

Consolidated Financial Statements of

**DISTRICT OF NIPISSING
SOCIAL SERVICES
ADMINISTRATION BOARD**

Year ended December 31, 2017

Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of The District of Nipissing Social Services Administration Board are the responsibility of the Board's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Board's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by Management.

The Board meets with Management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by the Board. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Board's consolidated financial statements.

Joseph Bradbury
Chief Administrative Officer



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INDEPENDENT AUDITORS' REPORT

To the Directors of District of Nipissing Social Services Administration Board

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

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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



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

Opinion

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

Other Matters

Our audit was conducted for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The current year's supplementary information included in the Schedules is presented for the purpose of additional analysis and is not a required part of the basic consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic consolidated financial statements taken as a whole.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada
June 20, 2018

DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD

Consolidated Statement of Financial Position

December 31, 2017, with comparative information for 2016

	2017	2016
Financial assets		
Cash	\$ 11,181,396	\$ 7,362,663
Accounts receivable (note 2)	2,412,714	3,320,000
Investments (note 3)	4,090,811	4,039,943
	17,684,921	14,722,606
Financial liabilities		
Accounts payable and accrued liabilities	5,242,914	3,616,608
Current portion of long-term debt (note 5)	947,631	3,165,200
Deferred revenue - other (note 4)	3,706,721	3,279,443
Deferred revenue - long-term (note 4)	3,139,038	3,302,942
Long-term debt (note 5)	7,098,974	5,845,778
	20,135,278	19,209,971
Net debt	(2,450,357)	(4,487,365)
Non-financial assets		
Tangible capital assets (note 6)	33,493,090	33,472,136
Other	1,730,249	1,789,523
	35,223,339	35,261,659
Forgiveable loans (note 10)		
Commitments (note 11)		
Accumulated surplus (note 7)	\$ 32,772,982	\$ 30,774,294

The accompanying notes are an integral part of these consolidated financial statements.

On behalf of the Board:

_____ Director

_____ Director

DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD

Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2017, with comparative information for 2016

	2017 Budget	2017	2016
(Unaudited - note 12)			
Revenue:			
Municipal levy	\$ 18,708,866	\$ 18,708,866	\$ 18,380,513
Ministry of Community and Social Services	27,812,355	25,589,484	24,482,231
Ministry of Education	8,541,427	9,210,702	8,903,886
Ministry of Municipal Affairs and Housing	14,244,251	11,043,997	7,710,937
Ministry of Health and Long-Term Care	4,904,272	4,971,490	4,667,119
Employment and Social Development Canada	135,714	101,476	182,216
Ontario Trillium Foundation	-	250,000	375,000
Interest, recoveries and other	1,490,875	1,310,272	1,123,451
Rent	4,154,323	4,247,805	4,119,631
	79,992,083	75,434,092	69,944,984
Expenses:			
Ontario Works Financial Benefits	23,164,072	21,344,392	21,559,225
Social Housing Program	18,695,152	14,325,599	10,977,006
Child Care Program	10,983,979	10,365,742	10,067,495
EMS - Land Ambulance Program	9,236,971	9,576,948	8,580,012
Administration	2,547,911	2,574,193	2,355,615
Ontario Works Employment Program	6,075,788	5,896,485	5,646,220
Innovation Fund	470,000	470,000	443,440
Homelessness Program	135,714	81,476	162,216
Board	73,400	106,523	63,352
Nipissing District Housing Corporation	7,403,578	6,904,261	7,928,468
Amortization of tangible capital assets	376,000	1,368,739	1,138,140
	79,162,565	73,014,358	68,921,189
Excess of revenue over expenses			
before undernoted items	829,518	2,419,734	1,023,795
Loss on disposal of tangible capital assets	-	(66,359)	(22,357)
Provincial settlements	-	(354,687)	(222,383)
	829,518	1,998,688	779,055
Accumulated surplus, beginning of the year	30,774,294	30,774,294	29,995,239
Accumulated surplus, end of the year	\$ 31,603,812	\$ 32,772,982	\$ 30,774,294

The accompanying notes are an integral part of these consolidated financial statements.

DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD

Consolidated Statement of Change in Net Debt

Year ended December 31, 2017, with comparative information for 2016

	2017	2016
Excess of revenue over expenses	\$ 1,998,688	\$ 779,055
Acquisition of tangible capital assets	(1,470,622)	(626,005)
Amortization of tangible capital assets	1,368,739	1,138,140
Proceeds on disposal of tangible capital assets	14,570	7,220
Loss on disposal of tangible capital assets	66,359	22,357
	1,977,734	1,320,767
Decrease (increase) in other assets	59,274	(466,877)
Change in net debt	2,037,008	853,890
Net debt, beginning of year	(4,487,365)	(5,341,255)
Net debt, end of year	\$ (2,450,357)	\$ (4,487,365)

The accompanying notes are an integral part of these consolidated financial statements.

DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD

Consolidated Statement of Cash Flows

Year ended December 31, 2017, with comparative information for 2016

	2017	2016
Cash flows from operating activities:		
Excess of revenue over expenses	\$ 1,998,688	\$ 779,055
Items not involving cash:		
Amortization of tangible capital assets	1,368,739	1,138,140
Loss on disposal of tangible capital assets	66,359	22,357
	3,433,786	1,939,552
Change in non-cash working capital:		
Decrease (increase) in accounts receivable	907,286	(2,594,648)
Decrease (increase) in other non-financial assets	59,274	(466,877)
Increase in deferred revenue - other	427,278	890,663
Increase (decrease) in accounts payable and accrued liabilities	1,626,306	(47,011)
	6,453,930	(278,321)
Cash flows from financing activities:		
Increase (decrease) in deferred revenue - long-term	(163,904)	14,568
Repayment of long-term debt	(964,373)	(1,072,963)
	(1,128,277)	(1,058,395)
Cash flow from capital activities:		
Cash used to acquire tangible capital assets	(1,470,622)	(626,005)
Cash received on disposal of tangible capital assets	14,570	7,220
	(1,456,052)	(618,785)
Cash flows from investing activities:		
Increase in investments	(50,868)	(130,934)
Increase (decrease) in cash	3,818,733	(2,086,435)
Cash, beginning of year	7,362,663	9,449,098
Cash, end of year	\$ 11,181,396	\$ 7,362,663

The accompanying notes are an integral part of these consolidated financial statements.

DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD

Notes to Consolidated Financial Statements

Year ended December 31, 2017

The primary goal of the District of Nipissing Social Services Administration Board (the "Board") is to deliver an innovative and increased level of integrated social services comprised of Ontario Works, Children's Services, Social Housing and Emergency Medical Services to the citizens of the District of Nipissing. The Board's basic principles are to offer simplified access to service, enhanced customer service and sensitivity to language and cultural diversity.

The participating municipalities are as follows:

- The Corporation of the City of North Bay
- Town of West Nipissing
- Township of East Ferris
- Town of Temagami
- Township of South Algonquin
- Township of Bonfield
- Township of Calvin
- Township of Papineau-Cameron
- Town of Mattawa
- Township of Chisholm
- Township of Mattawan
- Certain unincorporated areas in the District of Nipissing

1. Significant accounting policies:

The consolidated financial statements of the Board are prepared by management in accordance with Canadian generally accepted accounting principles for government organizations as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Board are as follows:

(a) Basis of consolidation:

Consolidated entities:

These consolidated financial statements reflect the assets, liabilities, revenues, and expenses of the reporting entity. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Board and which are owned or controlled by the Board.

These financial statements include the Nipissing District Housing Corporation.

All inter-departmental and inter-organizational transactions and balances between these entities and organizations have been eliminated.

DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD

Notes to Consolidated Financial Statements

Year ended December 31, 2017

1. Significant accounting policies (continued):

(b) Basis of accounting:

Revenue and expenses are reported on the accrual basis of accounting.

The accrual basis of accounting recognizes revenue as they are earned and measurable. Expenses 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.

(c) 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.

(i) Tangible capital assets

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land, are amortized on a declining-balance basis using the following annual rates:

Asset	Rate
Buildings	2.5%
Office equipment	10% - 55%
Ambulances and other vehicles	20% - 30%
Medical equipment	25%
Machinery and equipment	10%
Leasehold improvements	Straight line over the term of the lease

Amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for use.

(ii) Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are recorded as revenue.

(d) Reserves and reserve funds:

Certain amounts, as approved by the Board, are set aside in reserves or reserve funds for future operating and capital purposes. Transfers to and/or from the reserves and reserve funds are an adjustment to the respective fund when approved.

DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD

Notes to Consolidated Financial Statements

Year ended December 31, 2017

1. Significant accounting policies (continued):

(e) Government subsidies:

Government subsidies are recognized in the consolidated financial statements as revenues in the period in which events giving rise to the subsidy occur, providing the subsidies are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made.

(f) Investments:

Investments are recorded at cost. Temporary declines in the market value of the long-term investments are not adjusted.

(g) Use of estimates:

The preparation of the consolidated financial statements 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 dates of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include valuation allowances for receivables and valuation of the Canada - Ontario Affordable Housing Program Loans. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

2. Accounts receivable:

	2017	2016
Province of Ontario:		
Ministry of Community and Social Services	\$ 349,260	\$ 2,367,070
Ministry of Municipal Affairs and Housing	954,936	181,746
Ministry of Education	73,153	-
Ministry of Health and Long-Term Care	49,912	-
Other:		
Township of Bonfield	75,371	-
Township of Mattawan	3,733	-
Municipality of Temagami	67,637	66,201
Township of Papineau-Cameron	20,413	19,715
Township of East Ferris	93,045	-
Township of Chisholm	19,370	37,510
Township of Calvin	17,474	-
Township of South Algonquin	39,562	39,069
Employment and Social Development Canada	8,957	12,111
HST rebate	178,932	168,461
Accrued interest and other	111,657	196,987
Rent and other tenant charges	349,302	231,130
	\$ 2,412,714	\$ 3,320,000

DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD

Notes to Consolidated Financial Statements

Year ended December 31, 2017

3. Investments:

	2017	2016
Social Housing Canadian Short-Term Bond Fund Series A	\$ 1,278,741	\$ 1,267,427
Guaranteed investment certificates	2,812,070	2,772,516
	\$ 4,090,811	\$ 4,039,943

Guaranteed investment certificates have yields ranging from 0.85% to 2.02% and at dates ranging from February 2018 to March 2022. The guaranteed investment certificates have a fair value of \$2,812,070 (2016 - \$2,772,516).

4. Deferred revenue:

(a) Classification:

	2017	2016
Current:		
Affordable Housing Program	\$ 2,268	\$ 54,326
Investment in Affordable Housing	8,132	8,132
Strong Communities rent supplements	171,030	157,825
Homelessness Partnership fund	19,788	19,788
Other	37,966	37,966
Get Trained Workers	21,000	21,000
Affordable housing/rent supplement	99,822	127,989
Reformed NFP	-	16,405
Federal NFP	-	89,559
CHPI – MMAH	-	1,938
IAH – New Build	-	-
IAH – SIF and SHIP	-	52,303
HFIS	399	5,399
Nipissing District Housing Corporation	1,343,510	1,445,826
SHRRP	457,456	949,857
Ontario Works client repayments	291,710	291,130
Commercial rent supplement	202,040	-
Child Care expansion	872,859	-
Child Care ELCC	178,741	-
	\$ 3,706,721	\$ 3,279,443
Long-term:		
Social housing federal capital	\$ 2,508,018	\$ 2,508,018
Emergency medical services severance	260,199	460,199
Emergency medical services vehicles and equipment	133,440	133,440
AHP - Home (repair replacement)	237,381	201,285
	\$ 3,139,038	\$ 3,302,942

DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD

Notes to Consolidated Financial Statements

Year ended December 31, 2017

4. Deferred revenue (continued):

(b) Continuity:

	2017	2016
Current:		
Balance, beginning of year	\$ 3,279,443	\$ 2,625,659
Add: contributions received:		
Strong communities rent supplement	13,205	42,994
Other	-	12
Affordable housing/rent supplement	-	14,648
Federal NFP	-	47,307
HFIS	-	399
NDHC	1,400,508	1,071,489
IAH – SIF and SHIP	-	52,303
SHRRP funding received	493,608	949,857
Ontario Works client repayments	563,133	291,130
Commercial rent supplement	202,040	-
Child Care expansion	872,859	-
Child Care ELCC	178,741	-
Less: amounts recognized to revenue:		
IAH – New Build	-	(625,290)
Affordable Housing Program	(52,058)	(40,121)
Investment in affordable housing	-	(9)
Affordable housing/rent supplement	(28,167)	-
Reformed NFP	(16,405)	(132,125)
Federal NFP	(89,559)	-
CHPI – MMAH	(1,938)	(61,176)
HFIS	(5,000)	-
NDHC	(1,502,824)	(810,369)
IAH – SIF and SHIP	(52,303)	-
Capital repair fund	-	(39,294)
SHRRP payments	(986,009)	(107,971)
Ontario Works client repayments	(562,553)	-
Balance, end of year	\$ 3,706,721	\$ 3,279,443
Long-term:		
Balance, beginning of year	\$ 3,302,942	\$ 3,288,374
Add: contributions received:		
AHP Home Repair repayments	36,096	14,568
EMS severance withdrawals	(200,000)	-
Balance, end of year	\$ 3,139,038	\$ 3,302,942

DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD

Notes to Consolidated Financial Statements

Year ended December 31, 2017

5. Long-term debt:

	2017	2016
Mortgage, repayable in blended monthly payments of \$33,028 bearing interest at 4.126%, maturing January 1, 2020, secured by land and buildings	\$ 3,002,200	\$ 3,269,833
Mortgage, repayable in blended monthly payments of \$21,709 bearing interest at 3.15%, maturing October 1, 2027, secured by land and buildings	2,202,507	–
Mortgage, repayable in blended monthly payments of \$24,393 bearing interest at 2.61%, maturing December 1, 2023, secured by land and buildings	1,444,953	1,664,690
Mortgage, repayable in blended monthly payments of \$13,530 bearing interest at 0.96%, maturing September 1, 2021, secured by land and buildings	597,772	753,591
Mortgage, repayable in blended monthly payments of \$7,458 bearing interest at 2.99%, maturing January 2019, secured by land and buildings	733,781	800,211
Mortgage, repayable in blended monthly payments of \$3,348 bearing interest at 2.75%, maturing August 28, 2019, secured by land and buildings	65,392	103,134
Mortgage, repayable in blended monthly payments of \$23,639 bearing interest at 4.998%, matured October 1, 2017	–	2,375,379
Mortgage, repayable in blended monthly payments of \$12,077 bearing interest at 4.547%, matured March 1, 2017	–	36,190
Mortgage, repayable in blended monthly payments of \$4,047 bearing interest at 4.59%, matured February 1, 2017	–	7,950
	8,046,605	9,010,978
Less current portion of long-term debt	(947,631)	(3,165,200)
	\$ 7,098,974	\$ 5,845,778

Principal repayments are due as follows:

2018	\$ 947,631
2019	965,330
2020	970,248
2021	962,173
Thereafter	4,201,223

DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD

Notes to Consolidated Financial Statements

Year ended December 31, 2017

6. Tangible capital assets:

Cost	Balance December 31, 2016	Additions	Disposals	Balance at December 31, 2017
Land	\$ 9,415,439	\$ -	\$ -	\$ 9,415,439
Buildings	46,036,865	87,554	-	46,124,419
Office equipment	1,094,858	164,487	(63,641)	1,195,704
Ambulances and other vehicles	2,420,569	313,591	(253,133)	2,481,027
Medical equipment	778,424	98,238	(144,992)	731,670
Machinery and equipment	2,074,022	806,752	(101,262)	2,779,512
Leasehold improvements	2,217,525	-	-	2,217,525
Total	\$ 64,037,702	\$ 1,470,622	\$ (563,028)	\$ 64,945,296

Accumulated amortization	Balance December 31, 2016	Disposals	Amortization expense	Balance at December 31, 2017
Land	\$ -	\$ -	\$ -	\$ -
Building	24,778,130	-	646,072	25,424,202
Office equipment	843,743	(62,751)	133,211	914,203
Ambulances and other vehicles	1,574,170	(220,865)	233,679	1,586,984
Medical equipment	663,106	(123,673)	48,042	587,475
Machinery and equipment	854,962	(74,810)	176,388	956,540
Leasehold improvements	1,851,455	-	131,347	1,982,802
Total	\$ 30,565,566	\$ (482,099)	\$ 1,368,739	\$ 31,452,206

	Net book value December 31, 2016	Net book value December 31, 2017
Land	\$ 9,415,439	\$ 9,415,439
Buildings	21,258,735	20,700,217
Office equipment	251,115	281,501
Ambulances and other vehicles	846,399	894,043
Medical equipment	115,318	144,195
Machinery and equipment	1,219,060	1,822,972
Leasehold improvements	366,070	234,723
Total	\$ 33,472,136	\$ 33,493,090

DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD

Notes to Consolidated Financial Statements

Year ended December 31, 2017

6. Tangible capital assets (continued):

Cost	Balance December 31, 2015	Additions	Disposals	Balance at December 31, 2016
Land	\$ 9,415,439	\$ -	\$ -	\$ 9,415,439
Buildings	45,983,202	53,663	-	46,036,865
Office equipment	1,093,603	50,410	(49,155)	1,094,858
Ambulances and other vehicles	2,284,514	331,048	(194,993)	2,420,569
Medical equipment	832,188	8,627	(62,391)	778,424
Machinery and equipment	1,891,765	182,257	-	2,074,022
Leasehold improvements	2,217,525	-	-	2,217,525
Total	\$ 63,718,236	\$ 626,005	\$ (306,539)	\$ 64,037,702

Accumulated amortization	Balance December 31, 2015	Disposals	Amortization expense	Balance at December 31, 2016
Land	\$ -	\$ -	\$ -	\$ -
Building	24,251,601	-	526,529	24,778,130
Office equipment	812,020	(48,843)	80,566	843,743
Ambulances and other vehicles	1,522,806	(174,056)	225,420	1,574,170
Medical equipment	678,729	(54,063)	38,440	663,106
Machinery and equipment	719,194	-	135,768	854,962
Leasehold improvements	1,720,038	-	131,417	1,851,455
Total	\$ 29,704,388	\$ (276,962)	\$ 1,138,140	\$ 30,565,566

	Net book value December 31, 2015	Net book value December 31, 2016
Land	\$ 9,415,439	\$ 9,415,439
Buildings	21,731,601	21,258,735
Office equipment	281,583	251,115
Ambulances and other vehicles	761,708	846,399
Medical equipment	153,459	115,318
Machinery and equipment	1,172,571	1,219,060
Leasehold improvements	497,487	366,070
Total	\$ 34,013,848	\$ 33,472,136

DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD

Notes to Consolidated Financial Statements

Year ended December 31, 2017

7. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2017	2016
Invested in tangible capital assets	\$ 25,446,485	\$ 24,461,158
Operating fund	2,106,362	1,053,137
Reserves and reserve funds (note 8)	5,220,135	5,259,999
	\$ 32,772,982	\$ 30,774,294

8. Reserves and reserve funds:

	2017	2016
Set aside for specific purposes by the Board:		
Reserves:		
Social Housing capital	\$ 817,274	\$ 817,274
Social Housing operations	300,000	300,000
Affordable housing	512,445	512,445
EMS HR operations	195,537	195,537
ASO employee benefits	140,222	140,222
OCB reserve	9,157	9,157
OD contingency	112,000	112,000
Project reserve	149,080	149,080
Replacement Reserve Fund	445,606	443,697
Software acquisition	60,000	60,000
Funds subject to external restrictions:		
Best Start	570,241	612,014
Child Care	1,908,573	1,908,573
	\$ 5,220,135	\$ 5,259,999

9. Employee future benefits:

The Board makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer defined benefit pension plan. Employer contributions made to OMERS during the year by the Board amounted to \$673,498 (2016 - \$604,278)

DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD

Notes to Consolidated Financial Statements

Year ended December 31, 2017

10. Forgivable loans:

Included in the Housing program expenses is \$121,417 (2016 - \$330,892) in grants to individuals with forgivable conditions. In total, \$3,463,912 of these grants has been advanced since 2009. These grants are issued to low income home owners as loans forgivable over 20 years. However, if the house is sold before the 20 year forgiveness period, the home owner must repay a pro-rated amount back to the Board. If the Board receives funds because of a homeowner selling their property, the amount is used by the Board to grant a new loan to another low income home owner. To date, a total of \$237,381 has been repaid of which \$36,096 was in 2017 (2016 - \$14,567).

11. Commitments:

The Board rents office premises under a long-term operating lease with the City of North Bay. The current lease expires March 31, 2020 with two additional five year renewal terms. The aggregate rental payments to the expiry date amount to \$724,265. Offsite storage has been obtained from the North Bay Public Library at a cost of \$5,540 per annum.

The Board rents premises from the Municipality of West Nipissing. The current lease expires December 31, 2020 with two additional five year renewal terms. The aggregate rental payments to the expiry date amount to \$143,403. The Board also rents office space in West Nipissing. The current lease expires August 31, 2022. The aggregate rental payment to expiry is \$243,000.

The Board rents premises in Mattawa. The current lease expires August 31, 2023. The aggregate rental payments to the expiry date amount to \$81,930.

The Board rents premises in North Bay. The current lease expires December 31, 2031 with two additional five year renewal terms. The aggregate rental payments to the expiry date amount to \$4,473,714.

The Board rents EMS patient equipment through two leases. The leases expire on March 31, 2020 and March 31, 2023. The aggregate rental payments to the expiry dates amount to \$265,509 and \$84,518 respectively.

A month-to-month rental agreement currently exists with the Town of Temagami (\$7,700 per annum). This agreement is related to the provision of land ambulance services in the district.

The Board also rents premises on a month-to-month basis in South Algonquin (\$11,173 per annum).

DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD

Notes to Consolidated Financial Statements

Year ended December 31, 2017

12. Budget data:

Budget data presented in these consolidated financial statements are based on the 2017 operating and capital budgets approved by the board. The chart below reconciles the approved budget with the budget figures as presented in these consolidated financial statements.

Reserves:		
Approved budget	\$	79,945,091
Unapproved budget		3,600,291
Total Revenues		83,545,382
<hr/>		
Expenses:		
Approved budget	\$	80,213,009
Unapproved budget		2,502,855
Total Expenses		82,715,864
<hr/>		
Annual surplus	\$	829,518

Budget figures have been reclassified for purposes of these consolidated financial statements to comply with Public Sector Accounting Board reporting requirements and are not audited. The approved budgets of the Nipissing District Housing Corporation did not include budget amounts for Phase 1, Phase 2 or Phase 4 and so actual results are included in the budget amounts.

13. Comparative information:

Certain comparative information has been reclassified from those previously presented to conform to the presentation of the 2017 consolidated financial statements.

DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD

Notes to Consolidated Financial Statements

Year ended December 31, 2017

14. Segmented information:

The District of Nipissing Social Services Administration Board supports the development of health and self-sufficient communities through the innovative and responsive delivery of various social assistance programs. 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:

Ontario Works financial benefits and related

Financial and employment assistance is provided to individuals in temporary financial need. The goals are to assist participants in achieving independence and self-reliance and to transition the participants to the workforce.

Child care program

Child care funding is administered to child care operators within the district in accordance with the Day Nurseries Act.

Social housing program

The social housing program is responsible for the direct management of the public housing portfolio, the administration of the Non-profit and Urban and Native Housing projects within the district, administration of various federal and provincial housing programs, and the administration and maintenance of the central waiting list within the district.

EMS – Land ambulance program

Emergency and non-emergency land ambulance services are provided within the district.

Board costs and administration

Administration of programs and services are managed by an administrative team which provides support for the ongoing services of the Board.

Healthy Communities fund

This is 100% municipal funding distributed as grants to support programs and services that target low income families and individuals in the District of Nipissing. This fund replaces the NCB savings, and the OCB Reinvestment fund, that represented municipal savings from OW financial benefits to families that were to be reinvested into to programs and services that supported low income families as mandated by the Province.

Homelessness program

Consists of the Homeless Partnering Strategy program fully funded through ESDC. The program promotes strategic partnerships and structures including housing solutions and stable supports, to assist homeless persons move toward autonomy and self-sufficiency.

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. Administration costs are allocated to the program based on an availability of funding as well as an estimate of their consumption of administrative services. The accounting policies utilized in these segments are consistent with those followed in preparation of the financial statements as disclosed in Note 1.

DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD

Segmented Information Schedule

Year ended December 31, 2017

	Ontario Works Financial Benefits	Ontario Works Employment and Program Delivery	Healthy Communities Fund	Child Care Program	Social Housing Program	EMS - Land Ambulance Program	Homelessness Program	Board Costs	Administration	Total 2017	Total 2016
Revenue:											
Municipal levy	\$ 821,105	3,136,302	470,000	1,277,045	8,203,834	4,685,406	-	115,174	-	18,708,866	18,380,513
Provincial Funding	20,327,193	5,512,291	-	9,210,702	9,817,556	4,771,490	-	-	-	49,639,232	44,844,430
Federal Funding - ESDC	-	-	-	-	10,000	-	81,476	-	5,000	96,476	177,214
Repayments	478,970	15,034	-	804	2,016	30,570	-	-	6,212	533,606	436,720
Interest and other	-	198	-	5	516,536	109,551	-	30,000	120,376	776,666	686,731
Rent	-	-	-	-	4,247,805	-	-	-	-	4,247,805	4,119,631
Deferred revenue	-	-	-	-	1,226,441	200,000	-	-	5,000	1,431,441	1,299,745
Total revenue	21,627,268	8,663,825	470,000	10,488,556	24,024,188	9,797,017	81,476	145,174	136,588	75,434,092	69,944,984
Expenses:											
Salaries and benefits	-	4,429,542	-	706,921	1,119,777	190,508	33,435	72,771	1,482,950	8,035,904	7,097,102
Honorariums	-	-	-	-	-	-	-	3,843	-	3,843	2,006
Training	-	10,858	-	3,636	9,780	2,096	-	8,950	39,937	75,257	100,554
Travel	-	18,999	-	6,893	15,108	14	-	15,147	9,162	65,323	44,041
Technology	-	89,341	-	63,673	16,665	42,719	-	551	126,239	339,188	232,049
Accommodations	-	127,211	-	-	32,783	438,840	-	-	490,110	1,088,944	829,804
Professional fees and service charges	-	16,048	-	16,638	54,539	1,031	1,526	-	274,344	364,126	359,458
General office	-	127,634	-	13,977	20,042	122,921	54	5,261	151,451	441,340	374,021
Materials and services (EMS)	-	-	-	-	76	245,340	-	-	-	245,416	212,951
Equipment and vehicle (EMS)	-	-	-	-	-	152,569	-	-	-	152,569	175,558
Employment related costs (Clients)	-	362,808	-	-	-	-	-	-	-	362,808	391,012
Transfers to recipients and service providers	21,344,392	714,044	470,000	9,554,004	13,056,829	8,380,910	46,461	-	-	53,566,640	50,036,025
Nipissing District Housing Corporation	-	-	-	-	6,904,261	-	-	-	-	6,904,261	7,928,468
Expenses before undernoted items	21,344,392	5,896,485	470,000	10,365,742	21,229,860	9,576,948	81,476	106,523	2,574,193	71,645,619	67,783,049
Amortization of tangible capital assets	-	10,677	-	26	862,499	271,560	-	83	223,894	1,368,739	1,138,140
Allocated administration costs	-	2,202,478	-	195,096	142,130	40,723	-	81,179	(2,661,606)	-	-
Total expenses	21,344,392	8,109,640	470,000	10,560,864	22,234,489	9,889,231	81,476	187,785	136,481	73,014,358	68,921,189
Provincial settlements	-	354,687	-	-	-	-	-	-	-	354,687	222,383
Loss on disposal of tangible capital assets	-	658	-	-	26,492	39,102	-	-	107	66,359	22,357
Excess (deficiency) of revenues over expenses	\$ 282,876	198,840	-	(72,308)	1,763,207	(131,316)	-	(42,611)	-	1,998,688	779,055