



# COUNTY OF WELLINGTON

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## Committee Report

**To:** Chair and Members of the Joint Social Services and Land Ambulance Committee  
**From:** Shauna Calder, Manager of Finance  
**Date:** Wednesday, October 09, 2024  
**Subject:** **Social Services Financial Statements and Variance Projections September 30, 2024**

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### Background:

This report is respectfully submitted in accordance with the County's Budget Management Policy and provides an updated projection to year-end based on expenditures and revenues to September 30, 2024, for Social Services.

### Ontario Works

- The grant and subsidies line is tracking 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.
- The salaries, wages and benefits line is tracking very close to budget. It is expected that this will continue throughout the year and any year-end variance will be minor.
- Currently both the supplies, materials, and equipment, and purchased services lines are tracking over budget. This is due to one-time costs that are largely offset by the one-time provincial funding allocation. It is anticipated that expenditures will slow in the last quarter and a negative variance of \$49,000 will be realized at year-end.
- Programmes reported in the social assistance are currently over budget by \$578,000. 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. It is projected that at year-end savings in discretionary benefits of approximately \$125,000 will be seen (\$57,000 County and \$68,000 City). County savings are made up of lower dental, surgical and optical expenses. The City is experiencing savings in funeral, dental, prescribed drugs, and surgical expenses.
- The transfer payments line is ahead of budget by \$21,000 due to timing of payments. No variance is expected at year-end.
- Overall, municipal savings of \$80,000 (\$50,000 County and \$30,000 City) are projected for 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 September 30, 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.

<b>Open Capital Projects on December 31, 2023</b>	\$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	(4,098)
<b>Open Capital Projects on September 30, 2024</b>	<b>\$763,235</b>

**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
<b>Ontario Works</b>				
129 Wyndham Renovations	\$500,000	\$4,098	\$495,902	Work is expected to begin in October 2024 with completion by the end of the year.
138 Wyndham: HVAC Replacements	\$475,000	\$207,667	\$267,333	Completed. To be closed when all invoices paid. Project to be closed by year-end.
<b>Total Ontario Works</b>	<b>\$975,000</b>	<b>\$211,765</b>	<b>\$763,235</b>	

**Children’s Early Years**

- The grants and subsidies line continue to track under budget. This is a reflection of lower expenditures year-to-date. It is projected that all funding from senior levels of government will be spent at year end, with the exception of the Canada Wide Early Learning and Childcare funding allocation, which is 100% Federal funding.
- A one-time administration funding allocation in the amount of \$427,500 has been received. This unbudgeted funding will offset municipal costs incurred. In addition, federal funding for emerging issues was recently announced and a portion of this funding will be available to offset municipal costs.
- Parent fees collected from our directly operated centres have surpassed the budget and we anticipate this positive trend to continue. By year-end, we expect a favourable variance of \$28,000 (\$16,000 County and \$12,000 City).
- Salaries, wages, and benefits are currently under budget, mainly due to vacancies and gaps in staffing. It is anticipated these savings will continue, resulting in an estimated favourable year-end variance of \$130,000.
- Supplies, materials, and equipment are tracking under budget, with savings seen at our directly operated childcare centres, capacity building, and administration. Third quarter expenses have risen as anticipated, and we project a positive year-end variance of \$70,000.

- Purchased Services are under budget, with savings seen at our directly operated childcare centres and capacity building. This is partly due to timing and we expect to close the year very close to budget.
- The social assistance line reflects year-to-date savings of approximately \$2 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. Fee Subsidy has year-to-date savings that are projecting to be approximately \$500,000 at year-end. These funds will largely be reallocated to pressures in repairs and maintenance in the Child Care community.
- Overall, a small positive variance may be seen at year-end as a result of the increased funding received this fall. Staff are currently working to determine how these funds will best serve the community when planning for a new funding model in 2025.

### Capital

This report provides a summary of the 2024 Children’s Early Years capital spending for the period ending September 30, 2024. The total approved budget of \$802,000 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.

<b>Open Capital Projects on December 31, 2023</b>	\$75,000
Add: 2024 Approved Capital Budget	695,000
Add: Budget Adjustments	32,000
Less: Capital Projects Closed to date in 2024	-
Less: Prior Year Capital Spending	-
Less: 2024 Capital Spending	(189,025)
<b>Open Capital Projects on September 30, 2024</b>	<b>\$612,975</b>

### 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
<b>Children's Early Years</b>				
Billing and Waitlist Software	\$125,000	-	\$125,000	Waitlist portion of the project is complete and was funded from operating as provincial funding became available. Billing Software portion of the project is underway.
Centre Wellington EY Grant	\$160,000	\$160,000	\$0	Complete and to be closed.
Mount Forest: Generator	\$204,000	\$11,453	\$192,457	Awarded and work underway
Wellington Place: Generator	\$168,000	\$9,432	\$158,568	Awarded and work underway
Willowdale: Generator	\$145,000	\$8,140	\$136,860	Awarded and work underway
<b>Total Children's Early Years</b>	<b>\$802,000</b>	<b>\$189,025</b>	<b>\$612,975</b>	

## Social Housing

- Grants and subsidies are currently tracking ahead of budget by approximately \$800,000. This relates to one-time funding for expenditures that are included in the social assistance line.
- Rent revenue collections are currently tracking ahead of budget. If this trend continues as anticipated, there is projected to be a positive variance of approximately \$380,000 at year-end.
- Salaries, wages and benefits are currently experiencing savings due to delay in hiring vacant positions. It is expected that at year-end savings will be seen of approximately \$430,000.
- The supplies, materials, and equipment line is currently tracking over budget. The majority of this is related to additional expenditures at the Norfolk Temporary Accommodation site, as identified below. Outside of the Norfolk expenditures, other line items within this section are expected to generate year-end savings of approximately \$95,000.
- Purchased services are tracking ahead of budget year-to-date. This is a direct result of increased costs associated with in-year pressures as identified below. Staff expect this trend to continue leading to a year-end negative variance. This variance will be seen in purchased services and the social assistance lines combined.
- As identified in the variance report presented in June 2024, staff have identified approximately \$500,000 in savings related to budgeted expenditures that are available to be reallocated towards other housing and homelessness pressures on a one-time basis.
- Other pressures requiring spending, which will offset savings identified in other areas include:
  - The operation of 68 beds at the Norfolk Temporary Accommodation Site. These costs were estimated to be approximately \$650,000 originally. One-time unexpected costs of \$110,000 have been experienced, which is over the original estimate.
  - The winter shelter response plan is projected to have a cost of approximately \$280,000 in 2024. Staff continue to expect that federal funding will be available to offset these costs, but this is not confirmed at this time.
  - Due to increased need, staff have identified additional cost to adequately fund the operations of homelessness efforts in the community. This cost is required to provide appropriate staffing levels moving forward and has been identified as approximately \$500,000 in 2024.
- Overall, Treasury staff are projecting a year-end negative variance of approximately \$135,000 (\$55,000 positive County variance and \$190,000 negative City variance).

## 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 September 30, 2024.

The total approved budget of \$47,747,700 consists of forty-seven projects with new 2024 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.

<b>Open Capital Projects on December 31, 2023</b>	\$27,896,400
Add: 2024 Approved Capital Budget	19,851,300
Total Approved Budget	\$47,747,700
Add: Budget Adjustments	283,400
Less: Capital Projects Closed to date in 2024	(2,730,000)
Less: Prior Year Capital Spending	(7,703,733)
Less: 2024 Capital Spending	(10,751,009)
<b>Open Capital Projects on September 30, 2024</b>	<b>\$26,846,358</b>

Year-to-date, Council approved seven capital project adjustments, and five capital projects were closed, returning just over \$15,000 to the capital reserves.

Project	Capital Reserve	Municipal Recoveries	Grant	Total
33 Marlborough Rd Roof Replacement	(35,000)	(125,000)		(160,000)
411 Waterloo Window Replacement	6,000	24,000		30,000
263 Speedvale Window Replacement		2,600	50,000	52,600
387 Waterloo Window Replacement	10,000	60,000	171,000	241,000
221 Mary Window Replacement		3,000	20,000	23,000
130 Grange Window Replacement		24,000	36,000	60,000
Accessible Unit Renovations	(64,000)	(211,000)	(255,000)	(530,000)
Total Project Amendments	(83,000)	(222,400)	22,000	(283,400)
2023 GHG Initiatives	(1,299)			(1,299)
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
232 Delhi Window Replacements	(8,659)			(8,659)
Attic Insulation	1,499			1,499
Applewood/Sunset Roofing Replacement	34,723			34,723
Total Closed Projects	98,691	(23,097)		75,594
<b>Net In-year Funding Activity</b>	<b>15,691</b>	<b>(245,497)</b>	<b>22,000</b>	<b>(207,806)</b>

(-) 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 Initiatives	\$5,314,100	\$4,249,173	\$1,064,927	100% federal/provincial funded programmes
OPHI Ont Priorities Housing Initiatives	\$4,250,600	\$2,242,884	\$2,007,716	continue with additional funds in 2024
2023 Accessible Unit Reno	\$2,090,000	\$219,169	\$1,870,831	Awarded. Will continue into 2025
2024 GHG Initiatives	\$250,000	\$3,460	\$246,540	New Solar RFP to be issued.

	LTD Budget	LTD Actuals	Budget Remaining	Comment
2024 Housing Building Retro	\$190,000	\$207,425	(\$17,425)	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	\$34,203	\$145,797	For work as needed in the year
2024 Various Kitchen Replace	\$385,000	\$301,124	\$83,876	For work as needed in the year
Various Camera Installations	\$310,000	\$28,166	\$281,834	In progress. Project expected to continue into 2025 with additional funds requested in 2025 budget.
Various Install Waste Container	\$345,000	\$89,752	\$255,248	In progress. Invoicing may extend into 2025.
Various Unit Door/Fob Replace	\$2,665,000	\$0	\$2,665,000	RFP is being prepared
130 Grange Electric Heat Conv	\$1,262,000	\$2,641	\$1,259,359	Tendering in October.
130 Grange Generator Install	\$350,000	\$0	\$350,000	Project under review.
130 Grange Light/Clng/Rcrc	\$245,000	\$16,828	\$228,172	In progress. Invoicing may extend into 2025.
130 Grange Parking Lot	\$20,000	\$0	\$20,000	Consultant retained with construction planned for 2025
130 Grange Window Replace	\$445,000	\$385,582	\$59,418	95% Complete, project expected to close in Q4 2024.
212 Whites Lghtng/Clng/Rcrc	\$150,000	\$6,110	\$143,890	In progress. Project expected to close in Q4 2024.
212 Whites Windows/Doors/Side	\$20,000	\$0	\$20,000	Consulting only with construction planned for 2025
221 Mary Window Replace	\$162,000	\$6,258	\$155,742	In progress. Project expected to close in Q4 2024.

	LTD Budget	LTD Actuals	Budget Remaining	Comment
229 Dublin Electric Heat Conv	\$48,000	\$0	\$48,000	Consulting only with construction planned for 2025
232 Delhi Lights/Ceiling/Recrc	\$215,000	\$77,892	\$137,108	In progress. Project expected to close in Q4 2024.
232 Delhi Parking Lot Replace	\$115,000	\$9,545	\$105,455	95% Complete, project expected to close in Q4 2024.
263 Speedvale Ltg/Clnb/Rcrc	\$300,000	\$11,922	\$288,078	Design in Progress
263 Speedvale MUA Installation	\$25,000	\$12,288	\$12,712	Awarded. Consulting only.
263 Speedvale Roof Rpl	\$1,030,000	\$19,572	\$1,010,428	October Scheduled start. Invoicing will extend into 2025.
263 Speedvale Unit Panel Repl	\$205,000	\$0	\$205,000	Consultant retained with construction planned for Q4 2024
263 Speedvale Window Replace	\$437,400	\$395,693	\$41,707	95% Complete, project expected to close in Q4 2024.
32 Hadati Lght/Clng/Rcrd Repl	\$330,000	\$22,797	\$307,203	In progress. Project expected to close in Q4 2024.
33 Marlborough Roofing Replace	\$1,015,000	\$29,625	\$985,375	October Scheduled start. Invoicing will extend into 2025.
360 Derby Windows/Doors/Side	\$20,000	\$0	\$20,000	Consulting only with construction planned for 2025
387 Waterloo Roofing Repl	\$1,420,000	\$46,046	\$1,373,954	In progress. Invoicing may extend into 2025.
387 Waterloo Window Replace	\$394,000	\$369,946	\$24,054	95% Complete, project expected to close in Q4 2024.
411 Waterloo Roofing Repl.	\$825,000	\$22,387	\$802,613	In progress. Invoicing may extend into 2025.
411 Waterloo Window Repl	\$260,000	\$231,135	\$28,865	95% Complete, project expected to close in Q4 2024.
450 Albert Recirc Line Replace	\$165,000	\$68,751	\$96,249	In progress. Project expected to close in Q4 2024.

	LTD Budget	LTD Actuals	Budget Remaining	Comment
450 Ferrier Elevator Mod.	\$160,000	\$3,050	\$156,950	In progress. Project expected to close in Q4 2024.
576 Woolwich Ltg/Clng/Rcrc	\$350,000	\$389,066	(\$39,066)	Complete. Project to be closed when all invoices received. Overage to be funded from Housing Capital Reserve and Municipal recoveries.
576 Woolwich Window/Mansard	\$475,000	\$219,699	\$255,301	In progress. Project expected to close in Q4 2024.
65 Delhi Renovations	\$10,605,000	\$6,381,207	\$4,223,793	In progress.
Algonquin/Ferndale Metal Roof	\$600,000	\$371,354	\$228,646	In progress. Invoicing may extend into 2025.
County Corridor Handrail Rpl	\$195,000	\$132,092	\$62,908	In progress. Project expected to continue into 2025 with additional funds requested in 2025 budget.
Vancouver / Edmonton Full Reno	\$420,000	\$260,800	\$159,200	Project under review.
Willow Dawson Site Dev	\$430,000	\$12,618	\$417,382	In progress. Invoicing may extend into 2025.
<b>Total Social Housing Projects</b>	<b>\$38,733,100</b>	<b>\$16,886,193</b>	<b>\$21,846,907</b>	
Stepping Stone Capital Grant	\$6,568,000	\$1,568,548	\$4,999,452	Construction project managed for Drop-In Centre: Stepping Stone
<b>Total Social Housing</b>	<b>\$45,301,100</b>	<b>\$18,454,742</b>	<b>\$26,846,358</b>	

### Affordable Housing

- Rent revenues continue to track on budget and therefore there is no significant variance expected at year-end.
- Salaries and wages are under budget by \$25,000 due to a gap in custodial staffing at Webster and Ferguson Place. If these positions are not filled it will result in year-end savings of approximately \$30,000.
- Supplies, material and equipment continue to exceed the year-to-date budget by approximately \$16,000. This is being offset by greater saving in purchased services of approximately \$71,000. The variance at year-end is projected to be minimal.
- Any savings realized at year-end will be transferred to the Housing Development Reserve Fund at year-end as per policy.

## 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 September 30, 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.

<b>Open Capital Projects on December 31, 2023</b>	\$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	(67,220)
<b>Open Capital Projects on September 30, 2024</b>	<b>\$684,533</b>

Year-to-date, one capital project has been closed, 165 Gordon St Air Conditioning, 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
<b>Affordable Housing</b>				
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	\$22,304	\$22,696	For work as needed in the year
Gordon St Waste Container Ins	\$60,000	\$44,917	\$15,083	Initial Work complete, additional unit required. Invoicing for additional unit may continue into 2025.
<b>Total Affordable Housing</b>	<b>\$835,000</b>	<b>\$150,467</b>	<b>\$684,533</b>	

## Summary:

Service	Projected Savings / (Overage)	County	City	Comments
Ontario Works	\$80,000	\$50,000	\$30,000	Variances in municipally funded discretionary benefit costs.
Children's Early Years	\$150,000	\$20,000	\$130,000	Funding is planned to be allocated to best serve the community.
Social Housing	(\$135,000)	\$55,000	(\$190,000)	Support the operation of the Norfolk Temporary Accommodation Site and Winter Shelter Response
Affordable Housing	-	-	-	Tracking close to budget.
<b>Total Social Services</b>	<b>\$95,000</b>	<b>\$125,000</b>	<b>(\$30,000)</b>	

## 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 September 30, 2024, for Social Services be approved.

Respectfully submitted,



Shauna Calder, CPA, CGA  
Manager of Finance