



## BOARD REPORT

REPORT No.: 2023-07

MEETING DATE: FEBRUARY 16, 2023

SUBJECT: THE DISTRICT OF THUNDER BAY SOCIAL SERVICES ADMINISTRATION  
BOARD PROPOSED 2023 OPERATING AND CAPITAL BUDGETS

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### RECOMMENDATION

THAT with respect to Report No. 2023-02 and Report No. 2023-07 (Corporate Services Division), we, The District of Thunder Bay Social Services Administration Board (TBDSSAB or the Board), approve the proposed 2023 Operating Budget in the amount of \$111,446,300, as presented in Report No. 2023-07;

AND THAT we, the Board, approve the proposed 2023 Capital Budget in the amount of \$4,499,000, as presented in Report No. 2023-02, with up to \$3,368,000 financed from the Housing Portfolio Capital Reserve Fund, up to \$106,000 financed from the Office Building Capital Reserve Fund, and up to \$1,025,000 financed from the Canada-Ontario Community Housing Initiative;

AND THAT \$203,000 be transferred from Operations to the Office Building Reserve Fund;

AND THAT up to \$300,000 of transfers to community housing providers, up to \$68,200 of costs related to temporary staff positions, and up to \$28,400 of consulting costs be financed from the Levy Stabilization Reserve Fund;

AND THAT up to \$10,000 of costs related to end of community housing operating agreements be financed from the Community Housing Reserve Fund;

AND THAT \$2,964,400 be transferred from Operations to the Housing Portfolio Capital Reserve Fund, and up to \$550,000 of move-out and restoration repairs be financed from the Housing Portfolio Capital Reserve Fund;

AND THAT any actual income earned on unrestricted funds, in excess of \$300,000, be transferred to the Levy Stabilization Reserve Fund;

AND THAT we approve the reconciliation adjustments for the Budget presentation in the 2023 Audited Financial Statements, as presented in Report No. 2023-07;

AND THAT the necessary By-law be presented to the Board, for consideration.

## REPORT SUMMARY

To present The District of Thunder Bay Social Services Administration Board (TBDSSAB or the Board) with the proposed 2023 Operating and Capital Budget, as amended, for the Board's review and approval. The 2023 Operating Budget, as presented (Attachment #1), totals \$111,446,300, an increase of \$12,343,700, or 12.5% from the 2022 approved total Budget. In addition, \$4,499,000 (2022: \$4,237,900) in capital expenditures have been included for 2023.

The impact to the Municipal and Territories Without Municipal Organization (TWOMO) Levy would be an increase of \$1,276,200 from \$23,054,300 to \$24,330,500, or a 5.5% increase relative to 2022.

## BACKGROUND

The proposed 2023 Operating and Capital Budgets were presented for review and discussion at the January 26, 2023, Board Meeting.

## COMMENTS

### Operating Budget

There are three changes to the proposed Budget presented at the January 26, 2023 Board Meeting:

- The Technical Services Officer (Environmental Sustainability) position has been removed from the proposed 2023 Operating Budget. At the October 20, 2022 Meeting, the Board approved Administration to develop a comprehensive environmental sustainability strategy with related financial resources to be included in the 2023 Budget for consideration (Report No. 2022-63 – Environmental Sustainability Strategy). Although Administration continues to factor environmental impacts in day-to-day operations, Administration recommends the additional staff complement position be deferred until 2024. As a result, the proposed 2023 Budget has been reduced by \$51,500. The impact on the levy to municipalities and TWOMO is a reduction of \$42,300.
- In addition, Administration recommends the consulting work related to a Beautification Study be deferred to 2024. This work was to be financed from the Levy Stabilization Reserve Fund, so there is no impact on the levy to municipalities and TWOMO.
- Considering public information provided through municipal budget deliberations, Administration has reduced the estimated increase in the cost of water for the housing portfolio by \$73,600. The levy to municipalities and TWOMO is reduced by the full amount.

The proposed 2023 Operating Budget, as amended, totals \$111,446,300 and represents an increase of \$12,343,700, or 12.5%, from the 2022 approved Budget of \$99,102,600.

The proposed 2023 Operating Budget results in a levy of \$24,330,500, which is an increase of \$1,276,200, or 5.5%, compared to the Board-approved 2022 Levy.

The proposed 2023 Budget Levy, by program area, is provided in Table 1 below:

Program	2022 Budget Levy (\$)	2023 Proposed Levy (\$)	Increase / (Decrease) (\$)	% Change
Social Assistance	3,688,900	3,667,600	(21,300)	(0.6%)
Child Care and Early Years	1,675,100	1,271,500	(403,600)	(24.1%)
Community Housing	17,790,300	19,691,400	1,901,100	10.7%
Unrestricted Investment Income	(100,000)	(300,000)	(200,000)	200.0%
<b>Total Levy</b>	<b>23,054,300</b>	<b>24,330,500</b>	<b>1,276,200</b>	<b>5.5%</b>

The Operating Budget is provided on the same basis that Federal/Provincial funding is provided, where certain accruals for potential future employee entitlements are not considered and are only funded when paid, purchases of capital assets are reported as expenditures in the year purchased rather than amortized over their estimated useful life, and financing from reserve funds are considered in order to determine the annual levy to municipalities and TWOMO.

Table 2 below summarizes the reconciliation adjustments, based on Public Sector Accounting Board (PSAB) standards, to be used in the Budget presentation in the 2023 Audited Financial Statements:

Adjustments	2023 Budget (\$)
Total Operating Expenditures	111,446,300
Total Operating Financing	(111,446,300)
Amortization	2,211,000
Capital additions (net)	(70,000)
Capital expenditures financed from reserve funds	3,474,000
Debt	(2,483,900)
Contributions to reserve funds (net)	(2,933,400)
<b>Excess Expenditures over Revenues for Financial Statements</b>	<b>197,700</b>

## Capital Budget

The proposed 2023 Capital Budget includes planned expenditures of \$4,499,000 (2022: \$4,237,900), to be financed from the Housing Portfolio Capital Reserve Fund (\$3,368,000), the Office Building Reserve Fund (\$106,000), and the Canada-Ontario Community Housing Initiative (\$1,025,000).

### STRATEGIC PLAN IMPACT

This Report relates to the Board's strategic direction of Financial Stewardship, with a focus on ensuring accountability of TBDSSAB resources.

### FINANCIAL IMPLICATIONS

The proposed 2023 Operating Budget, as presented, totals \$111,446,300, and includes a Municipal and TWOMO Levy of \$24,330,500.



The proposed 2023 Capital Budget totals \$4,499,000, to be financed from the Housing Portfolio Capital Reserve Fund (\$3,368,000), the Office Building Reserve Fund (\$106,000), and the Canada-Ontario Community Housing Initiative (\$1,025,000).

### CONCLUSION

It is concluded that the proposed 2023 Operating Budget of \$111,446,300 and proposed 2023 Capital Budget of \$4,499,000 provide for all mandatory programs and include financing from the Municipal and TWOMO Levy of \$24,330,500.

### REFERENCE MATERIALS

Attachment #1 [TBDSSAB Operating Budget Summary by Program](#)

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SUBMITTED BY:	Ken Ranta, Acting Chief Administrative Officer





## The District of Thunder Bay Social Services Administration Board Operating Budget Summary by Program

	Social Assistance			Child Care and Early Years Programs		
	2021 Bud	2022 Bud	2023 Bud	2021 Bud	2022 Bud	2023 Bud
<b>Financing</b>						
Levy to municipalities and TWOMO	3,710,000	3,688,900	<b>3,667,600</b>	1,725,700	1,675,100	<b>1,271,500</b>
Income on unrestricted funds	-	-	-	-	-	-
Income on restricted funds	-	-	-	-	-	-
Rents	-	-	-	-	-	-
Provincial grants	32,921,600	30,244,700	<b>30,748,700</b>	15,669,100	15,454,400	<b>15,503,200</b>
Federal grants	-	-	-	662,800	1,995,200	<b>11,089,400</b>
Other revenue	-	-	-	-	-	-
From (to) reserve funds	49,300	-	-	-	-	-
Imputed rent adjustment	125,700	146,700	<b>167,900</b>	11,100	10,600	<b>12,100</b>
<b>Total Financing</b>	<b>36,806,600</b>	<b>34,080,300</b>	<b>34,584,200</b>	<b>18,068,700</b>	<b>19,135,300</b>	<b>27,876,200</b>
<b>Expenditures</b>						
Personnel services	3,910,800	3,957,100	<b>4,077,900</b>	426,900	437,800	<b>457,600</b>
Interest on long-term debt	-	-	-	-	-	-
Materials	738,100	552,700	<b>523,900</b>	41,900	36,800	<b>42,500</b>
Contracted services	10,000	10,000	<b>5,000</b>	1,000	1,000	<b>1,000</b>
Rents and financial expenses	118,200	112,800	<b>107,400</b>	-	-	-
External transfers	27,383,100	24,678,200	<b>24,929,100</b>	16,620,100	17,937,200	<b>26,583,400</b>
Repayment of long-term debt	-	-	-	-	-	-
Program administration recovery	6,200	6,400	<b>237,000</b>	167,000	-	-
Allocation of internal admin	3,701,500	3,801,300	<b>3,732,500</b>	729,000	652,800	<b>721,300</b>
Imputed rent recovery	938,700	961,800	<b>971,400</b>	82,800	69,700	<b>70,400</b>
<b>Total Expenditures</b>	<b>36,806,600</b>	<b>34,080,300</b>	<b>34,584,200</b>	<b>18,068,700</b>	<b>19,135,300</b>	<b>27,876,200</b>
<b>Excess (deficiency) of Revenues over expenses</b>	-	-	-	-	-	-

