



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 11, 2025
Subject: **Social Services Financial Statements and Variance Projections May 31, 2025**

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, 2025 for Social Services.

Ontario Works

- The grant and subsidies line is over budget by \$1.1 million 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 \$34,000 has also been received. This will be used to offset administration expenditures and will not impact the municipal tax levy.
- Internal recoveries are slightly ahead of budget due to the ending of the IRCC programme on March 31st. This line will remain unchanged to year-end.
- The salaries, wages and benefits line is currently experiencing savings as a result of timing, vacancies and gapping. It is expected that this trend will continue and we will see savings of approximately \$125,000 at year-end.
- 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 social assistance are currently over budget by approximately \$800,000. 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 the County will experience savings in discretionary benefits of approximately \$46,000, while the City will have approximately \$28,000. Savings in the County are made up of lower surgical, optical, dental and funeral expenses. The City is experiencing slightly lower dental, optical, diabetic and hearing aid expenses.
- Minor capital is currently under budget due to timing.
- The transfer payment line is over budget by \$69,000 for the first five months of the year. This is due to the timing and all budgeted transfer payments will be completed by year-end.
- Overall, municipal savings of \$200,000 (\$55,000 County and \$145,000 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 May 31, 2025.

The total approved budget of \$1,126,000 consists of four 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, 2024	\$975,000
Add: 2025 Approved Capital Budget	151,000
Less: Budget Adjustments	-
Less: Capital Projects Closed to date in 2025	-
Less: Prior Year Capital Spending	(500,844)
Less: 2025 Capital Spending	(160,482)
Open Capital Projects on May 31, 2025	\$464,674

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.

	Approved Budget	LTD Actuals	Budget Remaining	Comments
129 Wyndham Renovations	\$500,000	\$453,659	\$46,341	Majority of renovation completed
138 Wyndham: HVAC Replacements	\$475,000	\$207,667	\$267,333	Ongoing throughout year
2025 129 Wyndham: Interior Ren	\$50,000	\$0	\$50,000	Not started yet
Fergus OW: Roof Replacement	\$101,000	\$0	\$101,000	Not started yet
Total Ontario Works	\$1,126,000	\$661,326	\$464,674	

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 although spending will increase in the second half of 2025 this trend will continue, and a portion of funding will remain unspent at year-end.
- Salaries, wages, and benefits are currently under budget primarily due to staffing vacancies and the timing of new hires. This variance is not expected to increase over the remainder of the year and a positive variance of approximately \$140,000 is expected at year-end.
- Year-to-date under expenditures in the supplies, materials, and equipment line reflect savings at our directly operated childcare centres and in capacity building. This relates to timing and expenditures are projected to increase in the third and fourth quarter resulting in no significant variance at year-end.

- The social assistance line reflects year-to-date savings of approximately \$9.6 million. The majority (\$6.8 million) of these savings are being realized in the Canada Wide funding allocation while the remainder in our local priorities allocation. Staff have been working to implement the new funding formula announced by the province late last year, and increased expenditures are anticipated in the second and third quarter significantly reducing the variance in this line.
- As reported during the 2025 budget process, staff were anticipating that this year would act as a transition with the implementation of the new funding formula announced by the province. Based on progress to date with the implementation of required changes, it is projected that any municipal variance at year-end will be small. An update will be provided in the fall.

Capital

This report provides a summary of the 2025 Children’s Early Years capital spending for the period ending May 31, 2025. The total approved budget of \$677,000 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, 2024	\$642,000
Add: 2025 Approved Capital Budget	35,000
Less: Budget Adjustments	-
Less: Capital Projects Closed to date in 2025	-
Less: Prior Year Capital Spending	(112,457)
Less: 2025 Capital Spending	(264,717)
Open Capital Projects on May 31, 2025	\$299,826

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.

	Approved Budget	LTD Actuals	Budget Remaining	Comments
133 Wyndham: Interior Upgrades	\$35,000	\$0	\$35,000	Not started yet
Billing Software	\$125,000	\$0	\$125,000	Project has started. Anticipate project savings of over \$75,000 due to a rescoping of the project. No invoices received to date.
Mount Forest: Generator	\$204,000	\$157,070	\$46,930	Progressing well, should be operational in Q2
Wellington Place: Generator	\$168,000	\$120,837	\$47,163	Progressing well, should be operational in Q2
Willowdale: Generator	\$145,000	\$99,267	\$45,733	Progressing well, should be operational in Q2
Total Children's Early Years	\$677,000	\$377,174	\$299,826	

Social Housing

- Grants and subsidies are currently tracking ahead of budget. This relates to one-time funding that was not anticipated at the time of budget as well as final provincial payments for Kindle and Grace Gardens.
- Rent revenue collections are ahead of budget by approximately \$68,000 at the end of May. This trend is expected to continue leading to a year-end positive variance of approximately \$200,000.
- 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 \$100,000 (\$15,000 County and \$85,000 City) are expected.
- Supplies, materials, and equipment is currently sitting at a positive variance. This is related to lower expenditures in plumbing and heating at our County owned units. These costs are traditionally higher in the last half of the year and no significant variance is expected at year-end.
- The purchased services line is tracking over budget mainly due to the timing of snow removal costs, and higher than budgeted expenditures in security and utility costs. It is projected that we will see a negative year-end variance of approximately \$200,000.
- The social assistance line is tracking ahead of budget at this point in the year. This can mainly be attributed to \$420,000 in final payments for Kindle and Grace Gardens, and timing differences for winter response plan and quarterly payments. In addition, we are seeing higher costs in some areas of rent supplement and housing stability which are being slightly offset by savings in our non-profit budget. Looking forward to the end of the year, staff have identified the following:
 - One-time Encampment funding (\$500,000) and Reaching Home funding (\$500,000) have been allocated to offset budgeted expenditures for winter response plan (\$675,200) as well as operations at Norfolk generating savings for both the County and the City.
 - Small savings are being seen in the payments to non-profit and co-ops and we are expecting year-end savings of approximately \$170,000.
 - An allocation of \$430,000 from the savings identified above has been identified to support existing service providers in maintaining and increasing services in homelessness programmes.
 - Year-to-date over expenditures in rent supplement and housing stability are anticipated to continue to track high result in a negative year-end balance. These programmes are being reviewed and further financial implications will be included in the fall variance report.
- Although there appears to be a potential for year-end savings, with the uncertainty surrounding pressures in rent supplement and housing stability, staff are anticipating that saving seen to date will be significantly offset by increased costs. A more detailed review is required by housing staff and an updated variance projection will be communicated in the fall variance projection.

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, 2025.

The total approved budget of \$51,003,800 consists of sixty-seven projects with new 2025 projects accounting for a budget of \$9,610,700. 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, 2024	\$41,393,100
Add: 2025 Approved Capital Budget	9,610,700
Total Approved Budget	\$51,003,800
Add: Budget Adjustments	1,547,500
Add: Capital Projects Closed to date in 2025	34,351
Less: Prior Year Capital Spending	(24,018,383)
Less: 2025 Capital Spending	(6,196,937)
Open Capital Projects on May 31, 2025	\$22,370,331

Council approved three capital project adjustments, five capital projects were closed, and three previously approved projects from 440 King Street have been carried over to the County's 2025 capital plan. The net impact to the capital reserves is draw of \$1,282,440.

Project	Capital Reserve	Municipal Recoveries	COCHI	Total
133 Frederick Window Replacement	(4,200)	(14,300)		(18,500)
65 Delhi Parking Lot Top Coat	(3,300)	(29,700)		(33,000)
301 Tucker Exterior Siding Replacement			(218,000)	(218,000)
Total Project Amendments	(7,500)	(44,000)	(218,000)	(269,500)
440 King Roof Capital Retrofit	(58,000)			(58,000)
440 King Roof Replacement	(1,000,000)			(1,000,000)
440 King Siding Replacement	(220,000)			(220,000)
Total Transferred Projects*	(1,278,000)			(1,278,000)
2024 Housing Building Retro	(10,356)	(40,156)		(50,512)
2024 Various Kitchen Replacement	(10,497)	(35,907)		(46,404)
212 Whites Lghtng/Clng/Rrcr	3,269	10,753		14,023
263 Speedvale MUA Installation	2,372	6,499		8,871
263 Speedvale Window Replace	18,271	21,400		39,671
Total Closed Projects	3,060	(37,411)		(34,351)
Net In-year Funding Activity	(1,282,440)	(81,411)	(218,000)	(1,581,851)

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

*NOTE: Transfer of assets from 440 King Street into the Housing Capital Reserve should offset funding for these projects, resulting a net return to the capital reserve of \$4,440.

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.

	Approved Budget	LTD Actuals	Budget Remaining	Comments
110 Edward Windows Replacement	\$105,000	\$0	\$105,000	Complete. Project to be closed when all invoicing is received and processed
130 Grange Electric Heat Conv	\$1,455,000	\$670,696	\$784,304	In progress
130 Grange Generator Install	\$350,000	\$0	\$350,000	Cancelled. Project to be closed with funds returned to the National Housing Co-Investment Fund
130 Grange Light/Clng/Rcrc*	\$245,000	\$279,985	-\$34,985	Complete. Required funding from the Housing Capital Reserve and Municipal Recoveries. Unplanned items relating to code compliance, consultant involvement and material/labour increases resulted in increased costs.
130 Grange Parking Lot	\$440,000	\$4,477	\$435,523	In Progress
133 Frederick Window Replacement	\$93,500	\$0	\$93,500	Complete awaiting Invoicing
138 Wyndham: HVAC: Heat Circulation	\$30,000	\$0	\$30,000	Not started. Scheduled to be completed by year end.
138 Wyndham: Renovations	\$254,000	\$0	\$254,000	Not started. Scheduled to be completed by year end.
14 Centre Window Replacement	\$150,000	\$0	\$150,000	In Progress
2023 Accessible Unit Reno	\$2,090,000	\$1,622,073	\$467,927	In Progress
2024 GHG Initiatives	\$210,000	\$92,715	\$117,285	In Progress
2025 Appliance Replacements	\$115,000	\$67,270	\$47,730	Ongoing
2025 GHG Initiatives	\$250,000	\$16,282	\$233,718	Ongoing
2025 Housing Building Retrofit	\$223,000	\$93,379	\$129,621	Ongoing
2025 Housing Sites IT Replacement	\$25,000	\$0	\$25,000	Ongoing
2025 Various Bathroom Replacement	\$190,000	\$26,496	\$163,504	Ongoing
2025 Various Kitchen Replacement	\$335,000	\$186,980	\$148,020	Ongoing
212 Whites Elevator Modernization	\$11,000	\$0	\$11,000	2026 Project
212 Whites Windows/Doors/Side	\$260,000	\$0	\$260,000	In progress
22 Church & 235 Egremont Elect	\$40,000	\$0	\$40,000	RFQ being created
229 Dublin Carport Ceiling Rep	\$20,000	\$0	\$20,000	2026 Project
229 Dublin Corridor Improvement	\$310,000	\$0	\$310,000	In Progress
229 Dublin Electric Heat Conv	\$1,609,000	\$211,331	\$1,397,669	In Progress
232 Delhi Lights/Ceiling/Recrc*	\$215,000	\$261,182	-\$46,182	In Progress. Project is anticipated to be over budget approximately \$130,000, with additional

	Approved Budget	LTD Actuals	Budget Remaining	Comments
				funding from the Housing Capital Reserve and Municipal Recoveries. Unplanned items relating to code compliance, consultant involvement and material/labour increases resulted in increased costs.
235 Egremont Windows Replacement	\$85,000	\$0	\$85,000	In Progress
263 Speedvale Ltg/Clnb/Rcrc	\$300,000	\$118,507	\$181,493	In Progress Unplanned items relating to code compliance, consultant involvement and material/labour increases resulted in increased costs.
263 Speedvale Roof Rpl	\$965,000	\$874,378	\$90,622	Awaiting Solar Completion
263 Speedvale Unit Panel Repl	\$265,000	\$6,472	\$258,528	RFQ issued
301 Tucker Exterior Siding Rep	\$218,000	\$0	\$218,000	New. Work not Started
32 Hadati Lght/Clng/Rcrd Repl*	\$330,000	\$361,314	-\$31,314	Complete. Required funding from the Housing Capital Reserve and Municipal Recoveries. Unplanned items relating to code compliance, consultant involvement and material/labour increases resulted in increased costs.
33 Marlborough Parking Lot Rep	\$155,000	\$0	\$155,000	Complete. Project to be closed when all invoicing is received and processed
33 Marlborough Roofing Replace	\$1,015,000	\$876,634	\$138,366	Complete. Project to be closed when all invoicing is received and processed
360 Derby Windows/Doors/Side	\$135,000	\$0	\$135,000	In progress
387 Waterloo Roofing Repl	\$1,420,000	\$1,331,402	\$88,598	Complete. Project to be closed when all invoicing is received and processed
411 Waterloo Roofing Repl.	\$1,093,000	\$717,704	\$375,296	Awaiting Solar Completion
440 King Capital Retrofits	\$58,000	\$0	\$58,000	Ongoing
440 King Roof Replacement	\$1,000,000	\$814,716	\$185,284	RFQ Attic Insulation
440 King Siding Replacement	\$220,000	\$215,270	\$4,730	In progress
450 Albert Elevator Modernization	\$11,000	\$0	\$11,000	2026 Project. Funds are for preliminary works as required.

	Approved Budget	LTD Actuals	Budget Remaining	Comments
450 Albert Recirc Line Replace*	\$165,000	\$240,433	-\$75,433	Complete. Required funding from the Housing Capital Reserve and Municipal Recoveries.
51 John Corridor Improvements	\$166,000	\$0	\$166,000	RFQ issued
51 John St Window Replacement	\$150,000	\$0	\$150,000	In Progress
576 Woolwich Common Space Flooring	\$140,000	\$0	\$140,000	In progress
65 Delhi Parking Lot Top Coat	\$73,000	\$0	\$73,000	RFT Awaiting approval
65 Delhi Renovations	\$10,605,000	\$10,294,135	\$310,865	Construction complete. Remaining funding for furniture and fixtures.
Algonquin/Ferndale Site Dev Ph	\$30,000	\$0	\$30,000	2026 Project
County Corridor Handrail Rpl	\$280,000	\$241,599	\$38,401	In progress
Electrical Switchgear Replacement	\$100,000	\$0	\$100,000	RFQ being created
Scattered Hadati Driveway Repa	\$55,000	\$0	\$55,000	RFQ issued
Stepping Stone Capital Grant	\$6,568,000	\$1,568,350	\$4,999,650	Work continues on the second and third floors. Completion scheduled for end of year.
Vancouver / Edmonton Full Reno	\$590,000	\$260,800	\$329,200	Ongoing
Various Camera Installations	\$550,000	\$95,357	\$454,643	In progress
Various Unit Door/Fob Replace	\$2,665,000	\$0	\$2,665,000	In progress
COCHI Community Housing Init	\$7,536,300	\$5,194,388	\$2,341,912	100% federal/provincial funded programmes to support community groups/organizations.
OPHI Ont Priorities Housing In	\$5,395,100	\$2,249,245	\$3,145,855	Anticipate the programme to continue with additional funds in 2025
Total Social Housing	\$51,363,900	\$28,993,569	\$22,370,331	

*Housing projects are experiencing unplanned items relating to code compliance, consultant involvement and material/labour increases resulting in actual expenditures exceeding capital budgets. Mitigation approaches going forward will involve including additional costs associated with code compliance in capital budgets, developing full cost estimates before work begins and incorporating reasonable contingencies to mitigate unexpected expenses.

Affordable Housing

- Rent revenues are tracking slightly ahead of budget and a positive year-end variance of approximately \$42,000 is expected.
- Salaries, wages, and benefits are currently under budget. An adjustment will be made to the statements in June to correct this and year-end savings will be minimal.
- Supplies, material, and equipment are currently under budget. Expenses are expected to increase slightly in Q3 and Q4, which will result in no significant variance by year-end.
- The insurance and financial line appears high but this is due to insurance premium payments that are made early in the year.
- 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 2025 Affordable Housing capital spending for the period ending May 31, 2025.

The total approved budget of \$830,000 consists of four 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, 2024	\$775,000
Add: 2025 Approved Capital Budget	55,000
Total Approved Budget	830,000
Less: Budget Adjustments	-
Less: Capital Projects Closed to date in 2025	(15,988)
Less: Prior Year Capital Spending	(116,472)
Less: 2025 Capital Spending	(21,157)
Open Capital Projects on May 31, 2025	\$676,283

The capital project for the FOB system as 169 Gordon Street has been completed and closed, returning \$15,988 to the capital reserve.

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.

	Approved Budget	LTD Actuals	Budget Remaining	Comments
165 - 169 Security Upgrades	\$690,000	\$80,491	\$609,509	In progress
2024 Affordable Housing Retrofit	\$45,000	\$33,226	\$11,774	Carryforward for 2024 projects that were not completed in 2024. Work is progressing.
2025 Affordable Housing Retrofit	\$55,000	\$0	\$55,000	Project to fund initiatives throughout the year
Total Affordable Housing	\$790,000	\$113,717	\$676,283	

Summary:

Service	Projected Savings / (Overage)	County	City	Comments
Ontario Works	\$200,000	\$55,000	\$145,000	Variances in municipally funded discretionary benefit costs and salaries/benefits.
Children's Early Years	-	-	-	Funding is planned to be allocated to best serve the community.
Social Housing	-	-	-	Savings from one-time funding is offset by unanticipated costs
Affordable Housing	-	-	-	Tracking close to budget.
Total Social Services	\$200,000	\$55,000	\$145,000	

As approved by the AF&HR committee in February, the employee benefit renewal with Sunlife results in a reduction to existing benefit premiums as well as additional savings from forecasted 2025 rates. This is expected to result in savings across the social services budget of approximately \$340,000 (\$68,000 County and \$272,000 City, included in the projections throughout the report). The full amount will be reported to AF&HR at the end of this month.

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, 2025 for Social Services be approved.

Respectfully submitted,



Shauna Calder, CPA, CGA
Manager of Finance

In consultation with/approved by:

Luisa Artuso, Social Services Administrator
Ken DeHart, County Treasurer
Scott Wilson, Chief Administrative Officer