIREMENT AND OTHER EMPLOYEE FUTURE BENEFITS

	2020	2019
	Total Employee Future Benefits	Total Employee Future Benefits
Accrued employee future benefit obligations, beginning of year	\$ 1,811,648	\$ 1,791,982
Add: current year benefit cost	104,702	98,939
Add: interest on accrued benefit obligation	63,022	61,662
Recognized actuarial losses (gains)	(7,070)	(7,070)
Less: benefits paid	(120,586)	(133,865)
Total expenses	40,068	19,666
Accrued employee future benefit obligations, ending of year	\$ 1,851,716	\$ 1,811,648

The accrued benefit obligations for employee future benefit plans as at December 31, 2020 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, 2020

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

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

	2020
	%
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	11 years for retirement benefits and 11 years for sick leave.
Expected future retirement rates	11 years for retirement benefits and 11 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 the Organization's 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 Organization early retirees will receive early retirement benefits until age 65.
Life and Dependent Life	133% of UP-94_2024.

A reserve fund of \$617,989 (2019 - \$608,483) 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 \$280,566 (2019 - \$271,166) and \$559,409 (2019 - \$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, 2020

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

RETIREMENT BENEFITS

(a) RETIREMENT GRATUITIES

The Organization 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 Organization 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 Organization is a Schedule 1 employer under the Workplace Safety and Insurance Act and, as such, the Organization insures all claims by its injured workers under the Act. The Organization's insurance premiums for the year ended December 31, 2020 were \$357,507 (2019 - \$804,806) and are included in the Organization's current year benefit costs. No liabilities for claims by its injured workers under the Act are included in the Organization's financial statements.

(b) LONG-TERM DISABILITY

The Organization provides life insurance, dental and health care benefits to employees on long-term disability leave. The Organization 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.

9. RESERVES AND RESERVE FUNDS

Reserves are comprised of the following:

	2020	2019
For organization sick leave	\$ 280,566	\$ 271,166
For working capital	2,627,644	4,086,847
For computer/organization development	995,000	795,000
For investment in affordable housing	1,401,412	1,401,412
For housing working capital	500,557	245,000
For MOH - LA - severance	559,409	559,409
For MOH - LA - vehicle	425,000	225,000
For childcare mitigation funding	1,357,201	591,201
For homelessness capital and services	542,242	500,000
TOTAL RESERVES (Schedule 4)	\$ 8,689,031	\$ 8,675,035

Reserve funds are comprised of the following:

	2020	2019
500 Algonquin	\$ 1,108,514	\$ 1,042,287
Housing Employee Entitlement	617,989	608,483
Public Housing Capital	1,683,105	1,657,215
Federal Housing Capital	717,819	706,777
Moosonee Public Housing Capital	202,054	198,946
Non-Profit Housing Capital	388,814	382,833
TOTAL RESERVE FUNDS (Schedule 5)	\$ 4,718,295	\$ 4,596,541

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2020

10. PENSION AGREEMENTS

The Organization 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 2020 was \$1,403,285 (2019 - \$1,318,879) 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 the Organization's financial statements.

11. FINANCIAL INSTRUMENTS

The Organization 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, 2020.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Organization is exposed to credit risk from tenants. In order to reduce its credit risk, the Organization 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 Organization has a significant number of clients which minimizes the concentration of credit risk.

Fair value

The Organization'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 Organization 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 Organization is exposed to interest rate risk primarily through its floating interest rate.

12. COMMITMENTS

The Organization has leased office space under operating leases for various periods up to the year 2043. The Board is also paying rent on a month-to-month basis for leased office space.

Future minimum lease payments are as follows:

2021	\$ 130,536
2022	\$ 129,562
2023	\$ 87,118
2024	\$ 56,964
2025	\$ 29,000
Subsequent	\$ 519,583

13. ECONOMIC DEPENDENCE

The majority of the Organization'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, 2020

14. CONTINGENCIES

The Organization is involved in a number of claims and possible claims which are a result of normal on-going operations. In the eventuality that the Organization 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.

15. SEGMENTED INFORMATION

The Organization 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-geared-to-income assistance to eligible households in the Cochrane District. The department also manages a housing portfolio of 1,284 units and 217 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-geared-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

The Organization 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, 2020

16. CREDIT FACILITY AGREEMENTS

The Organization has three credit facilities in place with CIBC. The first facility is in the amount of \$5,000,000 (2019 - \$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 \$1,000,000 (2019 - \$1,000,000) 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 the balance is repayable on demand. The third facility is in the amount of \$300,000 (2019 - \$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 the balance is repayable on demand. At December 31, 2020, the full amount of the admin, client and housing facilities were available.

17. COMPARATIVE FIGURES

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

18. BUDGET INFORMATION

The Budget adopted by the Board of Directors on January 16, 2020 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 January 16, 2020 with adjustments as follows:

	2020
Budget surplus for the year	\$ -
Add:	
Capital expenditures	1,656,274
Debt principal repayments	1,438,671
Transfer to accumulated surplus	50,000
Less:	
Amortization	2,480,335
Budget surplus per statement of financial activities	\$ 664,610

19. EXPENDITURES BY OBJECT

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

	2020	2019
Salaries	\$ 20,613,084	\$ 19,621,293
Materials and services	13,238,199	12,806,601
Rent and financial expenses	1,797,764	2,021,008
External transfers	37,377,860	37,529,989
Contracted services	1,289,298	1,317,994
Total expenditure	\$ 74,316,205	\$ 73,296,885

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

SCHEDULE OF OPERATIONS- PROGRAM FUNDING

SCHEDULE 1

YEAR ENDED DECEMBER 31

(UNAUDITED)

	COMMUNITY PARAMEDICINE	LAND AMBULANCE <i>(Note 2)</i>	EMPLOYMENT SUPPORTS MOOSONEE	EMPLOYMENT SUPPORTS <i>(Note 3)</i>	CHILDCARE OTHER	CHPI/ HOMELESSNESS INITIATIVE	OTHER SOCIAL ASSISTANCE	2020 SUB TOTAL
EXPENSES <i>(Note 1)</i>	\$ 228,601	\$ 12,583,364	\$ 6,172	\$ 1,306,928	\$ 2,454	\$ 2,289,148	\$ 14,579	\$ 16,431,246
EXPENSES ARE ALLOCATED AS FOLLOWS:								
% OF EXPENSES FUNDED BY MINISTRIES	100%	<i>(Note 2)</i>	100%	100%	80%	100%	100%	N/A
MINISTRIES	228,601	6,715,344	6,172	1,306,928	2,280	2,289,148	14,579	10,563,052
BALANCE TO BE ALLOCATED	-	5,868,020	-	-	174	-	-	5,868,194
UNINCORPORATED TERRITORIES - OTHER	-	671,301	-	-	-	-	-	671,301
UNINCORPORATED TERRITORIES - EDU	-	-	-	-	-	-	-	-
UNINCORPORATED TERRITORIES - MCCSS	-	-	-	-	-	-	-	-
MUNICIPALITIES <i>(Sch. 2)</i>	-	5,196,719	-	-	174	-	-	5,196,893
TOTAL REVENUE	\$ 228,601	\$ 12,583,364	\$ 6,172	\$ 1,306,928	\$ 2,454	\$ 2,289,148	\$ 14,579	\$ 16,431,246

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 \$6,715,344 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 MOOSONEE	NON- PROFIT HOUSING	NON-PROFIT HOUSING MOOSONEE	O.W. COST OF ADMINISTRATION (Note 2)	COMMUNITY REINVESTMENT	2020 SUB TOTAL
EXPENSES (Note 1)	\$ 1,238,854	\$ 13,361,840	\$ 1,000,759	\$ 5,507,599	\$ 1,741,726	\$ 4,209,346	\$ 152,840	\$ 27,212,964
EXPENSES ALLOCATED AS FOLLOWS:								
% OF EXPENSES FUNDED BY MINISTRIES	0%	0%	100%	0%	100%	50%	0%	N/A
OTHER	637,285	6,642,397	582,810	-	-	-	-	7,862,492
FEDERAL GOVERNMENT	-	1,842,635	-	1,783,182	-	-	-	3,625,817
MINISTRIES	-	250	417,949	-	1,741,726	2,022,817	-	4,182,742
	637,285	8,485,282	1,000,759	1,783,182	1,741,726	2,022,817	-	15,671,051
BALANCE TO BE ALLOCATED	601,569	4,876,558	-	3,724,417	-	2,186,529	152,840	11,541,913
UNINCORPORATED TERRITORIES - OTHER	68,819	557,902	-	426,073	-	-	-	1,052,794
UNINCORPORATED TERRITORIES - EDU	-	-	-	-	-	-	17,485	17,485
UNINCORPORATED TERRITORIES - MCCSS	-	-	-	-	-	250,139	-	250,139
MUNICIPALITIES (Sch. 2)	532,750	4,318,656	-	3,298,344	-	1,936,390	135,355	10,221,495
TOTAL REVENUE	\$ 1,238,854	\$ 13,361,840	\$ 1,000,759	\$ 5,507,599	\$ 1,741,726	\$ 4,209,346	\$ 152,840	\$ 27,212,964

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 \$4,045,634. 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)

	FIRST NATIONS FUNDING	CHILDCARE RESOURCE CENTRES	O.W. ASSISTANCE REG (Note 2)	O.W. ASSISTANCE I.W.S.	MOOSONEE O.W. ASSISTANCE	CHILDCARE FOR PROFIT	CHILDCARE ADMINISTRATION	2020 SUB TOTAL
EXPENSES (Note 1)	\$ 21,300	\$ 1,342,973	\$ 13,445,044	\$ 49,245	\$ 3,080,416	\$ 639,853	\$ 605,545	\$ 19,184,376
EXPENSES ALLOCATED AS FOLLOWS:								
% OF EXPENSES FUNDED BY MINISTRIES	0%	100%	100%	100%	100%	Note 3	Note 3	N/A
GOVERNMENT OF CANADA MINISTRIES	21,300	-	-	-	-	-	-	21,300
	-	1,342,973	13,445,044	49,245	3,080,416	617,040	543,679	19,078,397
	21,300	1,342,973	13,445,044	49,245	3,080,416	617,040	543,679	19,099,697
BALANCE TO BE ALLOCATED	-	-	-	-	-	22,813	61,866	84,679
UNINCORPORATED TERRITORIES - OTHER	-	-	-	-	-	-	-	-
UNINCORPORATED TERRITORIES - EDU	-	-	-	-	-	2,610	7,077	9,687
UNINCORPORATED TERRITORIES - MCCSS	-	-	-	-	-	-	-	-
MUNICIPALITIES (Sch. 2)	-	-	-	-	-	20,203	54,789	74,992
TOTAL REVENUE	\$ 21,300	\$ 1,342,973	\$ 13,445,044	\$ 49,245	\$ 3,080,416	\$ 639,853	\$ 605,545	\$ 19,184,376

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. The discretionary cap was waived in 2020 due to the pandemic. Caseload includes OW, ODSP, TCA and ACSD. Any amounts over are non-shareable and become a municipal cost.

Note 3: The Ministry of Education funded 100% of the Moosonee TWOMO costs, and 80%/50% (Childcare for Profit/Childcare Administration) of the District cost up to the annual maximum. The remaining expenses were funded by the Municipalities.

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	2020 SUB TOTAL
EXPENSES (Note 1)	\$1,088,691	\$ 369,955	\$ 367,804	\$ 627,168	\$ 4,690,475	\$ 221,150	\$ 88,575	\$ 7,453,818
EXPENSES ALLOCATED AS FOLLOWS:								
% OF EXPENSES FUNDED BY MINISTRIES	100%	100%	Note 2	100%	80% & 100%	100%	0%	N/A
MINISTRIES	1,088,691	369,955	346,173	627,168	4,439,037	221,150	-	7,092,174
BALANCE TO BE ALLOCATED	-	-	21,631	-	251,438	-	88,575	361,644
UNINCORPORATED TERRITORIES - OTHER	-	-	-	-	-	-	-	-
UNINCORPORATED TERRITORIES - EDU	-	-	2,475	-	28,765	-	-	31,240
UNINCORPORATED TERRITORIES - MCCSS	-	-	-	-	-	-	10,133	10,133
MUNICIPALITIES (Sch. 2)	-	-	19,156	-	222,673	-	78,442	320,271
TOTAL REVENUE	\$1,088,691	\$ 369,955	\$ 367,804	\$ 627,168	\$ 4,690,475	\$ 221,150	\$ 88,575	\$ 7,453,818

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 Education funded 100% of the Moosonee TWOMO costs, and 80% of the District cost up to the annual maximum. The remaining expenses were funded by the Municipalities.

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

SCHEDULE OF OPERATIONS - PROGRAM FUNDING (CONT'D)

SCHEDULE 1 (CONT'D)

YEAR ENDED DECEMBER 31

	OEYIC	CHILDCARE SAFE RESTART	HOME FOR GOOD SUPPORTIVE HOUSING	ANTI-HUMAN TRAFFICKING OTHER HOUSING	MOOSONEE CHILDCARE ADMINISTRATION	COVID-19 ONE-TIME FUNDING	EMPLOYMENT ONTARIO	2020 SUB TOTAL
EXPENSES (Note 1)	\$ 117,682	\$ 672,110	\$ 315,008	\$ 41,060	\$ 137,852	\$ 490,533	\$ 705,209	\$ 2,479,454
EXPENSES ALLOCATED AS FOLLOWS:								
% OF EXPENSES FUNDED BY MINISTRIES	100%	100%	100%	100%	100%	100%	100%	N/A
MINISTRIES	117,682	672,110	315,008	41,060	137,852	490,533	705,209	2,479,454
BALANCE TO BE ALLOCATED	-	-	-	-	-	-	-	-
UNINCORPORATED TERRITORIES - OTHER	-	-	-	-	-	-	-	-
UNINCORPORATED TERRITORIES - EDU	-	-	-	-	-	-	-	-
UNINCORPORATED TERRITORIES - MCCSS	-	-	-	-	-	-	-	-
MUNICIPALITIES (Sch. 2)	-	-	-	-	-	-	-	-
TOTAL REVENUE	\$ 117,682	\$ 672,110	\$ 315,008	\$ 41,060	\$ 137,852	\$ 490,533	\$ 705,209	\$ 2,479,454

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)

	PANDEMIC PAY	ELCC AND COMMUNITY BASED CAPITAL	CHILDCARE EXPANSION	MOOSONEE EXPANSION	EARLY YEARS PLANNING	BOARD	2020 SUB TOTAL	2020 TOTAL
EXPENSES (Note 1)	\$ 270,179	\$ 683,791	\$ 955,036	\$ 34,125	\$ 292,318	\$ 52,833	\$ 2,288,282	\$ 75,050,140
EXPENSES ALLOCATED AS FOLLOWS:								
% OF EXPENSES FUNDED BY MINISTRIES	100%	100%	100%	100%	100%	0%	N/A	N/A
OTHER	-	-	-	-	-	-	-	7,862,492
FEDERAL GOVERNMENT	-	-	-	-	-	-	-	3,647,117
MINISTRIES	270,179	683,791	955,036	34,125	292,318	-	2,235,449	45,631,268
	270,179	683,791	955,036	34,125	292,318	-	2,235,449	57,140,877
BALANCE TO BE ALLOCATED	-	-	-	-	-	52,833	52,833	17,909,263
UNINCORPORATED TERRITORIES - OTHER	-	-	-	-	-	-	-	1,724,095
UNINCORPORATED TERRITORIES - EDU	-	-	-	-	-	-	-	58,412
UNINCORPORATED TERRITORIES - MCCSS	-	-	-	-	-	6,044	6,044	266,316
MUNICIPALITIES (Sch. 2)	-	-	-	-	-	46,789	46,789	15,860,440
TOTAL REVENUE	\$ 270,179	\$ 683,791	\$ 955,036	\$ 34,125	\$ 292,318	\$ 52,833	\$ 2,288,282	\$ 75,050,140

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

-----2020-----								
	Weighted Assessment (%)	Original Contribution	Share of Expenses	Corporate Service Adjustment	Current Position Due to Municipality	In-Year Draw on Reserve	Transfer to Reserve	Due to Municipality
Cochrane	7.16	\$ 1,217,630	\$ 1,135,608	\$ (22,786)	\$ 104,808	\$ -	\$ (104,808)	\$ -
Fauquier- Strickland	0.95	161,557	150,674	(3,023)	13,906	-	(13,906)	-
Hearst	5.47	930,228	867,566	(17,408)	80,070	-	(80,070)	-
Iroquois Falls	6.00	1,020,360	951,627	(19,095)	87,828	-	(87,828)	-
Kapuskasing	7.34	1,248,240	1,164,156	(23,359)	107,443	-	(107,443)	-
Black River-Matheson	5.09	865,605	807,297	(16,199)	74,507	-	(74,507)	-
Mattice - Val Coté	1.40	238,084	222,046	(4,455)	20,493	-	(20,493)	-
Moonbeam	1.89	321,413	299,762	(6,015)	27,666	-	(27,666)	-
Opasatika	0.57	96,934	90,404	(1,814)	8,344	-	(8,344)	-
Smooth Rock Falls	1.80	306,108	285,488	(5,728)	26,348	-	(26,348)	-
Timmins	61.49	10,456,988	9,752,584	(195,686)	900,090	-	(900,090)	-
Val Rita - Harty	0.84	142,851	133,228	(2,673)	12,296	-	(12,296)	-
	100.00	17,005,998	15,860,440	(318,241)	1,463,799	-	(1,463,799)	-
Unincorporated territories - other	11.44	1,818,801	1,724,095	(34,594)	129,300	-	-	129,300
Unincorporated territories - MCCSS	11.44	278,853	266,316	(5,344)	17,881	-	-	17,881
Unincorporated territories - EDU	11.44	99,151	58,412	(1,172)	41,911	-	-	41,911
Unincorporated territories - Blended %	11.44	2,196,805	2,048,823	(41,110)	189,092	-	-	189,092
	111.44	\$ 19,202,803	\$ 17,909,263	\$ (359,351)	\$ 1,652,891	\$ -	\$(1,463,799)	\$ 189,092

NOTES:

- 1) The above figures are based on weighted assessment and 2020 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**

	2020	2019
Approved funding	\$ 48,583,756	\$ 46,819,942
Deferred revenue	(1,033,180)	(161,835)
	47,550,576	46,658,107
Share of expenses	45,631,268	45,732,526
Due to Province - MCCSS/EDU	\$ 1,919,308	\$ 925,581

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

ANALYSIS OF RESERVES

SCHEDULE 4

YEAR ENDED DECEMBER 31, 2020

	WORKING CAPITAL	ORGANIZATION/ SICK LEAVE	COMPUTER DEVELOPMENT	MOH/LA SEVERANCE	MOH/LA VEHICLE	INVESTMENT IN AFFORDABLE HOUSING	HOUSING CAPITAL	CHILDCARE MITIGATION FUNDING	HOMELESSNESS CAPITAL AND SERVICES	TOTAL
RESERVES										
BALANCE, beginning of year	\$ 4,086,847	\$ 271,166	\$ 795,000	\$ 559,409	\$ 225,000	\$1,401,412	\$ 245,000	\$ 591,201	\$ 500,000	\$ 8,675,035
TRANSFER FROM										
APPROPRIATIONS FROM CURRENT OPERATIONS	-	9,400	200,000	-	200,000	-	255,557	766,000	42,242	1,473,199
APPROPRIATIONS FROM PRIOR OPERATIONS	(1,459,203)	-	-	-	-	-	-	-	-	(1,459,203)
BALANCE, end of year	\$ 2,627,644	\$ 280,566	\$ 995,000	\$ 559,409	\$ 425,000	\$1,401,412	\$ 500,557	\$1,357,201	\$ 542,242	\$ 8,689,031

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

ANALYSIS OF RESERVE FUNDS

SCHEDULE 5

YEAR ENDED DECEMBER 31, 2020

	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	\$ 1,042,287	\$ 382,833	\$ 1,657,215	\$ 608,483	\$ 706,777	\$ 198,946	\$ 4,596,541
INCOME EARNED IN YEAR	16,227	5,981	25,890	9,506	11,042	3,108	71,754
APPROPRIATIONS FROM CURRENT OPERATIONS	50,000	-	-	-	-	-	50,000
BALANCE, end of year	\$ 1,108,514	\$ 388,814	\$ 1,683,105	\$ 617,989	\$ 717,819	\$ 202,054	\$ 4,718,295

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

SCHEDULE OF SEGMENT DISCLOSURE

SCHEDULE 6

YEAR ENDED DECEMBER 31, 2020

	LAND AMBULANCE	SOCIAL HOUSING	ONTARIO WORKS	CHILD CARE	TOTAL
REVENUES					
Ministries	\$ 7,704,657	\$ 6,114,982	\$ 21,257,578	\$10,554,051	\$45,631,268
Government of Canada	-	3,625,817	21,300	-	3,647,117
Municipalities	5,196,719	8,149,750	2,061,621	452,350	15,860,440
Unincorporated territories	671,301	1,052,794	266,316	58,412	2,048,823
Rent	-	7,862,492	-	-	7,862,492
Revenues per Schedule 1	13,572,677	26,805,835	23,606,815	11,064,813	75,050,140
Due to EDU	-	-	-	1,919,313	1,919,313
Due to Municipalities	799,962	200,987	138,406	324,444	1,463,799
Due to unincorporated territories	103,338	25,962	17,881	41,911	189,092
Revenues per statement of financial activities	14,475,977	27,032,784	23,763,102	13,350,481	78,622,344
EXPENSES					
Salaries	10,035,256	4,618,552	5,097,067	822,138	20,573,013
Materials and services	2,123,106	9,448,906	1,762,378	546,661	13,881,051
Rent and financial expenses	125,017	1,636,720	117,181	-	1,878,918
External transfers	-	11,101,657	16,630,189	9,696,014	37,427,860
Contracted services	1,289,298	-	-	-	1,289,298
Expenses per Schedule 1	13,572,677	26,805,835	23,606,815	11,064,813	75,050,140
Gain on disposal of assets	(28,242)	-	-	-	(28,242)
Post-employment benefits	2,805	4,407	30,051	2,805	40,068
Income earned on reserve funds	-	(81,151)	-	-	(81,151)
Capital expenditures	(530,072)	(2,492,282)	(72,591)	-	(3,094,945)
Transfer to reserves	-	-	(50,000)	-	(50,000)
Amortization	594,089	1,533,372	350,851	2,023	2,480,335
Expenses per statement of financial activities	13,611,257	25,770,181	23,865,126	11,069,641	74,316,205
NET REVENUES	\$ 864,720	\$ 1,262,603	\$ (102,024)	\$ 2,280,840	\$ 4,306,139

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

SCHEDULE OF SEGMENT DISCLOSURE (CONT'D)

SCHEDULE 6 (CONT'D)

YEAR ENDED DECEMBER 31, 2019

	LAND AMBULANCE	SOCIAL HOUSING	ONTARIO WORKS	CHILD CARE	TOTAL
REVENUES					
Ministries	\$ 6,299,787	\$ 3,997,287	\$ 22,252,239	\$13,183,213	\$45,732,526
Government of Canada	-	3,667,625	-	-	3,667,625
Municipalities	5,796,617	7,260,861	1,961,880	672,311	15,691,669
Unincorporated territories	734,783	920,390	248,689	85,223	1,989,085
Rent	-	7,490,326	-	-	7,490,326
Revenues per 2019 Schedule 1	12,831,187	23,336,489	24,462,808	13,940,747	74,571,231
Due to MCCSS	-	-	66,085	-	66,085
Due to EDU	-	-	-	859,496	859,496
Due to Municipalities	87,199	1,351,953	213,296	245,956	1,898,404
Due to unincorporated territories	11,053	171,374	27,038	31,178	240,643
Revenues per statement of financial activities	12,929,439	24,859,816	24,769,227	15,077,377	77,635,859
EXPENSES					
Salaries	9,595,398	4,080,130	5,074,059	852,040	19,601,627
Materials and services	1,793,634	9,689,409	1,795,766	668,395	13,947,204
Rent and financial expenses	124,161	1,881,467	118,789	-	2,124,417
External transfers	-	9,042,284	16,117,393	12,420,312	37,579,989
Contracted services	1,317,994	-	-	-	1,317,994
Expenses per 2019 Schedule 1	12,831,187	24,693,290	23,106,007	13,940,747	74,571,231
Loss on disposal of assets	(52,102)	-	-	-	(52,102)
Post-employment benefits	1,377	2,163	14,749	1,377	19,666
Income earned on reserve funds	-	(103,409)	-	-	(103,409)
Capital expenditures	(485,169)	(3,003,040)	(76,334)	-	(3,564,543)
Transfer to reserves	-	-	(50,000)	-	(50,000)
Amortization	571,538	1,547,952	354,257	2,295	2,476,042
Expenses per statement of financial activities	12,866,831	23,136,956	23,348,679	13,944,419	73,296,885
NET REVENUES	\$ 62,608	\$ 1,722,860	\$ 1,420,548	\$ 1,132,958	\$ 4,338,974

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

SCHEDULE OF ACCUMULATED SURPLUS

YEARS ENDED DECEMBER 31

	2020	2019
RESERVE FUNDS		
500 Algonquin	\$ 1,108,514	\$ 1,042,287
Non-Profit Housing Capital	388,814	382,833
Public Housing Capital	1,683,105	1,657,215
Housing Employee Entitlement	617,989	608,483
Federal Housing Capital	717,819	706,777
Moosonee Public Housing Capital	202,054	198,946
TOTAL RESERVE FUNDS	4,718,295	4,596,541
RESERVES		
Sick Leave	280,566	271,166
Working Capital	2,627,644	4,086,847
Organization/Computer Development	995,000	795,000
MOH/LA Severance	559,409	559,409
MOH/LA Vehicle	425,000	225,000
Investment in Affordable Housing	1,401,412	1,401,412
Housing Working Capital	500,557	245,000
Childcare Mitigation Funding	1,357,201	591,201
Homelessness - Capital & Services	542,242	500,000
TOTAL RESERVES	8,689,031	8,675,035
TOTAL RESERVE FUNDS AND RESERVES	13,407,326	13,271,576
SURPLUS (DEFICIT)		
Invested in Tangible Capital Assets	28,208,302	27,721,622
General Revenue Fund	(3,338,327)	(2,919,567)
UNFUNDED		
Employee Benefits Payable	(1,851,716)	(1,811,648)
TOTAL SURPLUS	23,018,259	22,990,407
ACCUMULATED SURPLUS	\$36,425,585	\$36,261,983

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	2020	2019
Cost							
Opening costs	\$ 3,946,811	\$ 53,927,370	\$ 4,116,235	\$ 1,470,901	\$ 4,637,438	68,098,755	\$ 66,580,082
Additions during the year	131,943	3,499,043	361,644	109,961	139,568	4,242,159	1,753,852
Disposals and write downs	-	-	(449,435)	(334,279)	-	(783,714)	(235,179)
Closing costs	4,078,754	57,426,413	4,028,444	1,246,583	4,777,006	71,557,200	68,098,755
Accumulated Amortization							
Opening accum'd amortization	1,279,253	14,687,177	2,286,399	1,112,795	2,549,463	21,915,087	19,655,639
Amortization	78,939	1,407,107	460,501	129,019	404,769	2,480,335	2,476,042
Disposals and write downs	-	-	(424,558)	(334,279)	-	(758,837)	(216,594)
Closing accum'd amortization	1,358,192	16,094,284	2,322,342	907,535	2,954,232	23,636,585	21,915,087
Net Book Value of Tangible Capital Assets	\$ 2,720,562	\$ 41,332,129	\$ 1,706,102	\$ 339,048	\$ 1,822,774	\$ 47,920,615	\$ 46,183,668

Included in the assets above are assets in the amount of \$1,365,203 which are not being amortized as they are either under construction or have not yet been put to use.

During the year, tangible capital assets were acquired at an aggregate cost of \$4,242,159 (2019 - \$1,753,852), of which \$2,053,600 (2019 - \$Nil) was acquired by means of debt and \$2,188,559 (2019 - \$1,752,852) was acquired in cash.