



BOARD REPORT

REPORT No.: 2023 - 47

MEETING DATE: DECEMBER 14, 2023

SUBJECT: THE DISTRICT OF THUNDER BAY SOCIAL SERVICES ADMINISTRATION
BOARD PROPOSED 2024 OPERATING AND CAPITAL BUDGETS

RECOMMENDATION

THAT with respect to Report No. 2023-43 and Report No. 2023-47 (Corporate Services Division), we, The District of Thunder Bay Social Services Administration Board (TBDSSAB or the Board), approve the proposed 2024 Operating Budget in the amount of \$120,747,100 as presented in Report No. 2023-47;

AND THAT we, the Board, approve the proposed 2024 Capital Budget in the amount of \$5,045,000 as presented in Report No. 2023-45, with up to \$3,600,000 financed from the Housing Portfolio Capital Reserve Fund, and up to \$1,445,000 financed from the Canada-Ontario Community Housing Initiative;

AND THAT \$207,100 be transferred from Operations to the Office Building Reserve Fund;

AND THAT up to \$50,000 for required renovations for the Manitouwadge Day Care Centre be financed from the Early Years Reserve Fund;

AND THAT up to \$70,000 for costs associated with Vale Community Centre, up to \$50,000 to create an allowance for potential year-end settlement recoveries from housing providers, up to \$86,800 of costs related to temporary staff positions, and up to \$222,500 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 \$3,056,000 be transferred from Operations to the Housing Portfolio Capital Reserve Fund, and up to \$650,000 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 \$400,000, be transferred to the Levy Stabilization Reserve Fund;

AND THAT we approve the reconciliation adjustments for the Budget presentation in the 2024 Audited Financial Statements, as presented in Report No. 2023-47;

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 with the proposed 2024 Operating and Capital Budget, as amended, for the Board's review and approval. The 2024 Operating Budget, as presented (Attachment #1), totals \$120,747,100, an increase of \$9,936,700, or 9.0% from the 2023 approved total Budget. In addition, \$5,045,000 (2023: \$4,499,000) in capital expenditures have been included for 2024.

The impact to the Municipal and Territories Without Municipal Organization (TWOMO) Levy would be an increase of \$902,500 from \$24,330,500 to \$25,233,000, or a 3.7% increase relative to 2023.

BACKGROUND

The proposed 2024 Operating and Capital Budgets were presented for review and discussion at the November 16, 2023, Board Meeting.

COMMENTS

Operating Budget

As a result of the discussion at the November 16, 2023 Board meeting, the following changes were incorporated into the 2024 Operating Budget:

- \$4,100 increase to the Board travel budget to allow for an extra board member to travel for Association of Municipalities of Ontario (AMO) and Rural Ontario Municipal Association (ROMA) conferences; and
- \$2,400 increase to the Chief Administrative Officer (CAO) travel budget for the CAO's attendance at AMO conference.

In addition, and per the approved recommendations of the Situation Analysis Review Ad-hoc Committee, an amount of \$7,500 has been included in the budget to promote a welcoming environment at TBDSSAB's Intake areas at HQ and the Satellite Offices for the people we serve.

On November 30, 2023, Administration received its 2024 Child Care and Early Years funding allocation from the Ministry. There was an adjustment to the Child Care funding allocation to match the allowable administration funding which resulted in an increase of \$12,400 in the municipal levy. There are also increases of \$49,300 in the EarlyON and \$1,078,500 in the Canada Wide Early Learning & Child Care allocations, however,

these programs are 100% funded by the province, and therefore, no further impact on the municipal levy.

The impact to the Municipal and TWOMO Levy for these increases was 0.1% for a total levy increase of 3.8%.

Given these increases, Administration completed further reviews to maintain the levy increase at the level originally presented (3.7%). As a result, these increases have been offset by the permanent reduction of a recently vacant 1.0 FTE Placement Support Worker position, and a corresponding increase to Employment Related Expenses (EREs) consistent with the 2023 actual expenditure level.

These amendments result in the proposed 2024 Operating Budget totaling \$120,747,100, representing an increase of \$9,936,700, or 9.0%, from the 2023 approved Budget of \$110,810,400, and results in a levy of \$25,233,000, an increase of \$902,500, or 3.7%, compared to the Board-approved 2023 Levy.

The proposed 2024 Budget Levy, by program area, is provided in Table 1 below:

Program	2023 Budget Levy (\$)	2024 Proposed Levy (\$)	Increase / (Decrease) (\$)	% Change
Social Assistance	3,667,600	3,676,500	8,900	0.2%
Child Care and Early Years	1,271,500	1,283,900	12,400	1.0%
Community Housing	19,691,400	20,672,600	981,200	5.0%
Unrestricted Investment Income	(300,000)	(400,000)	(100,000)	33.3%
Total Levy	24,330,500	25,233,000	902,500	3.7%

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 2024 Audited Financial Statements:

Table 2 – Reconciliation Adjustments for Financial Statements	
Adjustments	2024 Budget (\$)
Total Operating Expenditures	120,747,100
Total Operating Financing	(120,747,100)
Amortization	2,064,700
Capital expenditures financed from reserve funds	3,600,000
Capital Additions	(250,000)
Debt repayment	(2,289,100)
Contributions to reserve funds (net)	(2,874,700)
Excess Expenditures over Revenues for Financial Statements	250,900

Capital Budget

The proposed 2024 Capital Budget includes planned expenditures of \$5,045,000 (2023: \$4,499,000), to be financed from the Housing Portfolio Capital Reserve Fund (\$3,600,000), and the Canada-Ontario Community Housing Initiative (\$1,445,000).

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 2024 Operating Budget, as presented, totals \$120,747,100, with \$25,233,000 to be funded by the Municipal and TWOMO Levy.

The proposed 2024 Capital Budget totals \$5,045,000, and is to be financed from the Housing Portfolio Capital Reserve Fund (\$3,600,000), and the Canada-Ontario Community Housing Initiative (\$1,445,000).

CONCLUSION

It is concluded that the proposed 2024 Operating and proposed 2024 Capital Budget provide for all mandatory programs and include financing from the Municipal and TWOMO Levy of \$25,233,000.

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

PREPARED BY:	Tafadzwa Mukubvu, CPA, CGA, Manager, Finance
SIGNATURE	
APPROVED BY	Georgina Daniels, FCPA, FCA, Director - Corporate Services Division
SIGNATURE	
SUBMITTED BY:	William (Bill) Bradica, Chief Administrative Officer

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

	Board			Office of Chief Administrative Officer		
	2022 Bud	2023 Bud	2024 Bud	2022 Bud	2023 Bud	2024 Bud
Financing						
Levy to municipalities and TWOMO	-	-	-	-	-	-
Income on unrestricted funds	-	-	-	-	-	-
Income on restricted funds	-	-	-	-	-	-
Rents	-	-	-	-	-	-
Provincial grants	-	-	-	-	-	-
Federal grants	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-
From (to) reserve funds	-	28,400	-	-	-	22,500
Imputed rent adjustment	-	-	-	-	-	-
Total Financing	-	28,400	-	-	-	22,500
Expenditures						
Personnel services	53,400	55,900	54,400	1,004,500	1,041,400	1,083,300
Interest on long-term debt	-	-	-	-	-	-
Materials	55,300	56,700	60,500	152,600	157,800	154,400
Contracted services	5,000	30,000	-	75,300	75,300	90,300
Rents and financial expenses	-	-	-	-	-	-
External transfers	-	-	-	-	-	-
Repayment of long-term debt	-	-	-	-	-	-
Program administration recovery	-	-	-	-	-	-
Allocation of internal admin	(113,700)	(114,200)	(114,900)	(1,232,400)	(1,274,500)	(1,305,500)
Imputed rent recovery	-	-	-	-	-	-
Total Expenditures	-	28,400	-	-	-	22,500
Excess (Deficiency) of Revenues Over Expenses	-	-	-	-	-	-

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

	Corporate Services			Integrated Social Services Program Support		
	2022 Bud	2023 Bud	2024 Bud	2022 Bud	2023 Bud	2024 Bud
Financing						
Levy to municipalities and TWOMO	(100,000)	(300,000)	(400,000)	-	-	-
Income on unrestricted funds	100,000	300,000	400,000	-	-	-
Income on restricted funds	722,600	722,600	750,000	-	-	-
Rents	-	-	-	-	-	-
Provincial grants	-	-	-	-	-	-
Federal grants	-	-	-	-	-	-
Other revenue	5,000	3,500	3,500	-	35,000	-
From (to) reserve funds	(921,700)	(925,600)	(757,100)	-	-	-
Imputed rent adjustment	(212,600)	(243,300)	(204,900)	-	-	-
Total Financing	(406,700)	(442,800)	(208,500)	-	35,000	-
Expenditures						
Personnel services	2,703,600	2,790,000	2,718,100	2,214,800	2,244,200	2,413,500
Interest on long-term debt	98,400	81,600	73,900	-	-	-
Materials	1,696,500	1,718,700	1,990,600	56,200	53,400	64,500
Contracted services	89,600	56,700	151,800	-	-	-
Rents and financial expenses	13,500	13,500	13,500	-	-	-
External transfers	-	-	-	-	-	-
Repayment of long-term debt	297,000	306,000	315,000	-	-	-
Program administration recovery	20,100	20,400	19,800	(287,300)	(301,000)	(476,100)
Allocation of internal admin	(3,931,500)	(4,021,900)	(4,083,400)	(1,983,700)	(1,961,600)	(2,001,900)
Imputed rent recovery	(1,393,900)	(1,407,800)	(1,407,800)	-	-	-
Total Expenditures	(406,700)	(442,800)	(208,500)	-	35,000	-
Excess (deficiency) of Revenues over expenses	-	-	-	-	-	-

