



BOARD REPORT

REPORT No.: 2025-46

MEETING DATE: DECEMBER 11, 2025

SUBJECT: 2026 OPERATING AND CAPITAL BUDGETS

RECOMMENDATION

THAT with respect to Report No. 2025-41 and Report No. 2025-46 (Corporate Services Division), we, The District of Thunder Bay Social Services Administration Board (the Board), approve the proposed 2026 Operating Budget in the amount of \$133,091,900, as presented in Report No. 2025-46;

AND THAT we, the Board, approve the proposed 2026 Capital Budget in the amount of \$2,915,000, as presented in Report No. 2025-41, with up to \$2,720,000 financed from the Housing Portfolio Capital Reserve Fund, and up to \$195,000 financed from the Office Building Capital Reserve Fund;

AND THAT \$228,300 be transferred from Operations to the Office Building Reserve Fund;

AND THAT \$320,000 be transferred from the Early Years Reserve Fund to the Levy Stabilization Reserve Fund;

AND THAT up to \$325,000 for expenditures within the Direct Owned Housing portfolio and \$30,000 for consulting services to finalize the development of the beautification, security, and environmental design study be financed by 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 \$3,306,400 be transferred from Operations to the Housing Portfolio Capital Reserve Fund, and up to \$1,215,000 for expenditures of a capital nature related to tenant move-out, accessibility modification, and extensive repairs where an insurance claim is not appropriate be financed from the Housing Portfolio Capital Reserve Fund;

AND THAT we approve the reconciliation adjustments for the Budget presentation in the 2026 Audited Financial Statements, as presented in Report No. 2025-46;

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 2026 Operating and Capital Budget for the Board's review and approval. The 2026 Operating Budget, as presented (Attachment #1), totals \$133,091,900, an increase of \$411,100, or 0.3% from the 2025 approved total Budget. In addition, \$2,915,000 (2024: \$3,165,000) in capital expenditures have been included for 2026.

The impact to the Municipal and Territory Without Municipal Organization (TWOMO) Levy would be an increase of \$963,000 from \$26,456,100, to \$27,419,100 or a 3.6% increase relative to 2025.

BACKGROUND

The proposed 2026 Operating and Capital Budgets were presented for review and discussion at the November 20, 2025, Board Meeting.

COMMENTS

Operating Budget

As a result of the discussion at the November 20, 2025, Board meeting, no changes were recommended for incorporation into the 2026 Operating Budget. The proposed 2026 Operating Budget totals \$133,091,900 and represents an increase of \$411,100, or 0.3%, from the 2025 approved Budget of \$132,680,800.

The proposed 2026 Operating Budget results in a levy of \$27,419,100, which is an increase of \$963,000 or 3.6%, compared to the Board-approved 2025 Levy.

The proposed 2026 Budget Levy, by program area, is provided in Table 1 below:

Table 1 – Total Change in Proposed Levy by Program Funding Area				
Program	2025 Budget Levy (\$)*	2026 Proposed Levy (\$)*	Increase / (Decrease) (\$)*	% Change
Social Assistance	4,440,800	4,472,200	31,400	0.7%
Child Care and Early Years	1,372,900	1,371,700	(1,200)	(0.1%)
Community Housing	21,042,400	21,975,200	932,800	4.4%
Income Earned on Unrestricted Funds	(400,000)	(400,000)	-	0.0%
Total Levy	26,456,100	27,419,100	963,000	3.6%

*amounts have been rounded to the nearest hundred

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.

Key Budget Driver

The largest single factor impacting the 2026 municipal levy to municipalities and TWOMO is the change (decrease) in Federal Block Funding, which accounts for approximately 5.1% which has partially been offset by use of reserve funds to enable administration to present a 3.6% levy increase. The federal funding is offset against the cost of community housing; although debt servicing costs on community housing properties have also decreased with mortgage expiry and the end of Operating Agreements, there is an overall greater decrease in the amount of federal funding, resulting in a direct impact to the levy to municipalities and TWOMO.

Budget Presentation in the 2026 Audited Financial Statements

Table 2 below summarizes the reconciliation adjustments, based on Public Sector Accounting Board (PSAB) standards, to be used in the Budget presentation in the 2026 Audited Financial Statements:

Table 2 – Reconciliation Adjustments for Financial Statements	
Adjustments	2026 Budget (\$)
Total Operating Expenditures	133,091,900
Total Operating Financing	(133,091,900)
Amortization	1,780,200
Capital additions (net)	(60,000)
Capital expenditures financed from reserve funds	2,195,000
Debt	(1,673,500)
Contributions to reserve funds (net)	(2,384,700)
Excess Expenditures over Revenues for Financial Statements	577,000

Capital Budget

The proposed 2026 Capital Budget includes planned expenditures of \$2,915,000 (2025: \$3,165,000), to be financed from the Housing Portfolio Capital Reserve Fund (\$2,720,000), and the Office Building Capital Reserve Fund (\$195,000).

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 2026 Operating Budget, as presented, totals \$133,091,900, and includes a Municipal and TWOMO Levy of \$27,419,100.


The proposed 2026 Capital Budget totals \$2,915,000, to be financed from the Housing Portfolio Capital Reserve Fund (\$2,720,000), and the Office Building Reserve Fund (\$195,000).

CONCLUSION

It is concluded that the proposed 2026 Operating Budget of \$133,091,900 and proposed 2026 Capital Budget of \$2,915,000 provide for all mandatory programs and include financing from the Municipal and TWOMO Levy of \$27,491,100.

REFERENCE MATERIALS

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

PREPARED BY:	Tafadzwa Mukubvu, CPA, Manager, Finance
SIGNATURE	
APPROVED BY	Richard Jagielowicz, CPA, CA, CBV, Director, Corporate Services Division
SIGNATURE	
SUBMITTED BY:	Ken Ranta, Chief Executive Officer

The District of Thunder Bay Social Services Administration Board

Operating Budget Summary by Program

	Board			Office of Chief Executive Officer		
	2024 Bud	2025 Bud	2026 Bud	2024 Bud	2025 Bud	2026 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	-	-	-	22,500	90,000	-
Imputed rent adjustment	-	-	-	-	-	-
Total Financing	-	-	-	22,500	90,000	-
Expenditures						
Personnel services	54,400	54,400	56,200	1,083,300	1,085,300	1,048,900
Interest on long-term debt	-	-	-	-	-	-
Materials	60,500	67,700	68,100	154,400	157,200	163,600
Contracted services	-	2,500	2,500	90,300	72,300	94,800
Rents and financial expenses	-	-	-	-	-	-
External transfers	-	-	-	-	-	-
Repayment of long-term debt	-	-	-	-	-	-
Program administration recovery	-	-	-	-	-	-
Allocation of internal admin	(114,900)	(124,600)	(126,800)	(1,305,500)	(1,224,800)	(1,307,300)
Imputed rent recovery	-	-	-	-	-	-
Total Expenditures	-	-	-	22,500	90,000	-
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		
	2024 Bud	2025 Bud	2026 Bud	2024 Bud	2025 Bud	2026 Bud
Financing						
Levy to municipalities and TWOMO	(400,000)	(400,000)	(400,000)	-	-	-
Income on unrestricted funds	400,000	400,000	400,000	-	-	-
Income on restricted funds	750,000	750,000	750,000	-	-	-
Rents	-	-	-	-	-	-
Provincial grants	-	-	-	-	-	-
Federal grants	-	-	-	-	-	-
Other revenue	3,500	3,500	3,500	-	-	-
From (to) reserve funds	(757,100)	(937,500)	(948,300)	-	-	-
Imputed rent adjustment	(204,900)	(242,700)	(207,200)	-	-	-
Total Financing	(208,500)	(426,700)	(402,000)	-	-	-
Expenditures						
Personnel services	2,718,100	2,875,600	3,076,400	2,413,500	2,605,500	2,672,000
Interest on long-term debt	73,900	65,000	56,200	-	-	-
Materials	1,990,600	1,990,200	2,112,800	64,500	62,200	159,400
Contracted services	151,800	83,800	63,800	-	-	-
Rents and financial expenses	13,500	13,500	13,500	-	-	-
External transfers	-	-	-	-	-	-
Repayment of long-term debt	315,000	326,000	335,000	-	-	-
Program administration recovery	19,800	21,700	21,800	(476,100)	(497,700)	(499,500)
Allocation of internal admin	(4,083,400)	(4,324,000)	(4,603,000)	(2,001,900)	(2,170,000)	(2,331,900)
Imputed rent recovery	(1,407,800)	(1,478,500)	(1,478,500)	-	-	-
Total Expenditures	(208,500)	(426,700)	(402,000)	-	-	-
Excess (deficiency) of Revenues over expenses	-	-	-	-	-	-

The District of Thunder Bay Social Services Administration Board

Operating Budget Summary by Program

	Social Assistance			Child Care and Early Years Programs		
	2024 Bud	2025 Bud	2026 Bud	2024 Bud	2025 Bud	2026 Bud
Financing						
Levy to municipalities and TWOMO	3,676,500	4,440,800	4,472,200	1,283,900	1,372,900	1,371,700
Income on unrestricted funds	-	-	-	-	-	-
Income on restricted funds	-	-	-	-	-	-
Rents	-	-	-	-	-	-
Provincial grants	30,889,500	30,121,100	29,790,900	15,517,300	10,796,100	19,604,300
Federal grants	-	-	-	11,495,600	29,268,600	21,602,500
Other revenue	-	-	-	-	-	-
From (to) reserve funds	-	-	-	50,000	-	320,000
Imputed rent adjustment	141,400	187,000	140,800	10,200	12,100	10,400
Total Financing	34,707,400	34,748,900	34,403,900	28,357,000	41,449,700	42,908,900
Expenditures						
Personnel services	3,977,000	3,911,400	3,871,500	442,300	465,000	484,700
Interest on long-term debt	-	-	-	-	-	-
Materials	484,600	366,200	426,000	50,800	56,000	57,000
Contracted services	5,000	5,000	5,000	4,700	4,700	4,700
Rents and financial expenses	107,200	107,200	107,200	-	-	-
External transfers	25,205,000	24,067,500	23,760,300	27,059,300	39,978,300	41,361,600
Repayment of long-term debt	-	-	-	-	-	-
Program administration recovery	156,200	73,300	73,500	-	-	-
Allocation of internal admin	3,801,000	5,079,900	5,155,000	729,500	871,800	927,000
Imputed rent recovery	971,400	1,138,400	1,005,400	70,400	73,900	73,900
Total Expenditures	34,707,400	34,748,900	34,403,900	28,357,000	41,449,700	42,908,900
Excess (deficiency) of Revenues over expenses	-	-	-	-	-	-

The District of Thunder Bay Social Services Administration Board

Operating Budget Summary by Program

	Community Housing and Homelessness Programs			Total		
	2024 Bud	2025 Bud	2026 Bud	2024 Bud	2025 Bud	2026 Bud
Financing						
Levy to municipalities and TWOMO	20,672,600	21,042,400	21,975,200	25,233,000	26,456,100	27,419,100
Income on unrestricted funds	-	-	-	400,000	400,000	400,000
Income on restricted funds	-	-	-	750,000	750,000	750,000
Rents	11,535,500	11,762,600	12,163,200	11,535,500	11,762,600	12,163,200
Provincial grants	17,594,900	17,336,900	17,102,100	64,001,700	58,254,100	66,497,300
Federal grants	9,848,200	7,470,500	6,394,400	21,343,800	36,739,100	27,996,900
Other revenue	354,300	242,100	246,600	357,800	245,600	250,100
From (to) reserve funds	(2,190,100)	(1,079,200)	(1,756,400)	(2,874,700)	(1,926,700)	(2,384,700)
Imputed rent adjustment	53,300	43,600	56,000	-	-	-
Total Financing	57,868,700	56,818,900	56,181,100	120,747,100	132,680,800	133,091,900
Expenditures						
Personnel services	4,521,400	5,001,700	5,171,400	15,210,000	15,998,900	16,381,100
Interest on long-term debt	100,000	59,500	27,500	173,900	124,500	83,700
Materials	19,945,300	21,631,300	21,570,200	22,750,700	24,330,800	24,557,100
Contracted services	20,000	70,000	20,000	271,800	238,300	190,800
Rents and financial expenses	9,600	9,600	9,600	130,300	130,300	130,300
External transfers	27,803,300	25,894,700	25,036,200	80,067,600	89,940,500	90,158,100
Repayment of long-term debt	1,827,800	1,591,500	1,255,800	2,142,800	1,917,500	1,590,800
Program administration recovery	300,100	402,700	404,200	-	-	-
Allocation of internal admin	2,975,200	1,891,700	2,287,000	-	-	-
Imputed rent recovery	366,000	266,200	399,200	-	-	-
Total Expenditures	57,868,700	56,818,900	56,181,100	120,747,100	132,680,800	133,091,900
Excess (deficiency) of Revenues over expenses	-	-	-	-	-	-