



**THE DISTRICT OF THUNDER BAY SOCIAL
SERVICES ADMINISTRATION BOARD**

Consolidated Financial Statements

**THE DISTRICT OF THUNDER BAY SOCIAL SERVICES
ADMINISTRATION BOARD**

December 31, 2016



**THE DISTRICT OF THUNDER BAY SOCIAL
SERVICES ADMINISTRATION BOARD**

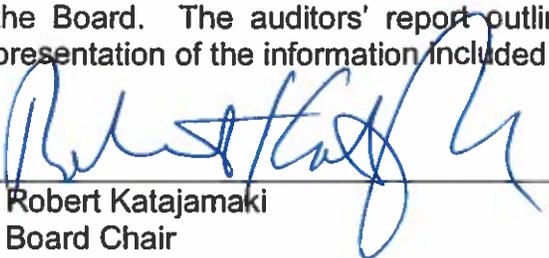
STATEMENT OF ADMINISTRATIVE RESPONSIBILITY

The management of The District of Thunder Bay Social Services Administration Board has 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 of the Chartered Professional Accountants of Canada.

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

The Board of Directors 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 2016 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.



Robert Katajamaki
Board Chair



William Bradica, CPA, CGA
Chief Administrative Officer



Georgina Daniels, FCPA, FCA
Director, Corporate Services

THE DISTRICT OF THUNDER BAY SOCIAL SERVICES ADMINISTRATION BOARD

December 31, 2016

Table of Contents

	Page
Independent Auditor's Report	1
Consolidated Statement of Financial Position	3
Consolidated Statement of Re-measurement Gains and Losses	4
Consolidated Statement of Operations	5
Consolidated Statement of Changes in Net Debt	7
Consolidated Statement of Cash Flows	8
Notes to Consolidated Financial Statements	9
Schedule 1 - Consolidated Schedule of Segment Disclosure	27
Schedule 2 - Consolidated Schedule of Tangible Capital Assets	29
Schedule 3 - Consolidated Schedule of Accumulated Surplus	30

Independent Auditor's Report

Grant Thornton LLP
Suite 300
979 Alby Drive
Thunder Bay, ON
P7B 5Z8
T +1 807 345 6571
F +1 807 345 0032
www.GrantThornton.ca

To the Board Members, Members of Municipal Councils
Inhabitants and Ratepayers as listed in Note 3

We have audited the accompanying consolidated financial statements of The District of Thunder Bay Social Services Administration Board, which comprise the consolidated statement of financial position as at December 31, 2016, and the consolidated statements of operations and accumulated surplus, changes in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

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

Auditor's responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of The District of Thunder Bay Social Services Administration Board as at December 31, 2016, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Grant Thornton LLP

Thunder Bay, Canada
April 20, 2017

Chartered Professional Accountants
Licensed Public Accountants

THE DISTRICT OF THUNDER BAY SOCIAL SERVICES ADMINISTRATION BOARD

Consolidated Statement of Financial Position

Year ended December 31

	2016 \$	2015 \$
FINANCIAL ASSETS		
Cash and cash equivalents	14,206,757	10,331,782
Marketable securities	17,818,735	17,889,515
Accounts receivable	904,661	1,030,365
Client benefit advances	1,763,488	1,749,651
Interest receivable	11,376	8,849
HST receivable	688,582	893,503
	35,393,599	31,903,665
LIABILITIES		
Accounts payable and accrued liabilities	3,004,479	2,857,378
Payable to participating municipalities and funded agencies <i>[note 3]</i>	965,473	1,004,397
Due to Province of Ontario <i>[note 4]</i>	1,249,746	141,781
Deferred revenue <i>[note 5]</i>	7,784,572	5,673,401
Long-term debt <i>[note 6]</i>	27,131,884	29,581,299
Employee benefits obligations <i>[note 7]</i>	2,612,726	1,638,708
	42,748,880	40,896,964
NET DEBT	(7,355,281)	(8,993,299)
NON-FINANCIAL ASSETS		
Tangible capital assets - net <i>[Schedule 2]</i>	50,052,302	51,226,901
Prepaid expenses	656,638	446,995
	50,708,940	51,673,896
ACCUMULATED SURPLUS <i>[Schedule 3]</i>		
Accumulated operating surplus	42,813,024	43,010,565
Accumulated re-measurement gains (losses)	540,635	(329,968)
	43,353,659	42,680,597

The accompanying notes and schedules are an integral part of these financial statements

**THE DISTRICT OF THUNDER BAY SOCIAL SERVICES
ADMINISTRATION BOARD**

Consolidated Statement of Re-measurement Gains and Losses

As at December 31

	2016	2015
	\$	\$
ACCUMULATED RE-MEASUREMENT (LOSSES) GAINS, BEGINNING OF YEAR	(329,968)	419,233
Unrealized gains (losses) attributable to:		
Portfolio investments	968,690	(742,361)
Derivatives	(98,087)	(6,840)
NET RE-MEASUREMENT GAINS (LOSSES) FOR THE YEAR	870,603	(749,201)
ACCUMULATED RE-MEASUREMENT GAINS (LOSSES), END OF YEAR	540,635	(329,968)

The accompanying notes and schedules are an integral part of these financial statements

**THE DISTRICT OF THUNDER BAY SOCIAL SERVICES
ADMINISTRATION BOARD**

Consolidated Statement of Operations

Year ended December 31

	2016		2015
	Budget \$	Actual \$	Actual \$
REVENUES			
Province of Ontario			
Ontario Works	29,123,300	29,739,146	27,640,194
Addiction services initiative	685,700	621,541	559,420
Child care	12,233,600	12,302,055	11,509,424
Social and affordable housing	1,863,000	1,670,980	1,948,366
Homelessness prevention	2,703,600	3,012,759	2,272,064
	46,609,200	47,346,481	43,929,468
Federal grants - social and affordable housing	10,306,000	10,497,815	10,258,434
Municipal levies	24,012,000	24,012,000	23,897,900
Rents	10,670,300	10,529,612	10,439,008
Interest on unrestricted funds	84,000	73,645	99,851
Interest on reserve funds	200,000	441,880	519,225
NOSDA conference	-	-	25,098
Other revenue	182,800	390,387	570,581
	45,455,100	45,945,339	45,810,097
TOTAL REVENUES	92,064,300	93,291,820	89,739,565

**THE DISTRICT OF THUNDER BAY SOCIAL SERVICES
ADMINISTRATION BOARD**

Consolidated Statement of Operations

Year ended December 31

	2016		2015
	Budget \$	Actual \$	Actual \$
EXPENSES	[note 12]		
Ontario Works [note 13]	34,786,500	35,867,402	33,632,207
Addiction services initiative	709,100	662,768	610,079
Child care [note 14]	14,154,400	14,278,931	13,416,493
Social and affordable housing [note 15]	16,168,400	15,949,620	15,350,762
Direct-owned housing and administration [note 15]	25,584,400	23,063,567	23,989,735
Homelessness prevention [note 16]	2,703,600	3,012,759	2,272,064
Community social reinvestment program	655,400	654,314	654,850
NOSDA conference	-	-	25,098
TOTAL EXPENSES	94,761,800	93,489,361	89,951,288
REVENUES LESS EXPENSES	(2,697,500)	(197,541)	(211,723)
OTHER			
Levy reimbursement	-	-	(42,031)
ANNUAL OPERATING DEFICIT	(2,697,500)	(197,541)	(253,754)
ACCUMULATED OPERATING SURPLUS, BEGINNING OF YEAR	43,010,565	43,010,565	43,264,319
ACCUMULATED OPERATING SURPLUS, END OF YEAR	40,313,065	42,813,024	43,010,565

The accompanying notes and schedules are an integral part of these financial statements

**THE DISTRICT OF THUNDER BAY SOCIAL SERVICES
ADMINISTRATION BOARD**

Consolidated Statement of Changes in Net Debt

Year ended December 31

	2016		2015
	Budget \$ <i>[note 12]</i>	Actual \$	Actual \$
ANNUAL OPERATING DEFICIT	(2,697,500)	(197,541)	(253,754)
Amortization of tangible capital assets <i>[Schedule 2]</i>	-	2,393,878	2,319,039
Acquisition of tangible capital assets <i>[Schedule 2]</i>	-	(1,220,779)	(1,515,518)
Loss on disposal of tangible capital assets	-	1,500	30,557
Addition of prepaid expense	-	(656,638)	(446,995)
Use of prepaid expense	-	446,995	463,839
	(2,697,500)	767,415	597,168
Remeasurement gain (loss)	-	870,603	(749,201)
CHANGE IN NET DEBT	(2,697,500)	1,638,018	(152,033)
NET DEBT, BEGINNING OF YEAR	(8,993,299)	(8,993,299)	(8,841,266)
NET DEBT, END OF YEAR	(11,690,799)	(7,355,281)	(8,993,299)

The accompanying notes and schedules are an integral part of these financial statements

THE DISTRICT OF THUNDER BAY SOCIAL SERVICES ADMINISTRATION BOARD

Consolidated Statement of Cash Flows

Year ended December 31

	2016	2015
	\$	\$
OPERATING		
Annual (deficit) surplus	(197,541)	(253,754)
Uses		
Increase in accounts receivable	-	(252,712)
Increase in client benefit advances	(13,837)	-
Increase in interest receivable	(2,527)	-
Increase in HST receivable	-	(256,802)
Decrease in payable to participating municipalities and funded agencies	(38,924)	-
Decrease in due to Province of Ontario	-	(1,052,362)
Decrease in deferred revenue	-	(332,951)
Decrease in employee benefits obligation	-	(80,723)
Increase in prepaid expense	(209,643)	-
	(462,472)	(2,229,304)
Sources		
Decrease in accounts receivable	125,704	-
Decrease in client benefit advances	-	136,463
Decrease in interest receivable	-	18,550
Decrease in HST receivable	204,921	-
Decrease in prepaid expense	-	16,844
Increase in accounts payable and accrued liabilities	147,101	150,754
Increase in payable to participating municipalities and funded agencies	-	810
Increase in due to Province of Ontario	1,107,965	-
Increase in deferred revenue	2,111,171	-
Increase in employee benefits obligation	974,018	-
	4,670,880	323,421
Non-cash charges to operations		
Amortization of tangible capital assets	2,393,878	2,319,039
Cash provided by operating transactions	6,602,286	413,156
CAPITAL		
Acquisition of tangible capital assets	(1,220,779)	(1,515,518)
Loss on disposal of tangible capital assets	1,500	30,557
Cash used in capital transactions	(1,219,279)	(1,484,961)
INVESTING		
Decrease (increase) in investments	70,780	(9,846,110)
FINANCING		
Decrease in long-term debt	(2,449,415)	(2,403,314)
RE-MEASUREMENT		
Net unrealized gain (loss)	870,603	(749,201)
NET INCREASE (DECREASE) IN CASH	3,874,975	(14,070,430)
CASH, BEGINNING OF YEAR	10,331,782	24,402,212
CASH, END OF YEAR	14,206,757	10,331,782

The accompanying notes and schedules are an integral part of these financial statements

THE DISTRICT OF THUNDER BAY SOCIAL SERVICES ADMINISTRATION BOARD NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2016

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. TBDSSAB delivers provincially mandated services on behalf of the citizens of the District of Thunder Bay.

1. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements 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 Chartered Professional Accountants of Canada. 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 TBDSSAB and include the activities of its wholly-owned subsidiary, the Thunder Bay District Housing Corporation [TBDHC].

Basis of accounting

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable. Expenses 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 hand, cash on deposit, and short-term investments which are readily convertible into a known amount of cash and are subject to an insignificant risk to changes in fair value.

Marketable securities

Marketable securities include funds invested in pooled funds, fixed income securities, and equities which are held in trust and managed by an external fund manager. Investments are recorded at fair value using quoted prices in an active market with unrealized gains and losses being recognized in the statement of re-measurement gains and losses.

When there has been other than a temporary decline in the value of an investment, the investment is written-down 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, 2016

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses provides the Change in Net Debt for the year.

[i] Tangible capital assets

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over their estimated useful lives as follows:

- Land improvements – up to 30 years
- Buildings – up to 50 years
- Machinery and equipment – up to 20 years
- Vehicles – 5 to 15 years
- Computer hardware and software – 3 to 10 years
- Furniture – 5 to 10 years

Full annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use, at which time they are capitalized.

[ii] Contribution of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt, and that fair value is also recorded as revenue. Similarly, transfers of assets to third parties are recorded as an expense equal to the net book value of the asset as of the date of transfer.

[iii] Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

[iv] Prepaid expenses

Amounts paid in advance of the receipt of goods or services are recorded as prepaid expense.

Revenue recognition

Revenue is recognized as it is received or becomes receivable and expended according to the terms of applicable funding agreements. Investment income and other revenue are recognized when they are earned. Rental revenue is recognized when rent is receivable based on tenant occupancy. Prepaid rents are recorded as deferred revenue.

THE DISTRICT OF THUNDER BAY SOCIAL SERVICES ADMINISTRATION BOARD NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2016

Employee related costs

TBDSSAB 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 compensated absences, post-employment benefits, and workplace safety and insurance obligations are recognized when the event that obligates TBDSSAB occurs.
- [iii] The costs of post-employment benefits and workplace safety and insurance obligations are actuarially determined using the projected benefits method and prorated on service and management's best estimate of retirement ages of employees, salary escalation, and expected health care costs. *[note 7]*.

2. FINANCIAL INSTRUMENTS

- [i] Fair value of financial instruments

The carrying values of cash and cash equivalents, marketable securities, accounts receivable, interest receivable, accounts payable and accrued liabilities, payable to participating municipalities and funded agencies, and due to Province of Ontario approximate their fair values due to the relative short periods to maturity of the instruments. The carrying value of the long-term debt may differ from its fair value due to the terms of repayment and interest rates charged.

- [ii] Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. TBDSSAB is exposed to market price risk through its investments held and quoted in an active market.

- [iii] Credit Risk

Credit risk is the risk that a third party will fail to discharge its obligation to TBDSSAB, reducing the expected cash inflow from TBDSSAB's assets recorded at the balance sheet date. Credit risk can be concentrated in debtors that are similarly affected by economic or other conditions. TBDSSAB provides for an allowance for doubtful accounts to absorb credit losses. TBDSSAB has assessed that there are no significant concentrations of credit risk with respect to any class of financial assets.

**THE DISTRICT OF THUNDER BAY SOCIAL SERVICES
ADMINISTRATION BOARD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2016

**3. PARTICIPATING MUNICIPALITIES AND TERRITORIES WITHOUT
MUNICIPAL ORGANIZATION**

City of Thunder Bay
District of Thunder Bay territories without municipal organization
Municipality of Greenstone
Municipality of Neebing
Municipality of Oliver Paipoonge
Municipality of Shuniah
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

4. DUE TO PROVINCE OF ONTARIO

Due to Province of Ontario consists of:

	2016	2015
	\$	\$
Due to Ministry of Community and Social Services [MCSS]	2,085,793	702,767
Due to Ministry of Education [MED]	239,602	361,708
Due from Ministry of Housing [MHO]	(1,075,649)	(922,694)
	1,249,746	141,781

**THE DISTRICT OF THUNDER BAY SOCIAL SERVICES
ADMINISTRATION BOARD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2016

5. DEFERRED REVENUE

Deferred revenue balance consists of the following:

	2016	2015
	\$	\$
Child care mitigation	3,708,338	3,708,338
Community Homelessness Prevention Initiative	533,801	857,024
Investment in Affordable Housing [Administration]	63,327	63,333
Investment in Affordable Housing [Homeowner]	121,896	58,435
Investment in Affordable Housing [Housing Allowance]	69,125	182,500
Investment in Affordable Housing [Ontario Renovates]	23,763	-
Investment in Affordable Housing [Rent supplement]	3,527	48,237
Investment in Affordable Housing [Revolving loan]	484,130	448,295
Investment in Affordable Housing [Social Infrastructure Fund]	402,156	-
Miscellaneous	38,018	8,553
Northern Home Repair [Loan discharge]	17,127	15,979
Northern Home Repair [Wave 1]	5,322	7,695
Northern Home Repair [Wave 2]	975	975
Social Housing Apartment Retrofit Program	2,046,209	-
Strong Communities rent supplement	42,884	17,421
Tenant rent	223,974	256,616
	7,784,572	5,673,401

6. LONG-TERM DEBT

Long-term debt balance consists of the following:

	2016	2015
	\$	\$
Debt payable on direct-owned housing	21,850,970	24,031,064
Debt payable on office headquarters	4,983,651	5,141,564
Capital leases payable	297,263	408,671
	27,131,884	29,581,299

[i] Long-term debt includes various amounts payable as at December 31, 2016 on direct-owned housing:

	2016	2015
	\$	\$
Debt payable to:		
Canada Mortgage and Housing Corporation [CMHC]	8,034,247	13,822,390
Other lenders	13,816,723	10,208,674
	21,850,970	24,031,064

**THE DISTRICT OF THUNDER BAY SOCIAL SERVICES
ADMINISTRATION BOARD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2016

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. The net book value of the pledged assets as at December 31, 2016 was \$27,846,489 [2015 - \$27,178,948].

The CMHC mortgages bear interest at rates between 1.0% and 3.5% [2015 – 1.6% and 9.5%]. These mortgages mature between 2017 and 2024.

The other long-term debt bears interest at rates between 2.0% and 9.3% [2015 – 2.1% and 9.3%]. These mortgages mature between 2017 and 2026.

- [ii] Included in long-term debt is a swap rate takeout loan agreement on the TBDSSAB office headquarters payable to the Royal Bank of Canada [RBC] as at December 31, 2016.

	2016	2015
	\$	\$
TBDSSAB office headquarters loan payable	4,820,000	5,076,000
Plus fair value adjustment of derivative	163,651	65,564
	4,983,651	5,141,564

The RBC retains a general security agreement over certain assets of TBDSSAB as collateral for this loan.

The RBC loan on the TBDSSAB office headquarters matures in February, 2017, and was renewed for a term of 15 years bearing interest at 2.97%.

- [iii] Included in long-term debt are capital leases for certain computer equipment.

	2016	2015
	\$	\$
Disaster recovery computer equipment	70,036	119,474
Desktop computers	227,227	289,197
	297,263	408,671

The lease contract for the disaster recovery computer equipment is payable in monthly instalments of \$5,278 including harmonized sales tax and interest calculated at 5.78%, maturing in June, 2018.

The lease contract for the desktop computers is payable in monthly instalments of \$6,469 including harmonized sales tax and interest calculated at 4.85%, maturing in August, 2020.

**THE DISTRICT OF THUNDER BAY SOCIAL SERVICES
ADMINISTRATION BOARD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2016

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

	Direct-Owned Housing		Office Headquarters	Capital Leases	Total
	CMHC	Other			
	\$	\$	\$	\$	\$
2017	1,304,622	1,382,396	257,000	111,408	3,055,426
2018	1,021,672	1,305,255	263,000	82,571	2,672,498
2019	972,188	1,353,799	272,000	61,971	2,659,958
2020	992,583	1,404,411	280,000	41,313	2,718,307
2021	943,594	1,457,825	288,000	-	2,689,419
2022	802,547	1,452,061	298,000	-	2,552,608
2023	817,909	1,246,269	307,000	-	2,371,178
2024	568,853	1,291,752	316,000	-	2,176,605
2025	300,881	1,328,938	326,000	-	1,955,819
2026	178,531	1,125,037	336,000	-	1,639,568
Subsequent to 2026	130,867	468,980	1,877,000	-	2,476,847
	8,034,247	13,816,723	4,820,000	297,263	26,968,233

7. EMPLOYEE BENEFITS OBLIGATIONS

The employee benefits obligations of TBDSSAB are as follows:

	2016	2015
	\$	\$
Liability for sick leave benefits	-	20,669
Post-employment retiree benefits	2,334,834	1,330,624
Vacation entitlements	277,892	287,415
	2,612,726	1,638,708

[i] Liability for Sick Leave Benefits

Under the sick leave benefit plan, unused sick leave can accumulate for certain employees who may become entitled to a cash payment when they retire or leave TBDSSAB's employment. The liability for these accumulated days, to the extent that they have vested and could be taken by the employee on retirement or paid to his/her estate upon death amounted to \$0 [2015 - \$20,669].

**THE DISTRICT OF THUNDER BAY SOCIAL SERVICES
ADMINISTRATION BOARD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2016

[ii] Post-employment retiree benefits

TBDSSAB pays certain post-employment benefits on behalf of its retired employees and recognizes these post-retirement costs in the period in which the employees rendered the services. The accrued benefit obligation at December 31, 2016 of \$1,925,481 [2015 - \$1,128,217] was determined by an actuarial valuation prepared for the year ended December 31, 2016.

Information about TBDSSAB's post-employment retiree benefit liability recognized in the financial statements is as follows:

	2016	2015
	\$	\$
Accrued benefit liability, beginning of year	1,330,624	1,219,259
Expense for the year	1,120,810	171,246
Benefits paid for the year	(116,600)	(59,881)
Accrued benefit liability, end of year	2,334,834	1,330,624

The main actuarial assumptions employed for the valuation are as follows:

General inflation

Future general inflation levels, as measured by changes in the Consumer Price Index, were assumed at 2% per annum.

Interest (discount) rate

The obligation as at December 31, 2016 of the present value of future liabilities and the expense for the year then ended was determined using an annual discount rate of 3.25%. This rate reflects the assumed long-term yield on high quality bonds as at January 1, 2016.

Medical and dental costs

Medical costs were assumed to increase by 6.2% in 2016, with further annual increases gradually declining from 6.2% to 4.5% in 2023 and each year thereafter. Dental costs were assumed to increase at 4.5% in 2016 and each year thereafter.

[iii] Vacation Entitlements

Vacation entitlements earned by the employees would be converted to a cash payment if they retire or leave TBDSSAB's employment. The liability for these accumulated days as at December 31, 2016 would amount to approximately \$277,892 [2015 - \$287,415].

[iv] Workplace Safety and Insurance Obligations

TBDSSAB 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. The liability accrued at December 31, 2016 of \$0 [2015 - \$0] reflects the valuation as at December 31, 2015.

THE DISTRICT OF THUNDER BAY SOCIAL SERVICES ADMINISTRATION BOARD NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2016

[v] 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, 2016 to December 31, 2016, employees contributed at levels of up to 14.6% of earnings [2015 – 14.6%]. TBDSSAB makes contributions equal to the employee contributions to the plan. Required contributions by TBDSSAB for 2016 amounted to \$949,790 [2015 - \$940,990]. These contributions are included in the Consolidated Statement of Operations. No pension liability for this type of plan is included in the financial statements.

8. COMMITMENTS

- [i] TBDSSAB has commitments under various building lease agreements expiring between 2017 and 2019. The following approximate annual rental payments are required under these operating leases.

Year	Annual Payment
2017	57,048
2018	15,464
2019	1,498
Total	\$ 74,010

- [ii] TBDSSAB has commitments under various leases and service agreements for certain computer equipment and software expiring between 2017 and 2020. The following approximate annual payments are required under these agreements.

Year	Annual Payment
2017	135,183
2018	93,668
2019	69,903
2020	46,602
Total	\$ 345,356

- [iii] TBDSSAB leases multi-function devices which are charged at varying rates on a per-copy basis, with leases expiring in August, 2023. The amount of the commitment cannot be reasonably estimated.
- [iv] On February 1, 2012, TBDSSAB entered into a 20 year amortization, 5 year term indicative swap rate takeout loan agreement in the amount of \$6,000,000 with the RBC to finance the construction of the TBDSSAB headquarters. This loan was renewed effective February 1, 2017, for the remaining 15 year term. The balance of the loan as at December 31, 2016 is \$4,820,000 [2015 - \$5,076,000]. The swap agreement exchanges TBDSSAB's Banker's Acceptance variable loan payments for an established fixed interest rate payment. The exchange of interest payments results in an effective interest rate of 2.32% plus a 0.65% stamping fee for an all-in interest rate of 2.97% for the 15 year term. The approximate cost of breaking the swap rate loan agreement prior to maturation, given the market interest rates as at December 31, 2016, is estimated to be \$163,651 [2015 - \$65,564].

**THE DISTRICT OF THUNDER BAY SOCIAL SERVICES
ADMINISTRATION BOARD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2016

[v] In 1975, the Thunder Bay Community Projects Incorporated entered into an agreement with the Corporation of the City of Thunder Bay to lease land on which the Andras Court housing project was built. Through amalgamation, TBDSSAB has assumed all responsibilities under this lease. TBDSSAB is responsible for all operating costs of the property and for the mortgage payments on the property [note 6]. The lease expires on May 31, 2032, at which time the land and buildings revert back to the Corporation of the City of Thunder Bay.

9. CONTINGENT LIABILITIES

[i] Legal Actions

The nature of TBDSSAB's activities is such that there is often litigation pending or in prospect at any time. With respect to claims at December 31, 2016, management believes TBDSSAB has valid defenses and appropriate insurance coverage in place. In the event that claims are successful, management believes that such claims are not expected to have a material effect on TBDSSAB's financial position.

[ii] Capital Contribution Credits

The CMHC reduced the mortgages otherwise payable by 10% of the approved capital costs of the Sequoia Park and Andras Court properties. The credits were being earned on a straight-line basis over 50 years in accordance with CMHC's policy. In 2016, through the CMHC Mortgage Loan Prepayment Initiative, TBDSSAB was allowed to prepay and renegotiate these mortgages without penalty. Through this process, CMHC waived the unearned capital contribution credits [2015 - \$187,430].

10. RESERVE FUNDS

The continuity of reserve funds is as follows:

	2016	2015
	\$	\$
Reserve funds		
Balance, beginning of year	22,380,239	23,754,706
Adjustment		
Adjustment related to prior years	(116,122)	-
Revenue		
Transfers from current operations	2,804,028	3,976,803
Interest earned	441,880	519,225
	3,245,908	4,496,028
Expenditures		
Transfers to current operations	3,752,785	5,870,495
Balance, end of year	21,757,240	22,380,239

**THE DISTRICT OF THUNDER BAY SOCIAL SERVICES
ADMINISTRATION BOARD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2016

11. DESIGNATED ASSETS

Of the assets reported on the Consolidated Statement of Financial Position, TBDSSAB has designated \$21,757,240 [2015 - \$22,380,239] to support reserve funds.

12. BUDGET AMOUNTS

The budgeted figures presented for comparative purposes are those as approved by TBDSSAB.

13. ONTARIO WORKS

	Budget 2016 \$	Actual 2016 \$	Actual 2015 \$
	<i>[note 12]</i>		
Financial assistance	23,812,100	24,780,982	23,420,963
Program delivery	8,574,100	8,656,120	7,770,653
Employment assistance services	2,400,300	2,430,300	2,440,591
	34,786,500	35,867,402	33,632,207

**THE DISTRICT OF THUNDER BAY SOCIAL SERVICES
ADMINISTRATION BOARD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2016

14. CHILD CARE

The expenses by program description under the Child Care service agreement are outlined below:

	Budget 2016	Actual 2016	Actual 2015
	\$	\$	\$
	<i>[note 12]</i>		
Administration	1,144,900	1,169,568	1,137,499
Fee subsidy	4,614,800	4,626,509	4,373,491
Ontario works formal	411,600	306,559	455,732
Ontario works informal	40,000	29,844	39,780
Pay equity	104,300	104,300	104,300
Repairs and maintenance	22,700	132,105	183,853
Resource centres	848,100	738,647	848,067
Small water works	14,100	14,080	14,080
Special needs resourcing	1,590,600	1,590,598	1,901,840
General operating	4,176,600	4,209,200	3,226,200
Occupancy incentive	500,000	300,000	-
Capacity building	52,900	52,301	390,241
Transformation	55,800	8,410	79,255
Capital retrofits	70,600	(62,457)	181,368
Planning	27,000	9,148	19,904
Aboriginal planning	30,400	1,982	20,715
Wage enhancement	450,000	1,048,137	440,168
	14,154,400	14,278,931	13,416,493

THE DISTRICT OF THUNDER BAY SOCIAL SERVICES ADMINISTRATION BOARD NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2016

TBDSSAB has a child care service agreement with the Ministry of Education. A requirement of the Ministry of Education service agreement is the production of supplementary information by detail code (funding type) which summarizes all revenues and expenditures relating to the service agreement.

Ministry reporting is based on modified accrual accounting which forms the basis of funding and is also guided by the admissible/inadmissible expenditure policy. This method of accounting requires the inclusion of short-term accruals of revenue and normal operating expenditures in the determination of operating results for a given time period. Short-term accruals are defined as payable or receivable usually within 30 days of the budget year-end.

The modified accrual basis of accounting, as defined by the Ministry, does not recognize non-cash transactions such as amortization, charges/appropriations to reserves or allowances as these expenses do not represent an actual cash expenditure related to the current period.

Expenditures for the 2016 year in the amount of \$14,418,830, relative to the Ministry of Education service agreement provided in the table below do not include adjustments for tangible capital assets (\$11,201), employee benefit obligations (\$56,877), or other adjustments (\$6,400) as directed by the Ministry of Education. In accordance with the DSSAB Act, the TBDSSAB annual levy is apportioned amongst its fifteen member municipalities and unincorporated territory. The cost related to the unincorporated territory is billed to each Ministry based on the net cost of each program. As directed by the Ministry of Education, the table below includes the Ministry of Education's share of the 2016 annual levy (\$214,377).

Revenues for the 2016 year in the amount of \$14,494,880, relative to the Ministry of Education service agreement are provided in the table below. Actual cashflow from the Ministry of Education relative to the 2016 funding year was \$12,527,893 (excluding the levy portion) plus \$25,493 wage enhancement administration funding carried forward from the prior year. TBDSSAB has recorded \$84,919 as due to the Ministry of Education for the 2016 year. During the 2016 year, TBDSSAB recovered resource centre (\$109,420) and capital retrofits (\$78,876) funding from a Service Provider of which \$166,412 is to be reimbursed to the Ministry of Education. As directed by the Ministry of Education, the table below includes the amount paid by the Ministry of Education for its share of the annual TBDSSAB levy (\$207,394).

The Ministry of Education results comprise part of the child care revenues and expenditures that are included in the consolidated statement of operations.

**THE DISTRICT OF THUNDER BAY SOCIAL SERVICES
ADMINISTRATION BOARD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2016

	Expenses			Total Expenses
	Non-Profit	Profit	Other	
Full Flexibility				
1.1 - General operating	4,127,800	381,400	-	4,509,200
1.2 - Regular fee subsidy	4,122,874	503,635	-	4,626,509
1.5 - Ontario Works formal	277,565	28,994	-	306,559
1.6 - Ontario Works informal	-	-	29,844	29,844
1.7 - Pay equity memorandum	104,300	-	-	104,300
1.8 - Special needs resourcing	1,590,598	-	-	1,590,598
1.9 - Administration	-	-	1,095,090	1,095,090
1.10 - Repairs and maintenance	106,097	26,008	-	132,105
Total (full flexibility)	10,329,234	940,037	1,124,934	12,394,205
1.13 - Transformation	8,410	-	-	8,410
Limited Flexibility				
1.12 - Capacity building	52,301	-	-	52,301
2.1 - Capital retrofits	16,419	-	-	16,419
3.1 - Small water works	14,080	-	-	14,080
4.1 - Resource centres	848,067	-	-	848,067
4.5 - ECD planning	-	-	11,130	11,130
Total (limited flexibility)	930,867	-	11,130	941,997
No Flexibility				
3.2 - Territory without municipal organization	-	-	214,377	214,377
Wage enhancement	903,969	144,168	-	1,048,137
Capital retrofits (prior year recovery)	(78,876)	-	-	(78,876)
Resource centre (prior year recovery)	(109,420)	-	-	(109,420)
Total Expenses	11,984,184	1,084,205	1,350,441	14,418,830

	Revenues (Ministry of Education Service Agreement)			Total Revenues
	Ministry of Education	Legislated Cost Share		
Full Flexibility				
1.1 - Core services delivery (100% provincial)	1,606,795	0%	-	1,606,795
1.2 - Core services delivery - 80/20	5,611,740	20%	1,402,935	7,014,675
1.3 - Core service delivery - 50/50 - Administration	333,851	50%	333,851	667,702
2.1 - Language	198,650	0%	-	198,650
2.2 - Aboriginal	154,422	0%	-	154,422
2.3 - Cost of living	260,493	0%	-	260,493
2.4 - Rural/remote	1,811,077	0%	-	1,811,077
2.5 - FDK transition	485,267	0%	-	485,267
2.9 - Repairs and maintenance	22,677	0%	-	22,677
Total (full flexibility)	10,484,972		1,736,786	12,221,758
2.6 - Transformation	44,502	0%	-	44,502
Limited Flexibility				
2.7 - Capacity building	55,521	0%	-	55,521
2.8 - Small water Works	14,080	0%	-	14,080
4.1 - Capital retrofits	16,419	0%	-	16,419
8.1 - Resource centres	742,441	20%	185,610	928,051
8.4 - ECD aboriginal	30,400	0%	-	30,400
8.5 - ECD - planning	27,000	0%	-	27,000
Total (limited flexibility)	885,861		185,610	1,071,471
No Flexibility				
2.9 - Territory without municipal organization	207,394	0%	-	207,394
Wage enhancement (includes \$25,493 from 2015)	1,138,051	0%	-	1,138,051
Capital retrofits (prior year recovery)	(78,876)	0%	-	(78,876)
Resource centre (prior year recovery)	(87,536)	20%	(21,884)	(109,420)
Total Revenues	12,594,368		1,900,512	14,494,880

**THE DISTRICT OF THUNDER BAY SOCIAL SERVICES
ADMINISTRATION BOARD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2016

15. SOCIAL AND AFFORDABLE HOUSING

Each year TBDSSAB is required to provide the Ministry of Housing a Service Manager Annual Information Return [SMAIR] which, among other things, confirms the expenditures for the year by program. A portion of these expenditures are included in the summary of Direct-Owned Housing and Administration. For the purposes of the 2016 SMAIR, TBDSSAB has attributed \$5,559,389 [2015 - \$5,524,300] to the Public Housing program, \$5,098,507 [2015 - \$4,760,829] to the Provincial Reformed program and \$0 [2015 - \$2,040] to the Section 95 Municipal Non-Profit program. The expenses by program for Social and Affordable Housing are as follows:

	Budget 2016	Actual 2016	Actual 2015
	\$	\$	\$
	<i>[note 12]</i>		
Social and Affordable Housing (External Transfers)			
Provincial reformed	6,169,800	6,109,562	6,135,731
NHA Section 95 private non-profit	12,600	12,576	12,576
Rent supplement – private landlord	2,943,100	2,935,070	2,706,363
Rent supplement – non-profit	1,666,200	1,640,751	1,597,074
Strong Communities – regular	362,485	381,308	362,494
Strong Communities – MCSS	28,740	24,569	24,142
Strong Communities – MOHLTC	45,975	33,361	33,160
Urban Native, Pre-1986	659,778	592,133	977,171
Urban Native, Post-1985	1,428,122	1,465,667	1,211,913
Affordable Housing Program			
Northern Home Repair (Wave 1)	-	2,974	636
Investment in Affordable Housing (IAH)			
Administration	-	-	58,272
Ontario renovates	300,000	11,101	1,019,656
Rent supplement	54,000	85,108	44,342
Revolving loan	-	27,651	353,683
IAH Extension			
Administration	84,400	84,400	40,328
Housing Allowance	150,000	113,375	98,750
Ontario renovates	160,000	53,369	674,471
Rental housing	2,103,200	1,000,000	-
IAH Social Infrastructure Fund			
Administration	-	44,623	-
Ontario renovates	-	298,352	-
Rental housing	-	550,000	-
Social Housing Improvement Program (SHIP)	-	459,500	-
SHIP administration	-	24,170	-
	16,168,400	15,949,620	15,350,762

**THE DISTRICT OF THUNDER BAY SOCIAL SERVICES
ADMINISTRATION BOARD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2016

	Budget 2016 \$	Actual 2016 \$	Actual 2015 \$
Direct-owned Housing and Administration			
Housing program administration	1,132,900	1,098,303	1,275,587
Housing portfolio administration	4,394,600	4,581,588	3,992,234
Housing operations	20,056,900	17,288,897	17,955,549
IAH extension – rental housing	-	-	766,365
Social Housing Apartment Retrofit Program	-	94,779	-
	25,584,400	23,063,567	23,989,735
	41,752,800	39,013,187	39,340,497

16. HOMELESSNESS PREVENTION

The expenses by program for Homelessness Prevention are as follows:

	Budget 2016 \$	Actual 2016 \$	Actual 2015 \$
	<i>[note 12]</i>		
Administration	270,400	301,255	230,191
Emergency shelter solutions	1,181,800	1,181,800	1,079,600
Homelessness prevention	500,000	871,873	512,913
Housing with related supports	544,500	450,931	211,420
Services and supports	206,900	206,900	237,940
	2,703,600	3,012,759	2,272,064

**THE DISTRICT OF THUNDER BAY SOCIAL SERVICES
ADMINISTRATION BOARD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2016

17. RELATED PARTY TRANSACTIONS

Measurement basis

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

Related corporations

TBDSSAB is related to the following corporations:

The Corporation of the City of Thunder Bay acted as a delivery agent for Child Care programs, and provided certain software licenses to TBDSSAB. TBDSSAB provided Community Social Reinvestment Funds to the City.

The Municipality of Greenstone acted as a delivery agent for Child Care programs, and provided rental accommodations to TBDSSAB. TBDSSAB provided Community Social Reinvestment Funds to the Municipality of Greenstone.

The Township of Manitouwadge provided rental accommodations to TBDSSAB.

TBDSSAB provided Investment in Affordable Housing Extension funds to the Township of Nipigon for the construction of rental housing.

The Township of Schreiber provided rental accommodations to TBDSSAB.

TBDSSAB provided Community Social Reinvestment Funds to the Township of Red Rock.

	2016	2015
	\$	\$
Amounts owing to related parties, included in Payable to participating municipalities and funded agencies:		
City of Thunder Bay	107,298	81,797
Municipality of Greenstone	8,076	22,933
Township of Manitouwadge	1,394	-
Township of Schreiber	735	-
Amounts paid to related parties for construction of rental housing, purchased services, and rent, included in expenses:		
City of Thunder Bay	1,760,147	2,037,891
Municipality of Greenstone	592,225	616,916
Township of Manitouwadge	8,310	7,385
Township of Nipigon	250,000	-
Township of Red Rock	10,000	12,300
Township of Schreiber	8,758	7,327

**THE DISTRICT OF THUNDER BAY SOCIAL SERVICES
ADMINISTRATION BOARD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2016

18. 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.

19. COMPARATIVE FIGURES

Certain of the 2015 comparative figures have been reclassified to conform to the presentation adopted in the current year.

20. ADEQUACY OF HOUSING PROVIDERS' CAPITAL RESERVE FUNDS

TBDSSAB and certain non-profit housing providers are required to establish capital reserve funds for financing future major repairs and replacements. Building Condition Assessments [BCA] and Capital Reserve Fund Studies [the Study], conducted by Stantec Consulting Ltd. during the period 2012 to 2014 evaluated the adequacy of annual contributions to the capital reserve funds of certain housing providers that receive funding from TBDSSAB.

The Study indicated that, based on the capital reserve fund balances as at December 31, 2012 and the level of annual capital reserve contributions in effect for the year 2012, 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 Board approved Reserve and Reserve Fund Strategy has been established to prolong the adequacy of financial resources by controlling the amount of capital projects undertaken each year and enhancing the annual contributions to capital reserve funds.

**THE DISTRICT OF THUNDER BAY SOCIAL SERVICES
ADMINISTRATION BOARD**

Consolidated Schedule of Segment Disclosure

Year ended December 31

Schedule 1

	Corporate Management and Program Support		Integrated Client Services		Ontario Works		Child Care Programs	
	2016	2015	2016	2015	2016	2015	2016	2015
	\$	\$			\$	\$	\$	\$
Revenue								
Levy to municipalities and TWOMO	(84,000)	(87,000)	-	-	5,656,800	6,045,800	1,926,800	1,928,000
Provincial grants	-	-	-	-	30,360,687	28,199,614	12,302,055	11,509,424
Federal grants	-	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-	-
Interest on unrestricted funds	73,645	99,851	-	-	-	-	-	-
Interest on reserve funds	58,729	44,961	-	-	4,643	3,950	7,500	6,381
Other	30,600	35,596	-	-	15,305	110,816	(99)	6,381
	<u>78,974</u>	<u>93,408</u>	<u>-</u>	<u>-</u>	<u>36,037,435</u>	<u>34,360,180</u>	<u>14,236,256</u>	<u>13,450,186</u>
Expenses								
Salaries, wages & employee benefits	3,572,877	3,389,084	871,357	861,097	4,935,662	4,528,063	486,127	490,003
Interest on long-term debt	118,003	124,709	-	-	-	-	-	-
Materials	1,518,801	1,376,422	21,037	19,071	618,225	533,304	60,890	86,733
Contracted services	196,655	143,841	-	-	8,885	34,650	-	14,998
Rents and financial expenses	20,192	13,676	-	-	79,788	72,780	-	-
External transfers - persons	-	-	-	-	26,238,771	24,739,027	-	-
External transfers - funded agencies	-	-	-	-	-	-	13,098,233	12,238,374
Amortization	587,548	573,978	2,685	2,685	14,974	14,974	16,459	16,459
Allocation of internal administration	(6,014,076)	(5,621,710)	(895,079)	(882,853)	4,633,865	4,319,488	617,222	569,926
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,530,170</u>	<u>34,242,286</u>	<u>14,278,931</u>	<u>13,416,493</u>
Excess (deficiency) of revenues over expenses	<u>78,974</u>	<u>93,408</u>	<u>-</u>	<u>-</u>	<u>(492,735)</u>	<u>117,894</u>	<u>(42,675)</u>	<u>33,693</u>

**THE DISTRICT OF THUNDER BAY SOCIAL SERVICES
ADMINISTRATION BOARD**

Consolidated Schedule of Segment Disclosure

Year ended December 31

Schedule 1

(continued)

	Housing and Homelessness Programs		Other		Total	
	2016	2015	2016	2015	2016	2015
	\$	\$	\$	\$	\$	\$
Revenue						
Levy to municipalities and TWOMO	15,975,100	15,439,500	537,300	571,600	24,012,000	23,897,900
Provincial grants	4,683,739	4,220,430	-	-	47,346,481	43,929,468
Federal grants	10,497,815	10,258,434	-	-	10,497,815	10,258,434
Rent	10,529,612	10,439,008	-	-	10,529,612	10,439,008
Interest on unrestricted funds	-	-	-	-	73,645	99,851
Interest on reserve funds	365,423	459,181	5,585	4,752	441,880	519,225
Other	344,581	417,788	-	25,098	390,387	595,679
	42,396,270	41,234,341	542,885	601,450	93,291,820	89,739,565
Expenses						
Salaries, wages & employee benefits	4,250,704	3,796,682	-	-	14,116,727	13,064,929
Interest on long-term debt	912,272	1,105,408	-	-	1,030,275	1,230,117
Materials	15,983,157	17,140,391	-	25,098	18,202,110	19,181,019
Contracted services	99,707	95,030	-	-	305,247	288,519
Rents and financial expenses	59,527	84,619	-	-	159,507	171,075
External transfers - persons	1,595,233	2,704,452	-	-	27,834,004	27,443,479
External transfers - funded agencies	15,760,566	13,425,387	588,814	589,350	29,447,613	26,253,111
Amortization	1,772,212	1,710,943	-	-	2,393,878	2,319,039
Allocation of internal administration	1,592,568	1,549,649	65,500	65,500	-	-
	42,025,946	41,612,561	654,314	679,948	93,489,361	89,951,288
Excess (deficiency) of revenues over expenses	370,324	(378,220)	(111,429)	(78,498)	(197,541)	(211,723)

**THE DISTRICT OF THUNDER BAY SOCIAL SERVICES
ADMINISTRATION BOARD**

Consolidated Schedule of Tangible Capital Assets

Year ended December 31

Schedule 2

	Land	Land Improvements	Building	Vehicles	Computer	Furniture	Machinery & Equipment	Assets Under Construction	2016	2015
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
COST										
Balance, beginning of year	10,184,415	356,222	88,656,905	378,451	1,511,842	431,529	2,962,872	912,123	105,394,359	104,045,117
Transfer from Assets Under Construction	-	-	912,123	-	-	-	-	(912,123)	-	-
Add:										
Additions during the year	-	-	764,420	-	33,240	-	423,119	-	1,220,779	1,515,518
Less:										
Disposals during the year	-	-	-	-	-	-	(38,479)	-	(38,479)	(166,276)
BALANCE, END OF YEAR	10,184,415	356,222	90,333,448	378,451	1,545,082	431,529	3,347,512	-	106,576,659	105,394,359
ACCUMULATED AMORTIZATION										
Balance, beginning of year	-	95,446	52,222,570	280,910	552,581	172,612	843,339	-	54,167,458	51,984,138
Add:										
Amortization during the year	-	35,622	1,795,774	33,129	271,007	43,153	215,193	-	2,393,878	2,319,039
Less:										
Accumulated amortization on disposals	-	-	-	-	-	-	(36,979)	-	(36,979)	(135,719)
BALANCE, END OF YEAR	-	131,068	54,018,344	314,039	823,588	215,765	1,021,553	-	56,524,357	54,167,458
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	10,184,415	225,154	36,315,104	64,412	721,494	215,764	2,325,959	-	50,052,302	51,226,901

**THE DISTRICT OF THUNDER BAY SOCIAL SERVICES
ADMINISTRATION BOARD**

Consolidated Schedule of Accumulated Surplus

Year ended December 31

Schedule 3

	2016	2015
	\$	\$
RESERVE FUNDS		
Community Social Reinvestment Program	142,459	253,888
Direct-Owned Housing Portfolio Capital Replacement	9,681,935	10,333,136
Early Years	460,198	452,698
Employment compensation and benefits	963,540	947,837
Levy stabilization	2,193,064	1,871,469
Office building capital	802,065	668,254
Ontario Works client benefits	53,290	152,947
Social housing	7,460,689	7,700,010
Total - Reserve Funds	21,757,240	22,380,239
SURPLUSES (DEFICITS)		
Invested in tangible capital assets	22,920,418	21,645,602
General	(1,323,999)	(1,345,244)
Total - Surpluses	21,596,419	20,300,358
ACCUMULATED SURPLUS	43,353,659	42,680,597