



COUNTY OF WELLINGTON

Committee Report

To: Chair and Members of the Joint Social Services and Land Ambulance Committee
From: Shauna Calder, Manager of Finance
Date: Wednesday, June 12, 2024
Subject: **Social Services Financial Statements and Variance Projections as of May 31, 2024**

Background:

This report is respectfully submitted in accordance with the County's Budget Management Policy, and provides a first projection to year-end based on expenditures and revenues to May 31, 2024 for Social Services.

Ontario Works

- The grant and subsidies line is over budget mainly due to caseload exceeding the level that was originally projected. This is reflected in higher expenditures on the social assistance line which are 100% provincially funded. A one-time funding allocation of \$98,000 has also been received. This will be used to offset administration expenditures and will not impact the municipal tax levy.
- Internal recoveries are slightly under budget due to the timing of claims with Immigration, Refugees and Citizenship Canada.
- The salaries, wages and benefits line is tracking very close to budget. It is expected that this will continue throughout the year and there will be no significant year-end variance.
- Small variances in the supplies, materials, and equipment, and purchased services lines are due to timing and no significant year-end variance is expected.
- Programmes reported in the social assistance are currently over budget by \$240,000. With Ontario Works caseload levels exceeding budget, it is expected that this trend will continue to year end. Ontario Works benefits do not impact municipal tax levy as these costs are 100% provincially funded. Municipally funded discretionary benefits are being monitored but it is expected that any year end variance will be minor.
- Payment will be made to the Sanguen Health Van over the summer and the transfer from reserve line will be fully utilized to cover this cost.
- Overall, both the County and the City are expected to be very close to budget at year-end.

Capital

Ontario Works capital addresses facility needs related to buildings that house administration staff and is overseen by County Maintenance staff. This report provides a summary of the Ontario Works capital spending for the period ending May 31, 2024.

The total approved budget of \$975,000 consists of two projects. The funding for Ontario Works capital is cost shared between the City of Guelph and the County. The County funding source for facility lifecycle costs is the County Property Reserve which in turn is funded through annual operating contributions collected through the tax levy.

Open Capital Projects on December 31, 2023	\$475,000
Add: 2024 Approved Capital Budget	500,000
Less: Budget Adjustments	-
Less: Capital Projects Closed to date in 2024	-
Less: Prior Year Capital Spending	(207,667)
Less: 2024 Capital Spending	(3,531)
Open Capital Projects on May 31, 2024	\$763,802

Open Capital Project Details

Ontario Works staff have reviewed the listing of existing projects and provided comments on project status and estimated completion timing where possible in the following table.

	LTD Budget	LTD Actuals	Remaining Budget	Comments
Ontario Works				
129 Wyndham Renovations	\$500,000	\$0	\$500,000	RFP going out soon. Work expected to be completed over the summer with completion by the end of the year.
138 Wyndham: HVAC Replacements	\$475,000	\$207,667	\$267,333	Funding will be used to completed additional HVAC works identified over 2024
Total Ontario Works	\$975,000	\$207,667	\$763,802	

Children's Early Years

- The grants and subsidies line is currently tracking under budget. This is a reflection of lower expenditures for the first five months of the year. It is anticipated that except for the Canada Wide Early Learning and Childcare funding allocation, which is 100% Federal funding, all funding from senior levels of government will be spent at year-end.
- As presented in the May 2024 JSSLAC committee meeting, CWELCC 2024 Guidelines were received March 28th, 2024, indicating that \$3.8 million in additional funding will be received in 2024. These funds are 100% federal funding with no municipal cost share requirement. Any additional spending above budget will not impact the City or County tax levy.
- Salaries, wages, and benefits are currently reported as slightly under budget. The impacts of the union increase are still to be reflected and it is expected that at year-end we will see a small negative variance of approximately \$100,000.
- Supplies, materials, and equipment are currently tracking under budget. Savings have been seen at our directly operated childcare centres, capacity building, and in administration. Expenditures are expected to increase in the third and fourth quarter.
- The social assistance line reflects year-to-date savings of approximately \$1.7 million. The majority (\$1.4 million) of these savings are being realized in Canada Wide spending which is 100% federal funding and will not impact the municipal tax levy. Other programmes that currently have savings (Fee Subsidy, Repairs and Maintenance) are related to timing as several expenditure line increase in Q3 and Q4 and it is expected that funding will be substantially utilized at the end of the year.
- Overall, staff are not projecting a significant year-end variance for the County or the City.

Capital

This report provides a summary of the 2024 Children’s Early Years capital spending for the period ending May 31, 2024. The total approved budget of \$770,000 consists of five projects. The funding for Children’s Early Years capital is cost shared between the City of Guelph and the County. The County funding source for facility lifecycle costs is the County Property Reserve which in turn is funded through annual operating contributions collected through the tax levy.

Open Capital Projects on December 31, 2023	\$75,000
Add: 2024 Approved Capital Budget	695,000
Less: Budget Adjustments	-
Less: Capital Projects Closed to date in 2024	-
Less: Prior Year Capital Spending	-
Less: 2024 Capital Spending	-
Open Capital Projects on May 31, 2024	\$770,000

Open Capital Project Details

Children’s Early Years staff have reviewed the listing of existing projects and provided comments on project status and estimated completion timing where possible in the following table.

	LTD Budget	LTD Actuals	Remaining Budget	Comments
Children's Early Years				
Billing and Waitlist Software	\$125,000	-	\$125,000	Waitlist portion of the project is complete. Billing Software portion of the project is underway.
Centre Wellington EY Grant	\$160,000	-	\$160,000	Contract executed. Awaiting invoice from CRC.
Mount Forest: Generator	\$165,000	-	\$165,000	In Progress with quotes being sought.
Wellington Place: Generator	\$170,000	-	\$170,000	In Progress with quotes being sought.
Willowdale: Generator	\$150,000	-	\$150,000	In Progress with quotes being sought.
Total Children's Early Years	\$770,000	-	\$770,000	

Social Housing

- Grants and subsidies are currently tracking ahead of budget by approximately \$1.5 million. This relates to one-time funding for expenditures that are included in the social assistance line as well as timing differences that result from quarterly payments made to the community.
- Rent revenue collections are ahead of budget by approximately \$132,000 at the end of May. If this trend continues it is anticipated, we will end the year with a positive variance of approximately \$300,000.
- The salaries, wages and benefit line is currently experiencing savings. It is expecting that this trend will slow slightly as positions are hired later in the year. Year end savings of approximately \$200,000 (\$30,000 County and \$170,000 City) are expected.
- Supplies, materials, and equipment is currently sitting at a negative variance of \$60,000. This is related to timing of one-time expenditure that are funded through higher grants and subsidies.

- The purchased services line is tracking under budget by approximately \$196,000. This savings is due to timing of expenditures in areas such as software licencing, painting and grounds maintenance that are traditionally low early in the year. No significant variance is expected at year-end.
- The social assistance line is tracking ahead of budget by approximately \$1 million at this point in the year. This over expenditure is related to timing of spending and is completely offset by the additional revenue that is included in the grants and subsidies line. When projecting to the end of the year, staff have identified savings of approximately \$500,000 that is available to be reallocated towards other housing and homelessness pressures on a one-time basis.
- Overall, Treasury staff are projecting year end savings of approximately \$1 million (\$150,000 County and \$850,000 City). A staff report that is included in the closed agenda proposes a plan to utilize approximately \$650,000 of these savings leaving an expected positive year end variance of \$350,000 (\$85,000 County and \$265,000 City). This projection will be updated in the fall to reflect any changes.

Capital

Social Housing capital addresses facility needs at the County-owned social housing units and the administration of provincially funded grants for local housing providers. Projects are overseen by Social Housing staff. This report provides a summary of the Social Housing capital spending for the period ending May 31, 2024.

The total approved budget of \$47,747,700 consists of forty-seven projects with new 2023 projects accounting for a budget of \$19,851,300. The major funding sources for social housing capital are municipal recoveries from the City of Guelph, the Social Housing Capital reserve, as funded by annual operating contributions through the tax levy, and grants from upper levels of government.

Open Capital Projects on December 31, 2023	\$27,896,400
Add: 2024 Approved Capital Budget	19,851,300
Total Approved Budget	\$47,747,700
Add: Budget Adjustments	160,000
Less: Capital Projects Closed to date in 2024	(965,000)
Less: Prior Year Capital Spending	(9,319,046)
Less: 2024 Capital Spending	(3,953,299)
Open Capital Projects on May 31, 2024	\$33,670,355

Council approved one capital project adjustment and four capital projects were closed, returning almost \$40,000 to the capital reserves.

Project	Capital Reserve	Municipal Recoveries	Total
33 Marlborough Rd Roof Replacement	(35,000)	(125,000)	(160,000)
Total Project Amendments	(35,000)	(125,000)	(160,000)
2023 Housing Building Retrofit	(7,913)	(23,097)	(31,010)
2023 Various Bathroom Replacements	21,039		21,039
2023 Various Kitchen Replacements	59,301		59,301
Attic Insulation	1,499		1,499
Total Closed Projects	73,925	(23,097)	50,828
Net In-year Funding Activity	38,925	(148,097)	(109,172)

(-) indicates a draw from the funding source, + indicates a return to the funding source

*Note for the three projects with savings, City was billed to actual – so no budgetary savings are shown in this table

Open Capital Project Details

Housing staff have reviewed the listing of existing projects and provided comments on project status and estimated completion timing where possible in the following table.

	LTD Budget	LTD Actuals	Budget Remaining	Comment
COCHI Community Housing Init	\$5,314,100	\$3,737,887	\$1,576,213	100% federal/provincial funded programmes continue with additional funds in 2024
OPHI Ont Priorities Housing In	\$4,250,600	\$2,239,017	\$2,011,583	
2023 Accessible Unit Reno	\$1,560,000	\$152,670	\$1,407,330	Design complete. Tender in June
2023 GHG Initiatives	\$90,000	\$83,545	\$6,455	Complete. Project will be closed when final invoicing complete.
2024 GHG Initiatives	\$250,000	\$3,460	\$246,540	Solar RFP closes end of June
2024 Housing Building Retro	\$190,000	\$179,157	\$10,843	Some unplanned activities have used a large portion of this budget. A budget overage is anticipated by year end, with funding from municipal recoveries and housing capital reserve.
2024 Housing Sites IT Replace	\$60,000	\$5,933	\$54,067	For work as needed in the year
2024 Various Bathroom Replace	\$180,000	-	\$180,000	For work as needed in the year
2024 Various Kitchen Replace	\$385,000	\$99,352	\$285,648	For work as needed in the year
Various Camera Installations	\$310,000	\$1,656	\$308,344	In Progress
Various Install Waste Container	\$345,000	-	\$345,000	Summer start
Various Unit Door/Fob Replace	\$2,665,000	-	\$2,665,000	RFP is being prepared
130 Grange Electric Heat Conv	\$1,262,000	-	\$1,262,000	Design in Progress
130 Grange Generator Install	\$350,000	-	\$350,000	Not started
130 Grange Light/Clng/Rcrc	\$245,000	-	\$245,000	Design in progress, in conjunction with electric heat conversion
130 Grange Parking Lot	\$20,000	-	\$20,000	Consulting only with construction planned for 2025
130 Grange Window Replace	\$505,000	\$6,055	\$498,945	Project awarded, construction start Jul/Aug
212 Whites Lghtng/Clng/Rcrc	\$150,000	-	\$150,000	June start
212 Whites Windows/Doors/Side	\$20,000	-	\$20,000	Consulting only with construction planned for 2025
221 Mary Window Replace	\$185,000	\$6,258	\$178,742	Awarded, Fall start
229 Dublin Electric Heat Conv	\$48,000	-	\$48,000	Consulting only with construction planned for 2025

	LTD Budget	LTD Actuals	Budget Remaining	Comment
232 Delhi Lights/Ceiling/Recrc	\$215,000	\$3,465	\$211,535	June start
232 Delhi Parking Lot Replace	\$115,000	-	\$115,000	Out for Tender
232 Delhi Window Replace	\$360,000	\$365,582	(\$5,582)	Complete. Will close when final invoicing complete. Any overage will be funded from municipal recoveries and housing capital reserve.
263 Speedvale Ltg/Clnb/Rcrc	\$300,000	\$9,871	\$290,129	Design in Progress
263 Speedvale MUA Installation	\$25,000	\$12,288	\$12,712	Awarded. Consulting only.
263 Speedvale Roof Rpl	\$1,030,000	\$3,918	\$1,026,082	Awarded. Summer start
263 Speedvale Unit Panel Repl	\$205,000	-	\$205,000	Not started
263 Speedvale Window Replace	\$490,000	-	\$490,000	Awarded. June start
32 Hadati Lght/Clng/Rcrd Repl	\$330,000	-	\$330,000	Design in Progress
33 Marlborough Roofing Replace	\$1,015,000	\$3,982	\$1,011,018	Awarded. Summer start
360 Derby Windows/Doors/Side	\$20,000	-	\$20,000	Consulting only with construction planned for 2025
387 Waterloo Roofing Repl	\$1,420,000	\$3,918	\$1,416,082	Awarded. Summer start
387 Waterloo Window Replacement	\$635,000	\$6,004	\$628,996	Awarded. Summer start
411 Waterloo Roofing Repl.	\$825,000	\$3,460	\$821,540	Awarded. Summer start
411 Waterloo Window Repl	\$290,000	\$6,004	\$283,996	Awarded. June start
450 Albert Recirc Line Replace	\$165,000	-	\$165,000	Abatement scheduled.
450 Ferrier Elevator Mod.	\$160,000	\$3,050	\$156,950	Awarded. Fall start
576 Woolwich Ltg/Clng/Rcrc	\$350,000	\$139,861	\$210,139	Nearing completion. Will be complete by mid June
576 Woolwich Window/Mansard	\$475,000	\$5,292	\$469,708	Awarded. June start
65 Delhi Renovations	\$10,605,000	\$3,115,117	\$7,489,883	In Progress
Algonquin/Ferndale Metal Roof	\$600,000	-	\$600,000	Construction started
Applewood / Sunset Roofing Rep	\$1,315,000	\$1,199,933	\$115,067	Complete. Will close when final invoicing complete. Anticipate a budget savings with funds returned to their original funding sources.
County Corridor Handrail Rpl	\$195,000	\$46,464	\$148,536	In Progress
Vancouver / Edmonton Full Reno	\$420,000	\$260,800	\$159,200	Work will continue when a unit becomes vacant
Willow Dawson Site Dev	\$430,000	-	\$430,000	Tender in June
Total Social Housing Projects	\$40,374,700	\$11,703,995	\$28,670,705	
Stepping Stone Capital Grant	\$6,568,000	\$1,568,350	\$4,999,650	Construction project managed for Drop In Centre: Stepping Stone
Total Social Housing	\$46,942,700	\$13,272,345	\$33,670,355	

Affordable Housing

- Rent revenues are tracking close to budget and no significant variance is expected at the end of the year.
- Supplies, material, and equipment is over budget by \$15,000 to the end of May. Higher than anticipated costs in heating and plumbing have been realized. This is being offset by purchase services as it is tracking below budget. It is expected that any variance at year-end will be minimal.
- The insurance and financial line appears high but this is due to insurance premium payments that are made early in the year.
- Overall, affordable housing is projected to track close to budget. An update will be provided in the fall.

Capital

Affordable Housing capital addresses facility needs at the County-owned affordable housing units and is overseen by Social Housing staff. This report provides a summary of the 2024 Affordable Housing capital spending for the period ending May 31, 2024.

The total approved budget of \$2,335,000 consists of five projects. The primary funding source for lifecycle replacements in affordable housing capital is the Housing Capital reserve, which in turn is funded by annual transfers from the operating budget funded by the tax levy.

Open Capital Projects on December 31, 2023	\$1,650,000
Add: 2024 Approved Capital Budget	685,000
Total Approved Budget	2,335,000
Less: Budget Adjustments	-
Less: Capital Projects Closed to date in 2024	(1,500,000)
Less: Prior Year Capital Spending	(83,247)
Less: 2024 Capital Spending	(1,532)
Open Capital Projects on May 31, 2024	\$750,221

The capital project for air conditioning at 165 Gordon St has been closed, returning \$84,000 to capital reserves.

Open Capital Project Details

Housing staff have reviewed the listing of existing projects and provided comments on project status and estimated completion timing where possible in the following table.

	LTD Budget	LTD Actuals	Remaining Budget	Comments
Affordable Housing				
165 - 169 Security Upgrades	\$690,000	\$59,235	\$630,765	In Progress
169 Gordon St FOB System	\$40,000	\$24,012	\$15,988	Virtual computer requires set up
2024 Affordable Housing Retrofit	\$45,000	\$1,532	\$43,468	For work as needed in the year
Gordon St Waste Container Ins	\$60,000	\$0	\$60,000	Work scheduled for June
Total Affordable Housing	\$835,000	\$84,779	\$750,221	

Summary:

Service	Projected Savings / (Overage)	County	City	Comments
Ontario Works	\$10,000	(\$20,000)	\$30,000	Variances in municipally funded discretionary benefit costs.
Children's Early Years	\$70,000	\$20,000	\$50,000	Funding is planned to be allocated to best serve the community.
Social Housing	\$350,000	\$85,000	\$265,000	Higher than anticipated rent collections and salary savings
Affordable Housing	-	-	-	Tracking close to budget. Operating savings (if any) are transferred to the County's Housing Development Reserve.
Total Social Services	\$430,000	\$85,000	\$345,000	

Strategic Action Plan:

This report relates to the following objectives and priorities in the County's Strategic Action Plan:

- Making the Best Decisions for the Betterment of the Community.

Recommendation:

That the JSSLAC recommend to County Council that the Financial Statements and Variance Projections as of May 31, 2024 for Social Services be approved.

Respectfully submitted,



Shauna Calder, CPA, CGA
Manager of Finance