

**MANITOULIN-SUDBURY
DISTRICT SOCIAL SERVICES
ADMINISTRATION BOARD**

FINANCIAL STATEMENTS

For The Year Ended December 31, 2001

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AUDITORS' REPORT

To the Members of the Manitoulin-Sudbury District Social Services Administration Board and Members of Councils, Inhabitants and Ratepayers of Participating Municipalities as listed in Note 2.

We have audited the statement of financial position of the Manitoulin-Sudbury District Social Services Administration Board as at December 31, 2001 and the statements of current fund operations, continuity of reserves and changes in financial position for the year then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Manitoulin-Sudbury District Social Services Administration Board as at December 31, 2001 and the results of its operations for the year then ended in accordance with Canadian accounting principles disclosed in note 1 to the financial statements.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The current year's supplementary information included on Schedules 1 to 11 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

HEALE and HOULE
Chartered Accountants

Espanola, Ontario
April 19, 2002

**MANITOULIN-SUDBURY DISTRICT SOCIAL SERVICES
ADMINISTRATION BOARD**

STATEMENT OF FINANCIAL POSITION

As at December 31, 2001

	2001 \$	2000 \$
ASSETS		
Current assets		
Cash and bank	4,404,774	1,130,639
Accounts receivable	394,888	135,614
Due from participating municipalities	15,338	1,797
Prepaid expenses	7,227	8,033
Prepaid assistance	<u>192,850</u>	<u>128,924</u>
Total Assets	<u>5,015,077</u>	<u>1,405,007</u>
 LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	652,516	249,574
Due to Province of Ontario (note 6)	434,051	77,027
Deferred revenue	<u>742,784</u>	<u>150,733</u>
	<u>1,829,351</u>	<u>477,334</u>
 BOARD POSITION		
Operating fund	637,345	-
Reserves (note 3)	<u>2,548,381</u>	<u>927,673</u>
Fund balances and Board position	<u>3,185,726</u>	<u>927,673</u>
Total Liabilities and Board Position	<u>5,015,077</u>	<u>1,405,007</u>

Approved by the Board:

The accompanying notes are an integral part of the financial statements.

**MANITOULIN-SUDBURY DISTRICT SOCIAL SERVICES
ADMINISTRATION BOARD**

STATEMENT OF CURRENT FUND OPERATIONS

For the year ended December 31, 2001

	2001 Budget \$	2001 Actual \$	2000 Actual \$
REVENUE			
Ontario Works and Disability Support Programs	17,628,132	16,555,657	17,118,463
Land Ambulance / EMS Services	6,242,662	6,525,824	–
Social Housing	1,103,351	1,550,570	1,041,669
Child Care Programs	1,215,665	1,216,185	1,185,077
Other Revenue	450,000	639,483	596,852
Business Transformation Project	–	186,670	73,657
Innovation Program	–	68,151	102,923
Homelessness Program	–	61,766	17,705
Eligibility Review / Family Support	–	33,227	10,073
Enhancement Program	–	28,395	–
Other Programs	–	–	41,459
			<hr/>
Total revenue	26,639,810	26,865,928	20,187,878
			<hr/>
EXPENDITURES			
Ontario Works and Disability Support Programs	17,628,132	16,041,064	16,923,160
Land Ambulance / EMS Services	6,242,662	5,668,193	95,260
Social Housing	1,103,351	1,295,839	1,082,934
Child Care Programs	1,215,665	1,224,570	1,251,240
Other Expenditures	200,000	–	429,934
Business Transformation Project	–	186,670	73,657
Innovation Program	–	68,151	102,923
Homelessness Program	–	61,766	17,705
Eligibility Review / Family Support	–	33,227	10,073
Enhancement Program	–	28,395	–
Other Programs	–	–	41,459
			<hr/>
Total expenditures	26,389,810	24,607,875	20,028,345
			<hr/>
NET REVENUES (EXPENDITURES)	250,000	2,258,053	159,533
			<hr/>
FINANCING AND TRANSFERS			
Transfers to reserves	(250,000)	(1,620,708)	(589,467)
Transfers from reserves	–	–	429,934
			<hr/>
Net financing and transfers	(250,000)	(1,620,708)	(159,533)

CHANGE IN OPERATING FUND	–	637,345	–
SURPLUS (DEFICIT) BEGINNING OF YEAR	–	–	–
SURPLUS (DEFICIT) END OF YEAR	–	637,345	–

The accompanying notes are an integral part of the financial statements.

**MANITOULIN-SADBURY DISTRICT SOCIAL SERVICES
ADMINISTRATION BOARD**

STATEMENT OF CONTINUITY OF RESERVES

For the year ended December 31, 2001

	<u>General</u>	<u>Social Housing</u>		<u>Land Ambulance / EMS</u>			<u>Total</u>	
	Working Funds \$	Federal Capital Funds \$	Provincial Severance Funds \$	Working Funds \$	Provincial Severance Funds \$	Provincial Vehicle Replacement \$	MOHLTC Funding \$	
BALANCE, beginning of year	927,673	—	—	—	—	—	—	927,673
Appropriations to: operating funds	—	—	—	—	—	—	—	—
Appropriations from: operating funds	423,177	318,700	21,200	159,984	267,429	274,011	156,207	1,620,708
BALANCE, end of year	<u>1,350,850</u>	<u>318,700</u>	<u>21,200</u>	<u>159,984</u>	<u>267,429</u>	<u>274,011</u>	<u>156,207</u>	<u>2,548,381</u>

The accompanying notes are an integral part of the financial statements.

**MANITOULIN-SUDBURY DISTRICT SOCIAL SERVICES
ADMINISTRATION BOARD**

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the year ended December 31, 2001

	2001 \$	2000 \$
OPERATIONS		
Net revenues / (expenditures)	2,258,053	159,533
	<hr/>	
<u>Uses:</u>		
Increase in accounts receivable	272,815	6,837
Increase in prepaid expenses	-	140
Increase in prepaid assistance	63,926	-
Decrease in accounts payable	-	507,720
	<hr/>	
	336,741	514,697
	<hr/>	
<u>Sources:</u>		
Decrease in prepaid expenses	806	-
Decrease in prepaid assistance	-	233,024
Increase in accounts payable	759,966	-
Increase in deferred revenue	592,051	98,457
	<hr/>	
	1,352,823	331,481
	<hr/>	
Net increase (decrease) in cash from operations	3,274,135	(23,683)
	<hr/>	
Net change in cash and cash equivalent	3,274,135	(23,683)
Opening cash and cash equivalents	1,130,639	1,154,322
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Closing cash and cash equivalents	4,404,774	1,130,639
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The accompanying notes are an integral part of the financial statements.

MANITOULIN-SUDBURY DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2001

Effective April 1, 1999, pursuant to provincial legislation, Manitoulin-Sudbury District Social Services Administration Board assumed the operations of the Ontario Works and Other Social Programs. All client files of the former Manitoulin Welfare Board and Ministry administered clients were transferred to the new Board.

The Board administers Social Services, Land Ambulance Services, Social Housing and Child Care Programs for the participating municipalities.

1. Accounting Policies

The financial statements of the Board are the representation of management prepared in accordance with accounting policies prescribed for Ontario municipalities by the Ministry of Municipal Affairs and Housing. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgements.

(a) Basis of Consolidation

These financial statements reflect the assets, liabilities, sources of financing and expenditures of the revenue fund and reserves.

All interfund assets and liabilities and sources of financing and expenditures have been eliminated.

(b) Basis of Accounting

(i) Accrual Basis of Accounting

Sources of financing and expenditures are reported on 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.

(ii) Capital Assets

The historical cost and accumulated amortization of capital assets are not reported for Board purposes. Capital assets are reported as an expenditure on the statement of operations in the year of acquisition.

(3) Provincial Subsidies

Provincial Ministries subsidize the operations of the Manitoulin-Sudbury District Social Services Administration Board. Since the operations are reviewed by the Ministries in the subsequent fiscal period, subsidy adjustments, if any, are recorded in the year in which the adjustments are determined.

**MANITOULIN-SUDBURY DISTRICT SOCIAL SERVICES
ADMINISTRATION BOARD**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2001

2. Municipal Apportionment

Municipal apportionment is allocated to programs as follows:

Ontario Works	\$4,289,907
Land Ambulance	1,969,061
Social Housing	1,029,708
Administration	420,000
Child Care	<u>263,308</u>
	<u>\$7,971,984</u>

Municipal percentage share	%
Town of Espanola	17.214
Township of Sables-Spanish Rivers	5.818
Township of Baldwin	1.098
Township of Nairn and Hyman	1.732
Municipality of Markstay - Warren	4.617
Municipality of St. Charles	4.050
Municipality of French River	8.577
Town of Chapleau	3.894
Township of Cockburn Island	0.461
Township of Barrie Island	0.360
Township of Burpee and Mills	1.469
Township of Gordon	2.147
Town of Gore Bay	1.818
Township of Billings	2.843
Township of Central Manitoulin	6.652
Township of Tehkummah	1.461
Township of Northeastern Manitoulin and the Islands	9.846
Township of Assiginack	3.271
Municipality of Killarney	3.474
Other unorganized areas within the Manitoulin-Sudbury Districts	19.200

3. Reserves	2001	2000
	\$	\$
Reserves set aside for specific purposes by the Board:		
Working funds	1,350,850	927,673
Social Housing	339,900	-
Land Ambulance	857,631	-
	<hr/>	<hr/>
	2,548,381	927,673
		<hr/>

MANITOULIN-SUDBURY DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2001

4. Pension Agreements

The Board makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of the 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 2001 was nil (2000 - nil) for current service and nil (2000 - nil) for past service.

Due to a surplus in the pension plan, OMERS instituted a contribution holiday which became effective August 1, 1998 and is to continue to December 2001. During this period, the Board does not have to make any contributions to the plan.

5. Commitments

The Board rents office space in Chapleau under a lease which expires August 2004, the annual rent for which is \$15,696.

The Board rents office space in Little Current under a month to month lease the annual rent for which is \$16,684. Some of this office space is sub-leased to various parties under month to month lease.

6. Due to the Province of Ontario

	2001	2000
	\$	\$
LEAP Program	13,200	-
OW/ODSP Program	327,194	(229,633)
Business Transformation Program	-	(73,657)
Homelessness Program	-	(60,000)
Child Care Programs	<u>96,200</u>	<u>132,620</u>
Total due to (from) MCSS	436,594	(230,670)
Social Housing Programs	<u>(2,543)</u>	<u>307,697</u>
	<u>434,051</u>	<u>77,027</u>

**MANITOULIN-SUDBURY DISTRICT SOCIAL SERVICES
ADMINISTRATION BOARD**

**ONTARIO WORKS AND ONTARIO DISABILITY SUPPORT PROGRAM
STATEMENT OF REVENUE AND EXPENDITURES**

For the year ended December 31, 2001

	2001 Budget \$	2001 Actual \$	2000 Actual \$
REVENUE			
Provincial Subsidy - ODSP	7,337,315	7,584,574	6,791,272
- OW General	5,029,600	3,727,891	5,062,754
- OW Assistance Programs	304,118	284,278	445,840
- OW Administration	667,243	645,867	654,751
- FSW	-	16,300	-
- LEAP	-	1,600	-
Federal Subsidy	-	1,560	3,245
Other Revenue	-	3,680	-
Municipal Apportionment	4,289,856	4,289,907	4,160,601
		<hr/>	
	17,628,132	16,555,657	17,118,463
		<hr/>	
EXPENDITURES			
ODSP	9,335,905	9,635,260	8,667,277
OW General	6,287,000	4,655,705	6,338,001
OW Assistance Programs	200,000	152,885	333,442
Administration (Schedule 1A)	1,805,227	1,595,214	1,584,440
LEAP Program	-	2,000	-
		<hr/>	
	17,628,132	16,041,064	16,923,160
		<hr/>	
PROGRAM SURPLUS (DEFICIT)	-	514,593	195,303
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**MANITOULIN-SUDBURY DISTRICT SOCIAL SERVICES
ADMINISTRATION BOARD**

ANALYSIS OF ONTARIO WORKS ADMINISTRATION EXPENDITURES

For the year ended December 31, 2001

	2001 Budget \$	2001 Actual \$	2000 Actual \$
Salaries and benefits	1,183,205	961,959	999,392
Board travel, meetings, honoraria	101,050	86,858	97,709
Travel and training	103,874	78,150	75,653
Computer system lease	70,000	66,408	30,862
Audit and accounting fees	9,500	10,027	18,528
Legal and consulting fees	8,000	16,547	4,188
Bank interest and service charges	5,400	1,265	2,000
Insurance	8,534	8,411	7,414
Accommodation costs	69,708	105,106	78,372
Office furnishing, computer software and hardware	49,039	75,381	80,147
Service agreements	—	—	23,172
Advertising	3,301	7,098	8,091
Office supplies and postage	98,667	81,984	49,860
Telephone and communications	77,949	66,156	75,159
Administration fees	—	—	5,830
Negotiation costs	17,000	29,864	28,063
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Total administration expenditures	1,805,227	1,595,214	1,584,440
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**MANITOULIN-SUDBURY DISTRICT SOCIAL SERVICES
ADMINISTRATION BOARD**

**LAND AMBULANCE / EMS SERVICES
STATEMENT OF REVENUE AND EXPENDITURES**

For the year ended December 31, 2001

	2001 Budget \$	2001 Actual \$	2000 Actual \$
REVENUE			
Provincial Subsidy - Operating	4,273,601	4,130,201	-
- Equipment replacement	-	211,240	-
- Severance payments	-	215,296	-
Other	-	26	-
Municipal apportionment	1,969,061	1,969,061	-
		<hr/>	
	6,242,662	6,525,824	-
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EXPENDITURES			
Service provider contracts	4,937,878	4,783,484	-
Vehicle purchases	454,703	180,692	-
Patient care equipment	80,000	253,324	-
Program start-up and contingencies	483,410	276,551	95,260
Salaries and benefits	200,000	122,028	-
Legal and consulting fees	6,000	6,000	-
Audit and accounting fees	10,000	8,000	-
Telephone and communications	5,760	5,760	-
Office supplies and postage	16,000	5,230	-
Office rent	14,900	13,900	-
Computer lease and maintenance	6,600	6,600	-
Travel and training	14,360	4,224	-
Other administrative expenses	13,051	2,400	-
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	6,242,662	5,668,193	95,260
		<hr/>	
PROGRAM SURPLUS (DEFICIT)	-	875,631	(95,260)
		<hr/>	

**MANITOULIN-SUDBURY DISTRICT SOCIAL SERVICES
ADMINISTRATION BOARD**

**SOCIAL HOUSING PROGRAMS
STATEMENT OF REVENUE AND EXPENDITURES**

For the year ended December 31, 2001

	2001 Budget \$	2001 Actual \$	2000 Actual \$
REVENUE			
Provincial subsidy - Transition	73,643	64,839	11,961
- Severance	-	49,486	-
Federal subsidy	-	406,537	-
Municipal apportionment	1,029,708	1,029,708	1,029,708
		<hr/>	
	1,103,351	1,550,570	1,041,669
		<hr/>	
EXPENDITURES			
Transition costs	73,643	67,795	11,961
Transfer to Local Housing Corporation	-	754,063	-
Transfer to Non-Profit Housing	-	396,026	-
Severance costs	-	38,063	-
Rent supplement	-	15,533	-
Social Housing	1,029,708	23,697	1,070,973
Legal fees	-	662	-
		<hr/>	
	1,103,351	1,295,839	1,082,934
		<hr/>	
PROGRAM SURPLUS (DEFICIT)	-	254,731	(41,265)
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**MANITOULIN-SUDBURY DISTRICT SOCIAL SERVICES
ADMINISTRATION BOARD**

**CHILD CARE PROGRAMS
STATEMENT OF REVENUE AND EXPENDITURES**

For the year ended December 31, 2001

	2001 Budget \$	2001 Actual \$	2000 Actual \$
REVENUE			
Provincial Subsidy - Ontario Works	80,000	26,717	87,045
- Resource Centre	227,822	227,822	227,822
- Special Needs	67,640	67,640	67,640
- Fee Subsidy	383,186	431,195	344,715
- Wage Subsidy	159,568	165,362	160,406
- Administration	34,141	34,141	34,141
Municipal Apportionment	263,308	263,308	263,308
	1,215,665	1,216,185	1,185,077
EXPENDITURES			
Salaries and benefits	67,895	68,282	68,283
Ontario Works	100,000	36,051	29,929
Purchase of service 478,982	430,036	504,315	
Special Needs Resources	84,550	92,825	84,550
Resource Centres	284,778	276,503	284,778
Wage Subsidies	199,460	206,785	200,507
Health and Safety	-	94,744	46,478
Consultants costs	-	19,344	32,400
	1,215,665	1,224,570	1,251,240
PROGRAM SURPLUS (DEFICIT)	-	(8,385)	(66,163)

**MANITOULIN-SUDBURY DISTRICT SOCIAL SERVICES
ADMINISTRATION BOARD**

**BUSINESS TRANSFORMATION PROJECT
STATEMENT OF REVENUE AND EXPENDITURES**

For the year ended December 31, 2001

	2001 Budget \$	2001 Actual \$	2000 Actual \$
REVENUE			
Provincial Subsidy - BTP	-	186,670	73,657
EXPENDITURES			
Salaries and benefits	-	78,087	48,358
Supplies and telephone	-	22,290	3,581
Travel and training	-	61,293	20,984
Computer hardware and software	-	25,000	734
	-	186,670	73,657
PROGRAM SURPLUS (DEFICIT)	-	-	-

**MANITOULIN-SUDBURY DISTRICT SOCIAL SERVICES
ADMINISTRATION BOARD**

**INNOVATION PROGRAM
STATEMENT OF REVENUE AND EXPENDITURES**

For the year ended December 31, 2001

	2001 Budget \$	2001 Actual \$	2000 Actual \$
REVENUE			
Provincial Subsidy - Innovation	-	68,151	102,923
		<hr/>	
EXPENDITURES			
Program expenses	-	36,162	102,923
Vehicle purchase	-	31,989	-
		<hr/>	
	-	68,151	102,923
		<hr/>	
PROGRAM SURPLUS (DEFICIT)	-	-	-
		<hr/>	

**MANITOULIN-SUDBURY DISTRICT SOCIAL SERVICES
ADMINISTRATION BOARD**

**HOMELESSNESS PROGRAM
STATEMENT OF REVENUE AND EXPENDITURES**

For the year ended December 31, 2001

	2001 Budget \$	2001 Actual \$	2000 Actual \$
REVENUE			
Provincial subsidy - Homelessness	-	61,766	17,705
		<hr/>	
EXPENDITURES			
Salaries and benefits	-	15,541	-
Program costs and transfers	-	46,225	17,705
		<hr/>	
	-	61,766	17,705
		<hr/>	
PROGRAM SURPLUS (DEFICIT)	-	-	-
		<hr/>	

**MANITOULIN-SUDBURY DISTRICT SOCIAL SERVICES
ADMINISTRATION BOARD**

**ELIGIBILITY REVIEW OFFICER / FAMILY SUPPORT PROGRAM
STATEMENT OF REVENUE AND EXPENDITURES**

For the year ended December 31, 2001

	2001 Budget \$	2001 Actual \$	2000 Actual \$
REVENUE			
Provincial Subsidy - FSW	-	12,500	-
- ERO	-	20,727	10,073
		<hr/>	
	-	33,227	10,073
		<hr/>	
EXPENDITURES			
Salaries and wages - FSW	-	12,500	-
Salaries and wages - ERO	-	20,727	10,073
		<hr/>	
	-	33,227	10,073
		<hr/>	
PROGRAM SURPLUS (DEFICIT)	-	-	-
		<hr/>	

**MANITOULIN-SUDBURY DISTRICT SOCIAL SERVICES
ADMINISTRATION BOARD**

**ENHANCEMENT PROGRAM
STATEMENT OF REVENUE AND EXPENDITURES**

For the year ended December 31, 2001

	2001 Budget \$	2001 Actual \$	2000 Actual \$
REVENUE			
Provincial Subsidy - Enhancement	-	28,395	-
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EXPENDITURES			
Salaries and benefits	-	19,181	-
Vehicle operation and maintenance	-	1,032	-
Equipment and supplies	-	8,182	-
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	-	28,395	-
		<hr/>	
PROGRAM SURPLUS (DEFICIT)	-	-	-
		<hr/>	

**MANITOULIN-SUDBURY DISTRICT SOCIAL SERVICES
ADMINISTRATION BOARD**

**OTHER PROGRAMS
STATEMENT OF REVENUE AND EXPENDITURES**

For the year ended December 31, 2001

	2001 Budget \$	2001 Actual \$	2000 Actual \$
REVENUE			
Provincial Subsidy - Consolidated Verification	-	-	28,409
- TWOMO Elections	-	-	13,050
		<hr/>	
	-	-	41,459
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EXPENDITURES			
Consolidated Verification	-	-	28,409
Election	-	-	13,050
		<hr/>	
	-	-	41,459
		<hr/>	
PROGRAM SURPLUS (DEFICIT)	<hr/> -	<hr/> -	<hr/> -

**MANITOULIN-SUDBURY DISTRICT SOCIAL SERVICES
ADMINISTRATION BOARD**

**STATEMENT OF OTHER REVENUE AND EXPENDITURES
STATEMENT OF REVENUE AND EXPENDITURES**

For the year ended December 31, 2001

	2001 Budget \$	2001 Actual \$	2000 Actual \$
REVENUE			
Interest income	30,000	104,413	61,224
Subsidy adjustments - non recurring	-	115,070	535,628
Municipal apportionment	420,000	420,000	-
		<hr/>	
	450,000	639,483	596,852
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EXPENDITURES			
One-time capital	-	-	429,934
Contingency allowance	200,000	-	-
		<hr/>	
	200,000	-	429,934
		<hr/>	
SURPLUS (DEFICIT)	250,000	639,483	166,918
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