

**Rainy River District Social  
Services Administration Board**  
Financial Statements  
For the year ended  
December 31, 2015

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Financial Statements  
For the year ended December 31, 2015**

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## **Rainy River District Social Services Administration Board Management's Responsibility for the Financial Statements**

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The accompanying financial statements of the Rainy River District Social Services Administration Board and all the information in this annual report are the responsibility of management and have been approved by the Board Chair and Director of Finance & Asset Management on behalf of the Board.

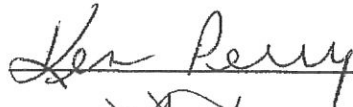
The financial statements have been prepared by management in accordance with Public Sector Accounting Principles. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Board maintains systems of internal accounting and administrative controls of high quality consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Board's assets are appropriately accounted for and adequately safeguarded.

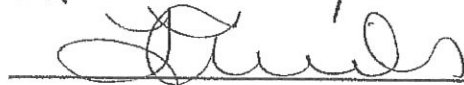
The Board of Directors are responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Directors review the Board's financial statements and meet 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 annual report, the financial statements and the external auditor's report.

The financial statements have been audited by BDO Canada LLP, independent external auditors appointed by the Board. The audit has been performed in accordance with Canadian generally accepted auditing standards. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Board's financial statements.



Board Chair



Director of Finance & Asset Management



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BDO Canada LLP  
375 Scott Street  
Fort Frances ON P9A 1H1 Canada

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## Independent Auditor's Report

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To the Board of Directors of  
Rainy River District Social Services Administration Board

We have audited the accompanying financial statements of Rainy River District Social Services Administration Board as at December 31, 2015, which comprise the Statement of Financial Position as at December 31, 2015, and the Statement of Operations and Accumulated Surplus, the Statement of Change in Net Financial Assets and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

### Opinion

In our opinion, the financial statements present fairly in all material respects, the financial position of Rainy River District Social Services Administration Board as at December 31, 2015, and the results of its operations, change in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*BDO CANADA LLP*

Chartered Professional Accountants, Licensed Public Accountants

Fort Frances, Ontario  
May 19, 2016

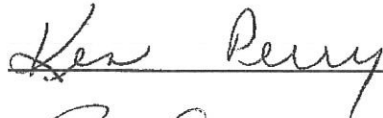


## Rainy River District Social Services Administration Board Statement of Financial Position

December 31	2015	2014
<b>Financial assets</b>		
Cash and cash equivalents (Note 1)	\$ 3,009,713	\$ 1,610,724
Short-term deposits (Note 2)	3,081,174	3,041,536
Accounts receivable (Note 3)	1,431,521	1,340,376
	<u>7,522,408</u>	<u>5,992,636</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (Note 4)	3,794,161	2,346,484
Deferred revenue (Note 5)	53,056	210,841
Long-term debt (Note 6)	1,548,945	1,766,164
Post-retirement benefits liability (Note 7)	417,200	371,900
	<u>5,813,362</u>	<u>4,695,389</u>
<b>Net financial assets</b>	<u>1,709,046</u>	<u>1,297,247</u>
<b>Non-financial assets</b>		
Tangible capital assets (Note 8)	16,232,380	16,307,523
Prepaid expenses	172,508	174,740
	<u>16,404,888</u>	<u>16,482,263</u>
<b>Accumulated surplus (Note 9)</b>	<u>\$ 18,113,934</u>	<u>\$ 17,779,510</u>

### Commitments (Note 14)

On behalf of the Board:

 Director

 Director

## Rainy River District Social Services Administration Board Statement of Operations and Accumulated Surplus

For the year ended December 31	Budget 2015	Actual 2015	Actual 2014
<b>Revenues</b>			
Ontario Works general allowance	\$ 2,146,850	\$ 2,364,452	\$ 2,231,375
Community homelessness prevention initiative	166,666	164,674	170,583
Low income energy assistance program	6,700	4,190	5,078
Child care	2,789,606	2,797,668	3,271,165
Social housing	2,021,172	2,031,154	1,935,104
RRDSSAB housing	2,800,309	2,934,099	2,617,804
Ontario Works program administration, employment assistance and board administration	957,048	1,112,512	984,875
Land ambulance	6,934,701	6,524,848	6,687,736
Community para-medicine program	164,000	147,182	2,751
Social housing renovation and retrofit program	-	-	45,271
Investment in affordable housing program (IAHP)	177,525	94,225	339,719
Family resource centres	455,598	455,345	480,193
RRDSSAB administration	499,230	499,418	406,658
<b>Total revenues</b>	<b>19,119,405</b>	<b>19,129,767</b>	<b>19,178,312</b>
<b>Expenses</b>			
Ontario Works general allowance	2,146,850	2,358,372	2,250,886
Community homelessness prevention initiative	166,666	164,022	139,191
Low income energy assistance program	6,700	4,190	5,078
Child care	2,759,258	2,746,332	3,292,155
Social housing	2,022,452	2,022,137	2,018,292
RRDSSAB housing	2,816,001	2,809,918	2,677,627
Ontario Works program administration, employment assistance and board administration	959,228	927,942	953,699
Land ambulance	7,001,441	6,550,768	6,805,714
Community para-medicine program	164,000	147,182	2,751
Investment in affordable housing program (IAHP)	177,525	117,614	186,811
Family resource centres	455,598	453,740	459,073
RRDSSAB administration	530,193	493,126	448,936
<b>Total expenses</b>	<b>19,205,912</b>	<b>18,795,343</b>	<b>19,240,213</b>
<b>Annual surplus (deficit)</b>	<b>(86,507)</b>	<b>334,424</b>	<b>(61,901)</b>
<b>Accumulated surplus, beginning of year</b>	<b>17,779,510</b>	<b>17,779,510</b>	<b>17,841,411</b>
<b>Accumulated surplus, end of year (Note 9)</b>	<b>\$ 17,693,003</b>	<b>\$ 18,113,934</b>	<b>\$ 17,779,510</b>

The accompanying summary of significant accounting policies, notes and program schedules are an integral part of these financial statements.

## Rainy River District Social Services Administration Board Statement of Change in Net Financial Assets

For the year ended December 31	Budget 2015	Actual 2015	2014
Annual surplus (deficit)	\$ (86,507)	\$ 334,424	\$ (61,901)
Acquisition of tangible capital assets	(703,000)	(629,846)	(514,627)
Amortization of tangible capital assets	763,035	704,989	727,746
Gain on disposal of tangible capital assets	-	(40,320)	-
Proceeds on sale of tangible capital assets	-	40,320	-
	(26,472)	409,567	151,218
Change in prepaid expenses	-	2,232	(18,452)
Net change in net financial assets	(26,472)	411,799	132,766
Net financial assets, beginning of year	1,297,247	1,297,247	1,164,481
Net financial assets, end of year	\$ 1,270,775	\$ 1,709,046	\$ 1,297,247

The accompanying summary of significant accounting policies, notes and program schedules are an integral part of these financial statements.

## Rainy River District Social Services Administration Board Statement of Cash Flows

For the year ended December 31	2015	2014
<b>Cash provided by (used in)</b>		
<b>Operating transactions</b>		
Annual surplus (deficit)	\$ 334,424	\$ (61,901)
Items not involving cash		
Amortization	704,989	727,746
Gain on disposal of tangible capital assets	(40,320)	-
Changes in non-cash operating balances		
Accounts receivable	(91,145)	441,248
Accounts payable and accrued liabilities	1,447,678	(378,486)
Deferred revenue	(157,787)	23,887
Post-retirement benefits	45,300	20,700
Prepaid expenses	2,232	(18,452)
	<u>2,245,371</u>	<u>754,742</u>
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(629,846)	(514,627)
Proceeds on sale of tangible capital assets	40,320	-
	<u>(589,526)</u>	<u>(514,627)</u>
<b>Investing transactions</b>		
Proceeds on disposition of portfolio investments	-	233,841
Acquisition of short-term deposits	(39,638)	-
	<u>(39,638)</u>	<u>233,841</u>
<b>Financing transactions</b>		
Repayment of long-term debt	(217,218)	(225,823)
<b>Increase in cash and cash equivalents during the year</b>	<b>1,398,989</b>	<b>248,133</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>1,610,724</b>	<b>1,362,591</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 3,009,713</b>	<b>\$ 1,610,724</b>

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## Rainy River District Social Services Administration Board Summary of Significant Accounting Policies

December 31, 2015

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Nature of Business	<p>The Board is engaged in the provision of social services to residents of the Rainy River District and serves as a collection and administrative agent for social assistance, child care, social housing, land ambulance services and various government funded programs. The Board has been established under the District Social Services Administration Boards Act of the Province of Ontario. Its' members are the ten Municipalities in the District, plus representatives from three unincorporated areas in the District.</p>
Management's Responsibility	<p>The financial statements of Rainy River District Social Services Administration Board are representations of management. They have been prepared in accordance with Canadian Public Sector Accounting Standards.</p>
Basis of Accounting	<p>Revenues and expenditures are reported on the accrual basis of accounting.</p> <p>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.</p>
Cash and Cash Equivalents	<p>Cash and cash equivalents consist of cash on hand, bank balances and investments in term deposits with maturities of three months or less.</p>
Short-Term Deposits	<p>Short-term deposits consists of investments in term deposits with maturities of more than three months.</p>
Revenue Recognition	<p>Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. When transfer stipulations give rise to a liability, government transfers are recognized as deferred revenue and recognized as revenue when the stipulations are settled.</p> <p>Unrestricted investment income is recognized as revenue when earned.</p> <p>Rental revenue is recognized monthly when the units are occupied and if the amount to be received can be reasonably estimated and collection is reasonably assured.</p> <p>Grants for the acquisition of tangible capital assets are recognized in the period in which eligible expenditures are made.</p>

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## Rainy River District Social Services Administration Board Summary of Significant Accounting Policies

December 31, 2015

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**Deferred Revenue**

Revenue restricted by legislation, regulation or agreement and not available for operating purposes is reported as deferred revenue on the statement of financial position. The revenue is reported on the statement of operations and accumulated surplus in the year in which it is used for the specified purpose.

**Use of Estimates**

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 at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting periods. Actual results could differ from management's best estimates as additional information becomes available in the future.

The estimates used in preparation of these financial statements are the allowance for doubtful accounts receivable, the useful lives of the property, plant and equipment, and the present value of the Board's employee post-retirement benefits.

**Tangible Capital Assets**

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis commencing once the asset is available for productive use as follows:

Land improvements	15 to 25 years
Buildings	20 to 60 years
Ambulance equipment	5 years
Furniture and equipment	10 years
Vehicles	5 to 10 years
Computer hardware	5 years
Computer software	5 years

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## Rainy River District Social Services Administration Board Summary of Significant Accounting Policies

December 31, 2015

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### Retirement Benefits and Other Employee Benefit Plans

Rainy River District Social Services Administration Board is an employer member of the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer, defined benefit pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of the benefits. The Board has adopted defined contribution plan accounting principles for this Plan because insufficient information is available to apply defined benefit plan accounting principles. The Board records as pension expense the current service cost, amortization of past service costs and interest costs related to the future employer contributions to the Plan for past employee service.

### Taxation Revenue

Taxation revenue consists of contributions from member Municipalities. Taxation revenue is recognized based on the member's proportionate share of program costs and is apportioned to each member Municipality based on the members weighted property tax assessment values.

### Contaminated Sites

Effective January 1, 2015, the Board adopted the new Public Sector Accounting Standard PS 3260 Contaminated Sites. The new standard can be applied retroactively or prospectively, and the Board has elected to apply it prospectively.

Under PS3260, governments are required to accrue a liability for the costs to remediate a contaminated site. Liabilities are recognized when an environmental standard exists, contamination exceeds the standard, the government has responsibility for remediation, future economic benefits will be given up and a reasonable estimate can be made.

Management has assessed its potential liabilities under the standard including sites that are no longer in productive use and sites which the Board accepts responsibility. There were no such sites that had contamination in excess of an environment standard which required remediation at this time, therefore no liability was recognized on transition as at January 1, 2015 or at December 31, 2015.

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## Rainy River District Social Services Administration Board Notes to Financial Statements

December 31, 2015

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### 1. Cash and Cash Equivalents

The balance of cash reported on the statement of financial position is made up of the following:

	<u>2015</u>	<u>2014</u>
Unrestricted cash and cash equivalents	\$ 2,603,626	\$ 1,304,998
Cash and cash equivalents restricted by Board resolution	<u>406,087</u>	<u>305,726</u>
	<u>\$ 3,009,713</u>	<u>\$ 1,610,724</u>

Certain surplus funds are set aside by Board resolution for specific purposes and referred to as reserve funds. Cash and cash equivalents restricted by Board resolution represents the assets that are maintained in respect of those reserve funds (Note 9).

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### 2. Short-Term Deposits

The balance of short-term deposits reported on the statement of financial position is made up of the following:

	<u>2015</u>	<u>2014</u>
Unrestricted term deposits, interest rate of 1.17% (2014 - 1.45%), maturing on June 24, 2016 (2014 - June 25, 2015).	\$ 1,294,986	\$ 1,278,327
Term deposit restricted by Board resolution, interest rate of 1.17% (2014 - 1.45%), maturing on June 24, 2016 (2014 - June 25, 2015).	<u>1,786,188</u>	<u>1,763,209</u>
	<u>\$ 3,081,174</u>	<u>\$ 3,041,536</u>

Certain surplus funds are set aside by Board resolution for specific purposes and referred to as reserve funds. Short term deposits restricted by Board resolution represents the assets that are maintained in respect of those reserve funds (Note 9).



## Rainy River District Social Services Administration Board Notes to Financial Statements

December 31, 2015

### 3. Accounts Receivable

	2015	2014
Municipalities	\$ 17,037	\$ 8,468
Provincial	966,519	910,885
Affordable housing program, extended affordable housing program and investment in affordable housing program	859,143	881,659
HST	218,082	217,331
Other	167,183	101,891
Allowance for doubtful accounts	(796,443)	(779,858)
	<u>\$ 1,431,521</u>	<u>\$ 1,340,376</u>

### 4. Accounts Payable and Accrued Liabilities

	2015	2014
Provincial	\$ 1,366,003	\$ 168,757
Affordable housing program, extended affordable housing program and investment in affordable housing program	859,143	881,659
Trade accounts payable	823,195	666,038
Accrued wages and benefits	745,820	630,030
	<u>\$ 3,794,161</u>	<u>\$ 2,346,484</u>

### 5. Deferred Revenue

	Opening balance	Contributions received	Revenue recognized	Ending balance
Ministry of Community and Social Services	\$ 72,807	\$ 52,900	\$ (125,707)	\$ -
Ministry of Health and Long-Term Care	114,249	62,930	(147,181)	29,998
Prepaid tenant rents	18,147	19,909	(18,147)	19,909
Other	5,638	1,700	(4,189)	3,149
	<u>\$ 210,841</u>	<u>\$ 137,439</u>	<u>\$ (295,224)</u>	<u>\$ 53,056</u>

## Rainy River District Social Services Administration Board Notes to Financial Statements

December 31, 2015

### 6. Long-term Debt

	<u>2015</u>	<u>2014</u>
Debentures payable to the Ministry, various interest rates (6.09% to 7.81%), and various maturity dates to January 1, 2024.	<u>\$ 1,548,945</u>	<u>\$ 1,766,164</u>

Repayments required on long-term debt for the next five years and thereafter are due as follows:

Year	Principal	Interest	Total
2016	\$ 232,005	\$ 102,635	\$ 334,640
2017	240,547	86,832	327,379
2018	210,328	70,404	280,732
2019	224,491	56,241	280,732
2020	239,617	41,114	280,731
Thereafter	401,957	47,253	449,210
	<u>\$ 1,548,945</u>	<u>\$ 404,479</u>	<u>\$ 1,953,424</u>

The gross interest relating to the above long-term liability was \$112,554 (2014 - \$127,721).

## Rainy River District Social Services Administration Board Notes to Financial Statements

December 31, 2015

### 7. Post-Retirement Benefits Liability

Rainy River District Social Services Administration Board provides the following benefits to eligible full-time employees who are members of the Canadian Union of Public Employees (CUPE):

- Extended health care
- Semi-private hospital coverage
- Dental benefits

Post-Retirement Benefits Liability	2015	2014
Accrued post-retirement benefits obligation	\$ 417,200	\$ 371,900

Post-Retirement Benefits Expenditure	2015	2014
Current year benefit costs	\$ 31,100	\$ 20,200
Interest on accrued benefit obligation	18,700	14,400
Amortized actuarial (gains) losses	10,200	(2,400)
Employee contributions	(14,700)	(11,500)
Post-retirement benefits expenditure	\$ 45,300	\$ 20,700

The significant actuarial assumptions adopted and estimated for the calculation of the accrued benefit obligations are as follows:

	2015	2014
Discount on accrued benefit obligations	3.50%	4.25%
Dental cost trend rates	3.75%	3.75%
Extended health care trend rates	7.5%	7.5%

For December 31, 2015, extended health care trend rates are assumed to be 7.5%, decreasing by 0.25% per annum to an ultimate rate of 4.75% thereafter.

# Rainy River District Social Services Administration Board

## Notes to Financial Statements

December 31, 2015

### 8. Tangible Capital Assets

	2015							
	Land and Land Improvements	Buildings	Ambulance Equipment	Furniture and Equipment	Automotive - Ambulances	Automotive - Other	Computer Hardware	Computer Software
Cost, beginning of year	\$ 1,263,503	\$ 21,768,078	\$ 406,481	\$ 115,758	\$ 1,762,732	\$ 129,659	\$ 205,032	\$ 250,217
Additions	-	197,977	249,885	15,303	147,119	-	13,035	6,527
Disposals	-	-	(172,764)	-	-	-	-	-
Cost, end of year	1,263,503	21,966,055	483,602	131,061	1,909,851	129,659	218,067	256,744
Accumulated amortization, beginning of year	2,640	7,596,842	262,733	71,570	1,254,668	69,279	164,711	171,494
Amortization	4,460	431,934	44,385	9,563	162,674	9,152	10,901	31,920
Disposals	-	-	(172,764)	-	-	-	-	-
Accumulated amortization, end of year	7,100	8,028,776	134,354	81,133	1,417,342	78,431	175,612	203,414
Net carrying amount, end of year	\$ 1,256,403	\$ 13,937,279	\$ 349,248	\$ 49,928	\$ 492,509	\$ 51,228	\$ 42,455	\$ 53,330
								\$ 16,232,380

# **Rainy River District Social Services Administration Board** **Notes to Financial Statements**

**December 31, 2015**

## **8. Tangible Capital Assets (continued)**

	2014							
	Land and Land Improvements	Buildings	Ambulance Equipment	Furniture and Equipment	Automotive - Ambulances	Automotive - Other	Computer Hardware	Computer Software
Cost, beginning of year	\$ 1,206,848	\$21,768,078	\$ 259,146	\$ 115,758	\$ 1,578,007	\$ 451,931	\$ 251,283	\$ 250,217
Additions	56,655	-	147,335	-	289,820	-	20,817	-
Disposals	-	-	-	-	(105,095)	(322,272)	(67,068)	-
Cost, end of year	1,263,503	21,768,078	406,481	115,758	1,762,732	129,659	205,032	250,217
Accumulated amortization, beginning of year	1,551	7,166,605	204,294	62,444	1,178,279	382,399	224,958	140,096
Amortization	1,089	430,237	58,439	9,126	181,484	9,152	6,821	31,398
Disposals	-	-	-	-	(105,095)	(322,272)	(67,068)	-
Accumulated amortization, end of year	2,640	7,596,842	262,733	71,570	1,254,668	69,279	164,711	171,494
Net carrying amount, end of year	\$ 1,260,863	\$14,171,236	\$ 143,748	\$ 44,188	\$ 508,064	\$ 60,380	\$ 40,321	\$ 78,723
								<b>\$16,307,523</b>

## Rainy River District Social Services Administration Board Notes to Financial Statements

December 31, 2015

### 9. Accumulated Surplus

The Board segregates its accumulated surplus in the following categories:

	2015	2014
Investment in tangible capital assets		
Tangible capital assets	\$ 16,232,380	\$ 16,307,523
Social housing debentures outstanding	(1,548,945)	(1,766,164)
Total investment in tangible capital assets	14,683,435	14,541,359
Unrestricted net assets		
Ontario Works General Allowance	(8,332)	(14,412)
Community Homelessness Prevention Initiative	27,998	27,345
Child Care	100,689	79,701
Social Housing	(120,236)	(130,536)
RRDSSAB Housing	515,874	421,123
Ontario Works Program Administration, Employment Assistance and Board Administration	249,279	62,524
Land Ambulance	(76,111)	(106,647)
Investment in affordable housing program (IAHP)	129,519	152,908
Family resource centres	22,725	21,120
RRDSSAB Administration	(459,558)	(454,881)
Total unrestricted net assets	381,847	58,245
Other allocated deficits		
Accrued stat/vacation/OT/sick time	(301,928)	(237,929)
Post-retirement benefits	(417,200)	(371,900)
Total other allocated deficits	(719,128)	(609,829)
Working fund reserves	1,684,649	1,684,649
Reserve funds		
Land Ambulance	1,043,676	1,165,947
Social Housing and RRDSSAB Housing	837,007	835,900
RRDSSAB Administration	202,448	103,239
Total reserve funds	2,083,131	2,105,086
	<u>\$ 18,113,934</u>	<u>\$ 17,779,510</u>

The investment in tangible capital assets represents amounts already spent and invested in infrastructure and non-financial assets.

Reserve funds represent funds set aside by Board resolution for specific purposes.

## Rainy River District Social Services Administration Board Notes to Financial Statements

December 31, 2015

### 10. Government Transfers - Federal

	2015	2014
<b>Operating</b>		
Ministry of Municipal Affairs and Housing	\$ 1,594,848	\$ 1,620,176

### 11. Government Transfers - Provincial

	2015	2014
<b>Operating</b>		
Ministry of Municipal Affairs and Housing	\$ 263,785	\$ 577,443
Ministry of Health and Long-Term Care	2,756,806	2,770,189
Ministry of Community and Social Services	2,621,995	2,382,481
Ministry of Education	2,933,381	3,427,287
<b>Total provincial transfers</b>	<b>\$ 8,575,967</b>	<b>\$ 9,157,400</b>

### 12. Expenses by Object

	Budget 2015	Actual 2015	2014
Salaries and benefits	\$ 8,103,832	\$ 7,773,476	\$ 7,495,206
Long-term debt interest	112,553	112,554	127,721
Materials	2,062,568	1,909,861	1,802,741
Contracted services	500	-	5,060
Rents and financial expenses	1,080,793	1,056,177	1,415,082
External transfers	7,082,631	7,192,986	7,645,957
Amortization	763,035	704,989	727,746
Post-employment benefits	-	45,300	20,700
	<b>\$ 19,205,912</b>	<b>\$ 18,795,343</b>	<b>\$ 19,240,213</b>

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## Rainy River District Social Services Administration Board Notes to Financial Statements

December 31, 2015

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### 13. Adequacy of Housing Providers' Capital Reserve Funds

RRDSSAB and certain non-profit housing providers are required to establish capital reserve funds for financing future major repairs and replacements.

RRDSSAB has used the Analysis of Building Condition Assessment and Reserve Funds for the RRDSSAB Study of the Stonewell Group Inc. and other information as available to evaluate the adequacy of annual contributions to the capital reserve funds of certain housing providers that receive funding from RRDSSAB.

The Study was completed in 2004 and indicated that, based on a capital reserve funding level of \$116,441 annually over a 30 year period, the aggregate of the capital reserve funds for the provincial reformed, urban native, and Section 95 non-profit providers that receive funding from RRDSSAB would be deficient. The Study recommended annual funding of \$314,000 or a one-time top up of \$4.13 million in order to avoid future deficiencies in the reserve funds of these housing providers.

The capital reserve funds of housing providers were evaluated on the basis of expected repair and replacement costs and life expectancy of the building projects. Such evaluation is based on numerous assumptions and future events.

A Building Condition Assessment and Reserve Fund Study has been completed on the housing units owned and operated by RRDSSAB by FIRM Associates Inc. in 2008, and the future deficiency of the reserve fund for these housing units has been estimated at \$9,402,000.

The study indicated that, over the next 20 year period the fund would require \$463,000 annually to avoid future deficiencies in the reserve fund.



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## Rainy River District Social Services Administration Board Notes to Financial Statements

December 31, 2015

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### 14. Commitments

The Board is party to an operating lease for its Land Ambulance building premises in Atikokan, Ontario, at \$2,031 per month for 2015 with 1.75% annual increases, under a lease expiring December 31, 2016.

The minimum annual lease payment for the next year is as follows:

Year	Amount
2016	\$24,799

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### 15. Pension Agreements

OMERS provides pension services to more than 461,000 active and retired members and approximately 1,000 employers. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2015. The results of this valuation disclosed total actuarial liabilities of \$82,369 million in respect of benefits accrued for service with actuarial assets at that date of \$75,392 million indicating an actuarial deficit of \$6,977 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Board does not recognize any share of the OMERS pension surplus or deficit. Contributions made by the Board to OMERS for 2015 were \$568,530 (2014 - \$528,032) for current services.

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## Rainy River District Social Services Administration Board Notes to Financial Statements

December 31, 2015

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### 16. Segmented Information

The Board is a diversified para-municipal organization engaged in the provision of social services to residents of Rainy River District Social Services Administration Board and serves as a collection and administrative agent for social assistance, child care, social housing, land ambulance services and various government funded programs. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

#### **General Government**

General government consists of the revenue and expense that relate to the administrative and board costs of Rainy River District Social Services Administration Board.

#### **Health - Ambulance Services**

Health services are represented by ambulance services. The ambulance services provide emergency medical care to those in distress and transportation services to the injured.

#### **Social Services - General Assistance**

Social services - general assistance is comprised of social assistance provided to help individuals and families in need.

#### **Social Services - Child Care**

The Board provides assistance to help families with the cost of child care and youth programs.

#### **Social Housing**

Social housing is provided to help shelter families and elderly in need.

# **Rainy River District Social Services Administration Board** **Notes to Financial Statements**

December 31, 2015

## **16. Segmented Information (continued)**

For the year ended December 31, 2015	General Government	Health - Ambulance Services	Social Services - General Assistance	Social Services - Child Care	Social Housing	2015 Total
<b>Revenues</b>						
Grants	\$ 16,188	\$ 2,756,806	\$ 2,845,234	\$ 2,933,381	\$ 1,619,206	\$ 10,170,815
Municipalities	(94,012)	3,836,176	546,259	316,409	1,886,829	6,491,661
Rents	213,984	-	-	-	1,181,754	1,395,738
Interest	34,712	14,526	-	-	10,483	59,721
Other	382,713	64,522	274,920	3,222	286,455	1,011,832
<b>Total revenues</b>	<b>553,585</b>	<b>6,672,030</b>	<b>3,666,413</b>	<b>3,253,012</b>	<b>4,984,727</b>	<b>19,129,767</b>
<b>Expenses</b>						
Salaries, wages and benefits	181,390	5,646,297	650,335	203,860	1,091,594	7,773,476
Long-term debt charges	-	-	-	-	112,554	112,554
Materials	277,115	446,968	60,504	37,413	1,087,861	1,909,861
Contracted services	-	-	-	-	-	-
Rents and financial expenses	3,263	340,251	158,960	59,528	494,175	1,056,177
External transfers	-	-	2,636,000	2,899,272	1,657,714	7,192,986
Post-employment benefits	-	45,300	-	-	-	45,300
Amortization	95,514	219,132	2,186	-	388,157	704,989
<b>Total expenses</b>	<b>557,282</b>	<b>6,697,948</b>	<b>3,507,985</b>	<b>3,200,073</b>	<b>4,832,055</b>	<b>18,795,343</b>
<b>Net surplus (deficit)</b>	<b>\$ (3,697)\$</b>	<b>(25,918)\$</b>	<b>158,428 \$</b>	<b>52,939 \$</b>	<b>152,672 \$</b>	<b>334,424</b>

# Rainy River District Social Services Administration Board Notes to Financial Statements

December 31, 2015

## 16. Segmented Information (continued)

For the year ended December 31, 2014	General Government	Health - Ambulance Services	Social Services - General Assistance	Social Services - Child Care	Social Housing	2014 Total
<b>Revenues</b>						
Grants	\$ 18,415	\$ 2,770,189	\$ 2,919,639	\$ 3,427,287	\$ 1,642,046	\$ 10,777,576
Municipalities	(157,229)	3,884,234	560,733	316,410	1,559,193	6,163,341
Rents	195,984	-	-	-	1,102,070	1,298,054
Interest	36,681	19,151	-	-	11,820	67,652
Other	371,127	16,913	238,209	7,662	237,778	871,689
<b>Total revenues</b>	<b>464,978</b>	<b>6,690,487</b>	<b>3,718,581</b>	<b>3,751,359</b>	<b>4,552,907</b>	<b>19,178,312</b>
<b>Expenses</b>						
Salaries, wages and benefits	168,252	5,385,302	666,933	208,225	1,066,494	7,495,206
Long-term debt charges	-	-	-	-	127,721	127,721
Materials	240,200	466,946	46,839	45,118	1,003,638	1,802,741
Contracted services	-	-	5,060	-	-	5,060
Rents and financial expenses	3,241	686,161	166,486	69,569	489,625	1,415,082
External transfers	-	-	2,595,665	3,428,317	1,621,975	7,645,957
Post-employment benefits	-	20,700	-	-	-	20,700
Amortization	90,449	249,355	1,475	-	386,467	727,746
<b>Total expenses</b>	<b>502,142</b>	<b>6,808,464</b>	<b>3,482,458</b>	<b>3,751,229</b>	<b>4,695,920</b>	<b>19,240,213</b>
<b>Net surplus (deficit)</b>	<b>\$ (37,164)\$</b>	<b>(117,977)\$</b>	<b>236,123 \$</b>	<b>130 \$</b>	<b>(143,013)\$</b>	<b>(61,901)</b>



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BDO Canada LLP  
375 Scott Street  
Fort Frances ON P9A 1H1 Canada

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## Independent Auditor's Comments on Supplementary Financial Information

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To the Board of Directors of  
Rainy River District Social Services Administration Board

We have audited the financial statements of Rainy River District Social Services Administration Board, which comprise the Statement of Financial Position as at December 31, 2015, and the Statement of Operations and Accumulated Surplus, the Statement of Change in Net Financial Assets and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have issued our report thereon dated May 19, 2016, which contained an unqualified opinion on those financial statements. The audit was performed to form an opinion on the financial statements as a whole. The following program schedules are presented for the purpose of additional analysis and are not a required part of the financial statements. Such supplementary information is the responsibility of management and was derived from the underlying accounting and other records used to prepare the financial statements.

The supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such supplementary information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves.

This supplementary information is prepared to assist Rainy River District Social Services Administration Board in assessing and analysing the operations of the individual programs. As a result, the supplementary information may not be suitable for another purpose. Our report is intended solely for the Board of Directors of Rainy River District Social Services Administration Board and should not be distributed to or used by parties other than the Board of Directors of Rainy River District Social Services Administration Board.

*BDO CANADA LLP*

Chartered Professional Accountants, Licensed Public Accountants

Fort Frances, Ontario  
May 19, 2016

## Rainy River District Social Services Administration Board Program Schedules

For the year ended December 31	Budget 2015	Actual 2015	Actual 2014
<b>Ontario Works General Allowance</b>			
<b>Revenue</b>			
Provincial	\$ 1,770,370	\$ 1,932,598	\$ 1,798,910
Municipal	166,580	166,580	200,040
Client income	160,000	202,896	189,728
Repayments	17,500	30,683	14,436
Reimbursements	32,400	31,695	28,261
	<u>2,146,850</u>	<u>2,364,452</u>	<u>2,231,375</u>
<b>Expenses</b>			
General assistance			
Basic needs	852,800	931,949	1,047,041
Basic shelter	1,115,300	1,238,400	1,038,437
Board and lodging	17,700	34,153	25,212
Special diet	24,000	26,440	21,036
Temporary care	8,500	6,153	13,298
Advanced age	200	193	157
Community startup	-	-	1,230
Up front costs	1,000	-	832
Transitional child benefit	25,800	18,495	23,844
Employment startup	14,650	13,094	12,726
Personal needs	9,800	10,406	9,009
Full-time employment	2,000	753	2,153
Dental and eye care	17,000	8,830	4,400
Special assistance			
Travel and transportation	500	-	98
Funerals	25,000	15,231	13,721
Dental services	7,200	6,189	4,383
Prosthetic and eye glasses	3,500	1,886	4,404
Other	3,400	10,068	1,412
Special needs			
Surgical supplies	1,500	1,464	2,272
Medical transportation	17,000	33,620	25,221
Training	-	1,048	-
	<u>2,146,850</u>	<u>2,358,372</u>	<u>2,250,886</u>
<b>Net change in program for the year</b>	<b>\$ -</b>	<b>\$ 6,080</b>	<b>\$ (19,511)</b>

## Rainy River District Social Services Administration Board Program Schedules

For the year ended December 31	Budget 2015	Actual 2015	Actual 2014
<b>Community Homelessness Prevention Initiative</b>			
Revenue			
Provincial	\$ 166,666	\$ 164,674	\$ 170,583
Expenses			
Program	150,194	147,281	128,517
Salaries and wages	16,472	16,741	10,674
	<u>166,666</u>	<u>164,022</u>	<u>139,191</u>
Net change in program for the year	\$ -	\$ 652	\$ 31,392

## Rainy River District Social Services Administration Board Program Schedules

For the year ended December 31	Budget 2015	Actual 2015	Actual 2014
<b>Low Income Energy Assistance Program</b>			
Revenue			
Provincial	\$ 4,700	\$ -	\$ -
Other revenue	2,000	4,190	5,078
	<u>6,700</u>	<u>4,190</u>	<u>5,078</u>
Expenses			
Program	<u>6,700</u>	<u>4,190</u>	<u>5,078</u>
Net change in program for the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



## Rainy River District Social Services Administration Board Program Schedules

For the year ended December 31	Budget 2015	Actual 2015	Actual 2014
<b>Child Care</b>			
<b>Revenue</b>			
Provincial	\$ 2,556,397	\$ 2,563,998	\$ 3,037,956
Municipal	230,569	230,570	230,569
Miscellaneous	2,640	3,100	2,640
	<u>2,789,606</u>	<u>2,797,668</u>	<u>3,271,165</u>
<b>Expenses</b>			
Allocated administration costs	38,697	38,697	43,093
Building maintenance and rent	13,388	13,388	12,636
Program administration costs	16,770	10,447	21,420
Service provider payments	2,460,880	2,470,986	3,000,030
Travel and training	9,000	8,954	6,751
Wages and benefits	220,523	203,860	208,225
	<u>2,759,258</u>	<u>2,746,332</u>	<u>3,292,155</u>
<b>Net change in program for the year</b>	<b>\$ 30,348</b>	<b>\$ 51,336</b>	<b>\$ (20,990)</b>

## Rainy River District Social Services Administration Board Program Schedules

For the year ended December 31	Budget 2015	Actual 2015	Actual 2014
<b>Social Housing</b>			
<b>Revenue</b>			
Municipal	\$ 749,466	\$ 749,466	\$ 647,103
Federal	1,217,519	1,217,518	1,222,727
RGI calculation and administration fees	54,187	58,449	55,566
Miscellaneous	-	5,721	9,708
	<u>2,021,172</u>	<u>2,031,154</u>	<u>1,935,104</u>
<b>Expenses</b>			
Service provider payments	1,597,342	1,596,471	1,563,419
Allocated administration costs	48,203	48,203	55,815
Amortization	1,280	1,282	1,282
Building maintenance and rent	16,676	16,676	16,367
Program administration costs	46,955	22,474	39,729
Wages and benefits	311,996	337,031	341,680
	<u>2,022,452</u>	<u>2,022,137</u>	<u>2,018,292</u>
<b>Net change in program for the year</b>	<b>\$ (1,280)</b>	<b>\$ 9,017</b>	<b>\$ (83,188)</b>

## Rainy River District Social Services Administration Board Program Schedules

For the year ended December 31	Budget 2015	Actual 2015	Actual 2014
<b>RRDSSAB Housing</b>			
<b>Revenue</b>			
Rent	\$ 1,112,500	\$ 1,181,754	\$ 1,102,070
Municipal	1,137,363	1,137,363	912,090
Federal	377,329	377,330	401,102
Provincial - SCRS	29,040	24,357	17,120
Provincial - student grants	1,100	-	1,097
Administration and other revenue	142,977	213,295	184,325
	<u>2,800,309</u>	<u>2,934,099</u>	<u>2,617,804</u>
<b>Expenses</b>			
Allocated administration	59,314	59,314	55,553
Amortization	388,410	386,875	385,186
Equipment and repairs	12,500	17,722	95,356
General operating expenses	398,900	385,780	234,547
Insurance	65,400	61,422	58,096
Interest on long-term debt	112,553	112,554	127,721
Information technology costs	30,500	28,419	11,329
Other expenses	56,244	61,557	78,626
Property taxes	267,000	268,714	259,621
Rent - administrative office	20,520	20,520	16,290
Rent supplement	75,000	61,339	58,938
Repairs and maintenance	-	29,033	-
Salaries and wages	731,410	754,563	724,813
Telephone	24,000	19,729	19,492
Travel and training	12,750	11,472	8,491
Utilities	561,500	530,905	543,568
	<u>2,816,001</u>	<u>2,809,918</u>	<u>2,677,627</u>
<b>Net change in program for the year</b>	<b>\$ (15,692)</b>	<b>\$ 124,181</b>	<b>\$ (59,823)</b>

## Rainy River District Social Services Administration Board Program Schedules

For the year ended December 31	Budget 2015	Actual 2015	Actual 2014
<b>Ontario Works Program Administration, Employment Assistance and Board Administration</b>			
<b>Revenue</b>			
Provincial	\$ 539,389	\$ 689,397	\$ 583,571
Municipal	417,659	417,659	400,598
Other income	-	5,456	706
	<u>957,048</u>	<u>1,112,512</u>	<u>984,875</u>
<b>Expenses</b>			
Advertising	1,100	321	1,191
Allocated administration	89,048	89,048	94,105
Amortization	2,180	2,186	1,475
Audit	5,180	6,812	5,319
Bank charges	150	133	157
Computer maintenance	3,450	12,843	6,314
Contracts - miscellaneous	500	-	5,060
Equipment leases	2,060	1,264	1,306
Equipment and supplies	50	267	4,516
Insurance	10,730	10,315	12,398
Meetings	800	2,302	585
Miscellaneous	4,463	1,046	1,311
Office supplies and expenses	2,450	2,424	1,716
Postage	5,000	6,085	6,610
Program related expenses	57,519	22,373	43,649
Repairs and maintenance	1,800	1,165	1,450
Rent - administrative office	45,591	45,590	42,247
Telephone	3,250	3,207	3,803
Travel and training	40,920	43,394	29,944
Wages and benefits	682,987	677,167	690,543
	<u>959,228</u>	<u>927,942</u>	<u>953,699</u>
<b>Net change in program for the year</b>	<b>\$ (2,180)</b>	<b>\$ 184,570</b>	<b>\$ 31,176</b>

## Rainy River District Social Services Administration Board Program Schedules

For the year ended December 31	Budget 2015	Actual 2015	Actual 2014
<b>Land Ambulance</b>			
<b>Revenue</b>			
Provincial	\$ 2,963,927	\$ 2,609,624	\$ 2,767,438
Municipal	3,970,774	3,836,176	3,884,234
Miscellaneous revenue	-	38,728	34,559
Gain on disposal of tangible capital assets	-	40,320	1,505
	<u>6,934,701</u>	<u>6,524,848</u>	<u>6,687,736</u>
<b>Expenses</b>			
Allocated administration	66,511	66,511	46,079
Ambulance base leases and office rent	149,138	149,010	139,093
Amortization	274,870	219,132	249,355
Bad debts	-	-	404,497
Computer maintenance and supplies	85,840	75,712	72,983
Equipment	8,100	10,511	41,004
Insurance	77,800	74,790	75,961
Licences	1,750	1,200	1,325
Laundry and uniforms	53,000	48,209	32,163
Medical supplies	72,000	55,961	62,523
Program expenses	65,380	67,065	43,220
Repairs and maintenance - base and vehicles	171,880	142,443	151,989
Telephone and communications	21,920	22,313	21,952
Travel and training	51,550	29,041	27,978
Utilities	30,100	30,544	29,590
Wages and benefits	5,871,602	5,558,326	5,406,002
	<u>7,001,441</u>	<u>6,550,768</u>	<u>6,805,714</u>
<b>Net change in program for the year</b>	<b>\$ (66,740)</b>	<b>\$ (25,920)</b>	<b>\$ (117,978)</b>

## Rainy River District Social Services Administration Board Program Schedules

For the year ended December 31	Budget 2015	Actual 2015	Actual 2014
<b>Community Para-Medicine Program</b>			
<b>Revenue</b>			
Provincial	\$ 164,000	\$ 147,182	\$ 2,751
<b>Expenditure</b>			
Public relations	10,000	2,681	270
Equipment	3,500	-	-
Vehicle costs	-	811	-
Meeting expenses	12,531	-	52
Supplies	5,000	2,559	2,286
Training	10,500	7,859	143
Wages and benefits	122,469	133,272	-
	<u>164,000</u>	<u>147,182</u>	<u>2,751</u>
<b>Net change in program for the year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## Rainy River District Social Services Administration Board Program Schedules

For the year ended December 31	Budget 2015	Actual 2015	Actual 2014
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### Social Housing Renovation and Retrofit Program

<b>Revenue</b>			
Provincial	\$ -	\$ -	\$ 45,271
<hr/>			
<b>Expenses</b>	-	-	-
<hr/>			
<b>Net change in program for the year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 45,271</b>

### Investment in Affordable Housing Program (IAHP)

<b>Revenue</b>			
Provincial	\$ 177,525	\$ 74,754	\$ 339,719
Other	-	19,471	-
<hr/>			
	<b>177,525</b>	<b>94,225</b>	<b>339,719</b>
<hr/>			
<b>Expenses</b>			
Program	177,525	117,614	172,615
Allocated administration	-	-	14,196
<hr/>			
	<b>177,525</b>	<b>117,614</b>	<b>186,811</b>
<hr/>			
<b>Net change in program for the year</b>	<b>\$ -</b>	<b>\$ (23,389)</b>	<b>\$ 152,908</b>

## Rainy River District Social Services Administration Board Program Schedules

For the year ended December 31	Budget 2015	Actual 2015	Actual 2014
<b>Family Resource Centres</b>			
<b>Revenue</b>			
Provincial	\$ 369,758	\$ 369,383	\$ 389,331
Municipal	85,840	85,840	85,840
Other revenue	-	122	5,022
	<u>455,598</u>	<u>455,345</u>	<u>480,193</u>
<b>Expenses</b>			
Planning and development	26,400	25,454	30,787
Service provider payments	<u>429,198</u>	<u>428,286</u>	<u>428,286</u>
	<u>455,598</u>	<u>453,740</u>	<u>459,073</u>
<b>Net change in program for the year</b>	<u>\$ -</u>	<u>\$ 1,605</u>	<u>\$ 21,120</u>



## Rainy River District Social Services Administration Board Program Schedules

For the year ended December 31	Budget 2015	Actual 2015	Actual 2014
<b>RRDSSAB Administration</b>			
<b>Revenue</b>			
Administration fees	\$ 301,773	\$ 301,773	\$ 294,645
Rental income	213,984	213,984	195,984
Interest income	35,000	34,712	36,681
Other income	80,465	80,941	76,482
Municipal recovery	(131,992)	(131,992)	(197,134)
	<u>499,230</u>	<u>499,418</u>	<u>406,658</u>
<b>Expenses</b>			
Amortization	96,295	95,514	90,449
Bank charges	3,000	9,132	4,036
Computer maintenance	89,050	83,114	67,390
Consulting and contracts	1,000	-	987
Fees and memberships	13,600	13,430	12,294
Other administration expenses	42,300	34,577	27,940
Professional fees	8,350	908	756
Repairs and maintenance	57,625	49,408	45,962
Telephone and internet	26,300	28,697	26,228
Travel and training	30,200	25,220	22,922
Utilities	14,600	14,708	15,006
Wages and benefits	147,873	138,418	134,966
	<u>530,193</u>	<u>493,126</u>	<u>448,936</u>
<b>Net change in program for the year</b>	<b>\$ (30,963)</b>	<b>\$ 6,292</b>	<b>\$ (42,278)</b>