

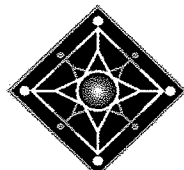


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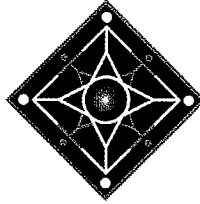
Financial Statements

Thunder Bay District Social Services
Administration Board

December 31, 2008



THUNDER BAY DISTRICT
SOCIAL SERVICES ADMINISTRATION BOARD



THE DISTRICT OF THUNDER BAY
SOCIAL SERVICES ADMINISTRATION BOARD

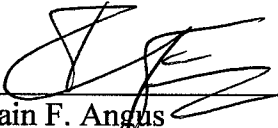
STATEMENT OF ADMINISTRATIVE RESPONSIBILITY

The management of The District of Thunder Bay Social Services Administration Board have prepared the accompanying financial statements and are responsible for their accuracy and integrity. The financial statements have been prepared by management in accordance with the accounting principles generally accepted for the public sector as prescribed by the Public Sector Accounting Board [PSAB] of the CICA.

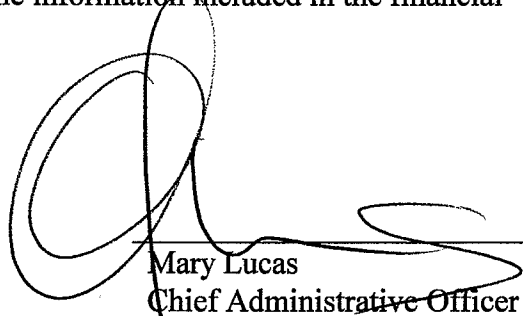
In fulfilling its responsibilities and recognizing the limits inherent in all systems, the administration has developed and maintains a system of internal control designed to provide reasonable assurance that Board's assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of the financial statements.

The Board reviews and approves the financial statements before such statements are published for the residents of the District of Thunder Bay. The external auditors have access to, and meet with the Board to discuss their audit and the results of their examination.

The 2008 Financial Statements have been reported on by The District of Thunder Bay Social Services Administration Board's external auditors, Grant Thornton LLP, the auditors appointed by the Board. The auditors' report outlines the scope of their audit and their opinion on the presentation of the information included in the financial statements.



Iain F. Angus
Chair
Thunder Bay DSSAB



Mary Lucas
Chief Administrative Officer
Thunder Bay DSSAB

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Grant Thornton

Auditors' Report

Grant Thornton LLP

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To the Board Members, Members of Municipal Councils,

Inhabitants and Ratepayers as listed in Note 4.

We have audited the consolidated statement of financial position of Thunder Bay District Social Services Administration Board as at December 31, 2008 and the consolidated statements of financial activities and changes in financial position for the year then ended. These consolidated financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

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

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Board as at December 31, 2008 and the results of its operations and its changes in financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Grant Thornton LLP

Thunder Bay, Canada

March 13, 2009

Chartered Accountants
Licensed Public Accountants

The District of Thunder Bay Social Services Administration Board**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at December 31

	2008	2007
	\$	\$
FINANCIAL ASSETS		
Cash and cash equivalents	27,862,772	24,135,539
Marketable securities	5,415,837	5,491,664
Accounts receivable	369,734	195,589
Advances for client benefits	1,363,704	1,164,249
Interest receivable	31,164	60,755
GST receivable	166,612	138,958
Total Financial Assets	35,209,823	31,186,754
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable and accrued liabilities	1,725,144	1,710,321
Payable to participating municipalities and funded agencies [note 20]	414,938	214,169
Due to Province of Ontario [note 5]	466,949	968,929
Deferred revenue [note 6]	2,878,271	1,038,429
Long-term debt [note 7]	38,262,188	39,936,031
Employee benefits obligations [note 8]	825,762	735,858
	44,573,252	44,603,737
Fund balances		
Unrestricted [note 11]	6,297,267	4,739,069
Reserves and reserve funds [note 12]	23,638,448	22,746,198
	29,935,715	27,485,267
Amounts to be recovered [note 14]	(39,299,144)	(40,902,250)
	(9,363,429)	(13,416,983)
Total Liabilities and Fund Balances	35,209,823	31,186,754

See accompanying notes

The District of Thunder Bay Social Services Administration Board

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Year ended December 31

	Budget 2008 \$	Actual 2008 \$	Actual 2007 \$
	<i>[note 22]</i>		
REVENUES			
Province of Ontario			
General assistance	16,266,064	16,173,548	15,042,751
Ontario Works program delivery	2,516,809	2,498,204	2,491,398
Employment assistance services	2,583,951	2,561,364	2,291,075
Addiction Services Initiative	962,260	1,014,394	930,617
Child Care	10,808,312	11,013,525	9,572,066
Social housing	10,636,380	10,881,703	9,178,650
Homelessness Prevention	393,441	398,836	411,289
DOOR funding	-	-	2,525,000
Other	-	-	234,723
TWOMO election	-	-	(3,636)
	44,167,217	44,541,574	42,673,933
Municipal levies	34,936,579	34,936,579	36,220,735
TBDHC revenues	9,833,511	10,156,291	9,924,023
Other revenue	-	841,625	-
NOSDA conference fees	-	14,247	-
Interest	-	244,336	275,612
Interest on Reserve Funds	-	783,788	1,061,952
	44,770,090	46,976,866	47,482,322
Total revenues	88,937,307	91,518,440	90,156,255

The District of Thunder Bay Social Services Administration Board

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Budget 2008 \$	Actual 2008 \$	Actual 2007 \$
	<i>[note 22]</i>		
EXPENDITURES			
General assistance	19,937,064	19,735,936	18,402,136
Ontario Works program delivery	4,773,418	4,751,545	4,703,061
Employment assistance services	3,163,802	3,211,525	2,863,843
Addiction Services Initiative	1,125,000	1,192,538	1,085,527
National child benefit	648,900	504,656	576,320
Child Care <i>[note 15]</i>	12,917,373	13,502,066	11,888,301
Social housing <i>[note 16]</i>	23,756,098	23,170,643	21,861,165
Homelessness Prevention <i>[note 17]</i>	393,441	435,619	411,289
Requisitions from the Ministry of Community and Social Services <i>[note 18]</i>	12,340,700	12,024,335	13,787,270
211 Project	48,000	48,000	-
Business model review	-	14,683	41,102
Social housing amalgamation	-	202,151	76,488
NOSDA conference	-	17,429	-
TWOMO election	-	-	1,269
Unallocated honorariums	6,950	10,750	9,625
TBDHC expenditures	8,059,150	8,255,761	8,208,712
Total expenditures	87,169,896	87,077,637	83,916,108
Excess of revenues over expenditures for the year	1,767,411	4,440,803	6,240,147
Change in prepaids and employee benefits	-	70,737	(270,463)
Debt principal repayments	(1,616,005)	(1,673,843)	(1,601,122)
Decrease in amounts to be recovered <i>[note 14]</i>	(1,616,005)	(1,603,106)	(1,871,585)
Distribution	-	387,249	-
Change in fund balances	151,406	2,450,448	4,368,562

See accompanying notes

The District of Thunder Bay Social Services Administration Board

**CONSOLIDATED STATEMENT OF
FINANCIAL ACTIVITIES CONTINUED**

	2008	2007
	\$	\$
Opening Fund balance		
Unrestricted <i>[note 11]</i>	4,739,069	3,520,792
Reserves and reserve funds <i>[note 12]</i>	<u>22,746,198</u>	<u>19,595,913</u>
	<u>27,485,267</u>	<u>23,116,705</u>
Closing fund balance		
Unrestricted <i>[note 11]</i>	6,297,267	4,739,069
Reserves and reserve funds <i>[note 12]</i>	<u>23,638,448</u>	<u>22,746,198</u>
	<u>29,935,715</u>	<u>27,485,267</u>

See accompanying notes

The District of Thunder Bay Social Services Administration Board

**CONSOLIDATED STATEMENT OF
CHANGES IN FINANCIAL POSITION**

As at December 31	2008	2007
	\$	\$
OPERATIONS		
Excess of revenues over expenditures for the year	4,440,803	6,240,147
Uses		
Distribution	(387,249)	-
Increase in accounts receivable	(174,145)	-
Increase in advances for client benefits	(199,455)	(91,933)
Increase in interest receivable	-	(15,625)
Increase in GST receivable	(27,654)	-
Decrease in due to Province of Ontario	(501,980)	(275,159)
Decrease in employee benefits obligations	-	(296,572)
	3,150,320	5,560,858
Sources		
Decrease in accounts receivable	-	23,318
Decrease in interest receivable	29,591	-
Decrease in GST receivable	-	173,762
Increase in accounts payable and accrued liabilities	14,823	63,734
Increase in payable to participating municipalities and funded agencies	200,769	7,036,951
Increase in deferred revenue	1,839,842	409,332
Increase in employee benefits obligation	89,904	-
	2,174,929	7,707,097
Net increase in cash from operations	5,325,249	13,267,955
FINANCING		
Repayment of long-term debt	(1,673,843)	(1,601,122)
Net decrease in cash from financing	(1,673,843)	(1,601,122)
INVESTING		
Investment in marketable securities	-	(272,886)
Redemption of marketable securities	75,827	-
Net decrease in cash from investing	75,827	(272,886)
Net change in cash and cash equivalents	3,727,233	11,393,947
Opening cash and cash equivalents	24,135,539	12,741,592
Closing cash and cash equivalents	27,862,772	24,135,539

See accompanying notes



The District of Thunder Bay Social Services Administration Board

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2008

GENERAL

Effective April 1, 1999, pursuant to provincial legislation, The District of Thunder Bay Social Services Administration Board ("TBDSSAB") was formed to accommodate the provincial government's requirement to consolidate the delivery of Social Services. The Board delivers provincially mandated services on behalf of the citizens of the District of Thunder Bay.

1. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements of The District of Thunder Bay Social Services Administration Board are prepared by management in accordance with accounting principles generally accepted for the public sector as prescribed by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants ("CICA"). Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic consolidated financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgement.

Basis of consolidation

These consolidated financial statements reflect the assets, liabilities, revenues and expenditures of the operating fund and reserve funds of the Board and include the activities of its wholly owned subsidiary; Thunder Bay District Housing Corporation ("TBDHC"). All interfund balances and transactions have been eliminated.

Basis of accounting

Revenues and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable. Expenditures are recognized as they are incurred and measurable as a result of receipt of goods and services and the creation of a legal obligation to pay.

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit, term deposits and money market funds. They are recorded at market value which best estimates the net realizable value.

Marketable securities

Marketable securities include funds invested by the TBDHC in pooled funds, which are held in trust and managed by an external fund manager.

The pooled funds are recorded at cost. Cost includes income re-invested. When there has been other than a temporary decline in the value of an individual pooled fund, the investment is adjusted to reflect market value. If there is a subsequent increase in the value, prior years' recognized losses are not reversed.

The District of Thunder Bay Social Services Administration Board

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2008

Capital assets

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

Leased assets

Leases that transfer substantially all the benefits and risks associated with ownership are recorded as a capital expenditure and the incurrence of an obligation. All other leases are accounted for as operating leases and the rental costs are recorded as current expenditures when incurred.

Revenue recognition

Revenue is recognized as it is received or becomes receivable and expended according to the terms of applicable funding agreements. Investment income is recognized when it is earned.

Employee related costs

TBDHC has adopted the following policies with respect to employee benefit plans:

- [i] Contributions to a multi-employer, defined benefit pension plan are expensed when contributions are made.
- [ii] The costs of termination benefits and compensated absences are recognized when the event that obligates TBDHC occurs.
- [iii] The costs of the workplace safety and insurance obligations are calculated by the Workplace Safety and Insurance Board. The costs and related liability are recorded in the current year based on the latest available valuation report [note 8 [c]].

2. CHANGE IN ACCOUNTING POLICIES

Tangible Capital Assets

Effective January 1, 2007, the TBDSSAB adopted Accounting Guideline 7 (PSG-7) of the Public Sector Accounting Handbook of the CICA with respect to the disclosure of tangible capital assets of local governments. PSG-7 provides transitional guidance on presenting information related to tangible capital assets until Section 3150 -Tangible Capital Assets of the Public Sector Accounting Handbook comes into effect on January 1, 2009.

During the 2008 fiscal year, the TBDSSAB continued to work towards compliance with the new recommendations for accounting for tangible capital assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2008

3. FINANCIAL INSTRUMENTS

The Board's financial instruments consist of cash, marketable securities, accounts receivable, interest receivable, accounts payable and accrued liabilities, payable to participating municipalities and funded agencies, due to Province of Ontario and long term debt. Unless otherwise noted, it is management's opinion that the Board is not exposed to significant interest, currency or credit risk arising from these financial statements.

4. PARTICIPATING MUNICIPALITIES AND TERRITORIES WITHOUT MUNICIPAL ORGANIZATION

City of Thunder Bay
Town of Marathon
Township of Conmee
Township of Dorion
Township of Gillies
Township of Manitouwadge
Township of Nipigon
Township of O' Connor
Township of Red Rock
Township of Schreiber
Township of Terrace Bay
Municipality of Greenstone
Municipality of Neebing
Municipality of Oliver Paipoonge
Municipality of Shuniah
District of Thunder Bay territories without municipal organization

The District of Thunder Bay Social Services Administration Board**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**December 31, 2008

5. DUE TO PROVINCE OF ONTARIO

Due to Province of Ontario consists of:

	2008	2007
	\$	\$
Due to Ministry of Community and Social Services	268,977	665,750
Due to Ministry of Children and Youth Services	193,019	291,979
Due to Ministry of Municipal Affairs and Housing (MMAH)	4,953	11,200
	466,949	968,929

6. DEFERRED REVENUE

Deferred revenue balance consists of the following:

	2008	2007
	\$	\$
Best Start	-	402,277
Consolidated Homeless Prevention	60,003	60,001
Employment assistance services	-	52,263
Enhancement funding	-	13,123
Northern Home Repair	971,375	296,439
Northern Home Repair loan discharge	5,700	-
ODSP participating	72,113	3,791
Rent bank	18,342	19,677
Social housing capital repair program	1,522,204	-
Strong Communities rent supplement	84,843	67,641
Water Filter Fund	-	8,290
TBDHC	143,691	114,927
	2,878,271	1,038,429

The District of Thunder Bay Social Services Administration Board

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2008

7. LONG-TERM DEBT

Long-term debt consists of various mortgages payable as at December 31, 2008 on TBDHC properties.

	2008 \$	2007 \$
Mortgages payable to:		
Canada Mortgage and Housing Corporation ["CMHC"]	21,491,194	22,439,932
Scotiabank	11,214,885	11,654,518
Others	5,556,109	5,841,581
	38,262,188	39,936,031

The land, buildings, appliances and equipment of each project together with an assignment of the rents are pledged as collateral for the mortgage of each project.

Principal payments due within each of the next ten years on long-term debt assuming refinancing at similar terms and conditions is approximately as follows:

	Canada Mortgage and Housing Corporation \$	Scotiabank \$	Other Lenders \$	Total \$
2009	998,230	460,020	306,032	1,764,282
2010	1,047,858	481,354	327,286	1,856,498
2011	1,100,368	503,678	350,121	1,954,167
2012	1,155,718	527,039	374,612	2,057,369
2013	1,214,275	551,483	400,978	2,166,736
2014	1,275,859	577,062	429,248	2,282,169
2015	1,340,909	603,829	459,636	2,404,374
2016	1,409,411	615,411	492,277	2,517,099
2017	1,460,747	610,602	337,853	2,409,202
2018	1,204,537	638,911	229,200	2,072,648
Subsequent to 2019	9,283,282	5,645,496	1,848,866	16,777,644
	21,491,194	11,214,885	5,556,109	38,262,188

[a] The CMHC mortgages bear interest at rates between 3.9% and 9.5% [2007 – 4.2% and 9.5%]. These mortgages mature between 2009 and 2029.

[b] The Scotiabank mortgages bear interest at rates between 4.5% and 4.7% [2007 – 4.5% and 4.7%]. These mortgages mature between 2009 and 2017.

[c] Other financial institution mortgages bear interest at rates between 4.7% and 9.3% [2007 - 4.7% and 9.3%]. These mortgages mature between 2011 and 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2008

8. EMPLOYEE BENEFITS OBLIGATIONS

The employee benefits obligations of the Board's wholly-owned subsidiary TBDHC are as follows:

	2008	2007
	\$	\$
Liability for sick leave benefits	432,610	381,393
Severance/termination benefits	112,538	90,012
Vacation pay	108,428	96,229
Workplace Safety and Insurance Board obligations	172,186	168,224
	825,762	735,858

[a] Liability for Sick Leave Benefits

Under the sick leave benefit plan, unused sick leave can accumulate and employees may become entitled to a cash payment when they leave TBDHC's employment. The liability for the accumulated sick leave represents the extent to which the benefits for the bargaining unit employees have vested and could be taken in cash by them on termination.

[b] Severance/Termination Costs

Under the severance/termination plan, weeks accumulate for each year of service and employees may become entitled to a cash payment when they leave TBDHC employment. The liability for these accumulated weeks represents the extent to which the benefits for the bargaining unit employees have vested and could be taken in cash by them on termination.

[c] Workplace Safety and Insurance Obligations

The TBDHC is a Schedule 2 employer under the Workplace Safety and Insurance Act and as such, assumes responsibility for financing its workplace safety insurance costs. The accrued obligation represents the actuarial valuation of claims to be insured based on the history of claims with TBDHC employees. The liability accrued at December 31, 2008 of \$172,186 reflects the valuation as at December 31, 2007.

[d] Pension Agreement

Employees are members of the Ontario Municipal Employees' Retirement Fund ("OMERS"), a multi-employer pension plan. OMERS is a defined benefit plan which specifies the amount of the retirement benefits to be received by the employees based on length of service and rates of pay. From January 1, 2008 to December 31, 2008, employees contributed at levels of up to 9.6% of earnings. The TBDHC makes contributions equal to the employee contributions to the plan. Required contributions by TBDHC for 2008 amounted to \$158,541 [2007 - \$147,435]. These contributions are included in the Consolidated Statement of Financial Activities. No pension liability for this type of plan is included in the financial statements.

The District of Thunder Bay Social Services Administration Board**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**December 31, 2008

9. COMMITMENT

In 1985, NPHC entered into an agreement with the Corporation of the City of Thunder Bay to lease the Royal Edward Hotel property on a net lease basis for a period of thirty years. TBDHC is responsible for all operating costs of the property and the mortgage payments on the property [note 7] and is subject to certain conditions regarding the construction of improvements.

The schedule for future lease payments is as follows:

<u>Years</u>	<u>Annual Lease Payment</u>
2009 - 2014	\$ 25,000

10. CONTINGENT LIABILITIES**[a] Legal Actions**

TBDHC has been named in legal actions of which the outcome is not determinable. If any of the actions are successful, it is anticipated that all damages will be covered by TBDHC's insurers.

[b] Capital Contribution Credits earned by TBDHC

CMHC reduced the mortgages otherwise payable by 10% of the approved capital costs of the Sequoia Park and Andras Court properties. The credits are being earned on a straight-line basis over 50 years in accordance with CMHC's policy.

Application of these credits will continue only for as long as TBDHC is managed and operated within the terms of the agreement between CMHC, the MMAH and the TBDHC. Default under the agreement shall disqualify the TBDHC and the credits unearned together with the accrued interest will become due and payable.

The amount of the credits recorded as a reduction of amounts to be recovered but unearned as of the year-end is as follows:

	2008	2007
	\$	\$
Contingent liabilities, beginning of year	283,906	298,192
Less amount earned during the year	13,030	14,286
Contingent liabilities, end of year	270,876	283,906

The District of Thunder Bay Social Services Administration Board**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**December 31, 2008

11. RESOURCES AVAILABLE

Resources available at the end of the year are comprised of the following:

	2008	2007
	\$	\$
TBDSSAB unrestricted surplus	4,269,692	2,954,294
TBDHC unrestricted surplus	2,027,575	1,784,775
	6,297,267	4,739,069
Reserves and reserve funds [note 12]		
TBDSSAB	12,432,568	12,041,404
TBDHC	11,205,880	10,704,794
	23,638,448	22,746,198
Total resources available	29,935,715	27,485,267

12. RESERVES AND RESERVE FUNDS

Reserves and reserve funds are made up of the following:

	2008	2007
	\$	\$
Reserves set aside for specific purposes by the Board		
Reserve for social housing amalgamation costs	4,485	206,636
Total reserves	4,485	206,636
Reserve funds set aside for specific purposes by the Board		
Administration rate stabilization	1,671,106	1,620,565
Best Start	816,610	1,204,571
National Child Benefit	278,499	167,660
Ontario Works client benefits	419,003	322,056
Restructuring	70,341	68,214
Statutory entitlements	407,033	400,849
Social housing	7,597,364	6,918,055
Social housing development	1,168,127	1,132,798
TBDHC capital	11,205,880	10,704,794
Total reserve funds	23,633,963	22,539,562
Total reserves and reserve funds	23,638,448	22,746,198

The District of Thunder Bay Social Services Administration Board**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**December 31, 2008

The continuity of reserves and reserve funds is as follows:

	2008	2007
	\$	\$
Reserves		
Balance, beginning of year	206,636	283,124
Expenditures		
Transfers to current operations	202,151	76,488
	202,151	76,488
Balance, end of year	4,485	206,636
	2008	2007
	\$	\$
Reserve funds		
Balance, beginning of year	22,539,562	19,312,789
	22,539,562	19,312,789
Revenue		
Transfers from current operations	3,194,487	5,486,730
Interest earned	783,788	1,061,952
	3,978,275	6,548,682
Expenditures		
Transfers to current operations	2,883,874	3,321,909
	2,883,874	3,321,909
Balance, end of year	23,633,963	22,539,562

The District of Thunder Bay Social Services Administration Board

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2008

13. DESIGNATED ASSETS

Of the assets reported on the Consolidated Statement of Financial Position, the Board has designated \$23,633,963 [2007 - \$22,539,562] to support reserve funds.

14. AMOUNTS TO BE RECOVERED

The amounts to be recovered consist of the following:

	2008	2007
	\$	\$
TBDHC mortgages <i>[note 7]</i>	38,262,188	39,936,031
Employee benefits and WSIB liability <i>[note 8]</i>	825,762	735,858
Prepaid expenses	211,194	230,361
	39,299,144	40,902,250

The District of Thunder Bay Social Services Administration Board

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2008

15. CHILD CARE

The expenditures by project code under the Child Care contracts are outlined below:

	Budget 2008 \$	Actual 2008 \$	Actual 2007 \$
	<i>[note 22]</i>		
Child Care (DNA)			
Administration	587,832	587,247	589,183
Fee subsidy (DNA)	1,414,100	1,452,585	1,302,569
Fee subsidy (DNA) – First Nations	50,000	73,654	49,255
Ontario Works Formal	500,000	477,127	471,267
Ontario Works Informal	250,000	86,754	99,821
Ontario Works IWS	-	13,432	16,279
Pay equity	104,274	104,274	104,274
Repairs and maintenance	-	134,530	103,521
Resource Centres	928,051	928,051	927,595
Safe Drinking Water	-	11,788	-
Special needs resourcing	1,229,887	1,229,887	1,194,692
Wage subsidy – non-profit	1,553,659	1,553,659	1,551,476
Wage subsidy – commercial	159,137	159,137	159,140
Early Learning and Child Care Initiative			
Administration	84,400	84,400	84,400
Fee subsidy	2,340,000	2,274,534	2,332,689
Special needs resourcing	50,000	50,000	48,692
Wage subsidy – non-profit	382,224	382,224	381,510
Wage subsidy – commercial	47,776	47,776	47,773
Best Start			
Administration	290,100	290,100	251,606
Capital	-	422,664	168,000
ELCD fee subsidy	-	207,900	-
Operating	2,515,260	2,094,517	1,161,731
Planning	33,746	25,133	33,746
Start-up	-	374,767	492,305
Wage improvement – non-profit	396,927	401,045	292,645
Wage improvement – commercial	-	34,881	24,132
	12,917,373	13,502,066	11,888,301

The District of Thunder Bay Social Services Administration Board

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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16. SOCIAL HOUSING

The expenditures by program for Social Housing are as follows:

	Budget 2008 \$	Actual 2008 \$	Actual 2007 \$
	<i>[note 22]</i>		
Administration	1,031,908	944,061	846,833
Provincial reformed	10,116,708	9,970,994	9,845,856
Public housing	3,708,431	3,432,627	3,595,766
NHA Section 95 municipal non-profit	200,254	164,657	183,958
NHA Section 95 private non-profit	23,283	14,360	23,283
Rent supplement – commercial	2,975,570	2,851,850	2,918,530
Rent supplement - non-profit	1,276,760	1,222,496	1,219,260
Strong Communities – regular	362,494	371,164	354,635
Strong Communities – MCSS	28,740	18,457	24,752
Strong Communities – MOHLTC	45,984	30,394	36,644
Urban Native, Pre-1986	904,323	864,303	939,611
Urban Native, Post-1985	1,481,044	1,437,544	1,705,542
Northern Home Repair	1,541,250	1,764,493	82,067
Rent Bank	26,416	78,317	84,428
Social Housing Capital Repair	-	4,926	-
Contingency	32,933	-	-
	23,756,098	23,170,643	21,861,165

17. HOMELESSNESS PREVENTION

The expenditures by program for Homelessness Prevention are as follows:

	Budget 2008 \$	Actual 2008 \$	Actual 2007 \$
	<i>[note 22]</i>		
Consolidated Homelessness Prevention	359,811	379,824	356,661
Emergency Energy	33,630	33,628	54,628
Regional Food Distribution Association additional funding	-	22,167	-
	393,441	435,619	411,289

The District of Thunder Bay Social Services Administration Board

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2008

18. REQUISITIONS FROM THE MINISTRY OF COMMUNITY AND SOCIAL SERVICES

The Ministry recovered the municipal share of certain downloaded costs from the monthly cash advances. During the year, they consisted of the following:

	Budget 2008	Actual 2008	Actual 2007
	\$	\$	\$
	<i>[note 22]</i>		
Ontario Disability Support Program (ODSP)			
Allowances, Benefits and Administration			
ODSP allowances	10,419,800	10,194,898	9,682,033
Ontario drug benefits	-	(58,600)	2,250,497
ODSP administration	1,671,500	1,618,163	1,622,816
Ontario Dental Association	185,900	201,089	161,811
Physician fees	24,500	20,613	22,288
Assistive devices	24,200	37,456	34,545
Vision care	14,800	10,716	13,280
	12,340,700	12,024,335	13,787,270

19. BOARD EXPENSES

Board expenses for the year consist of the following, and, with the exception of the unallocated honorariums, are included in the Ontario Works, Child Care and Social Housing administration expenditures reported in the Consolidated Statement of Financial Activities:

	Budget 2008	Actual 2008	Actual 2007
	\$	\$	\$
	<i>[note 22]</i>		
Honorariums - allocated	13,625	12,000	12,000
Honorariums - unallocated	6,950	10,750	9,625
Liability insurance	18,900	18,034	18,314
Meetings	2,400	4,861	4,396
Office and general	5,700	10,761	8,639
Professional fees	23,000	25,568	17,745
Training, travel and mileage	20,100	15,671	17,885
	90,675	97,645	88,604

The District of Thunder Bay Social Services Administration Board**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**December 31, 2008

20. RELATED PARTY TRANSACTIONS**Measurement basis**

Related party transactions are in the normal course of operations. The expenditures represent purchased services under contracts approved by the TBDSSAB board.

Related corporations

The TBDSSAB is related to the following corporations:

The Corporation of the City of Thunder Bay acting as a delivery agent for Ontario Works and Child Care programs, as well as providing administrative services for the TBDSSAB and TBDHC.

The Municipality of Greenstone acting as a delivery agent for Ontario Works and Child Care programs.

The Township of Manitouwadge acting as a delivery agent for Ontario Works programs.

The Township of Schreiber acting as a delivery agent for Ontario Works programs.

	2008	2007
	\$	\$
<hr/>		
Amounts owing from (to) related parties, included in Receivable from (payable to) participating municipalities and funded agencies:		
City of Thunder Bay	327,207	10,536
Municipality of Greenstone	53,303	7,259
Township of Manitouwadge	(2,691)	7,980
Township of Schreiber	(6,084)	760
Amounts paid to related parties for purchased services, included in expenditures:		
City of Thunder Bay	11,176,113	10,534,329
Municipality of Greenstone	838,481	818,289
Township of Manitouwadge	298,870	296,858
Township of Schreiber	242,608	239,624

21. PROVINCE OF ONTARIO GRANTS

Revenue from the Province of Ontario has been calculated according to the terms of the governing statutes and is subject to final approval by the Province. Ultimate determination of amounts is dependent upon the reconciliation of funding by the Province of Ontario. Adjustment to the accounting records is made at the time of final settlement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2008

22. BUDGET AMOUNTS

The budgeted figures presented for comparative purposes are unaudited and are those as approved by the Board.

23. COMPARATIVE FIGURES

Certain of the 2008 comparative figures have been reclassified to conform to the presentation adopted in the current year.

24. ADEQUACY OF HOUSING PROVIDERS' CAPITAL RESERVE FUNDS

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

The *Analysis of Building Condition Assessment and Reserve Funds for the Thunder Bay District Social Services Administration Board* study (the Study) conducted by the Stonewell Group Inc. and Jp2g Consultants Inc. in 2003 evaluated the adequacy of annual contributions to the capital reserve funds of certain housing providers that receive funding from the TBDSSAB.

The Study indicated that, based on the capital reserve fund balances as at June 30, 2003 and the level of annual capital reserve contributions in effect for the year 2003, that over a 30 year period, the capital reserve funds for the public housing and certain provincial reformed non-profit housing providers that receive funding from TBDSSAB would be deficient.

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. The Study has not been updated since 2003 for current conditions.

25. SUBSEQUENT EVENT

The TBDSSAB terminated the Ontario Works service agreements that it had with City of Thunder Bay, Municipality of Greenstone, the Township of Schreiber and the Township of Manitouwadge. The effective date of the termination was December 31, 2008. Under the terms of these agreements, the aforementioned municipalities had provided administrative and program delivery services to the TBDSSAB. Effective January 1, 2009, certain employees of these municipalities were transferred to the employ of the TBDSSAB. In addition, certain items previously purchased by these municipalities while a TBDSSAB delivery agent, were transferred, for no consideration, to the TBDSSAB on January 1, 2009 including vehicles, furniture and equipment.