



BOARD REPORT

REPORT No.: 2026-14

MEETING DATE: APRIL 30, 2025

SUBJECT: 2025 INVESTMENT PORTFOLIO PERFORMANCE

RECOMMENDATION

For information only.

REPORT SUMMARY

To provide The District of Thunder Bay Social Services Administration Board (TBDSSAB or the Board) with information relative to the performance of the Board's investment portfolio for the 2025 year.

BACKGROUND

The Board has approved the Reserve and Reserve Fund Policy #CS-02:19 and, on an annual basis, approves the Reserve and Reserve Fund Strategy. Since 2015, TBDSSAB has transferred \$19.1 million to TD Waterhouse (TD) representing the value of various TBDSSAB Reserve Funds.

A portion of the Housing Portfolio Capital Reserve Fund is invested in the Social Housing Investment Program, administered by the Housing Services Corporation in accordance with Section 124(b) of the Housing Services Act (HSA), and managed by Encasa Financial. Worldsource Financial Management Inc. is the principal distributor of these Funds.

In accordance with the Investment Policy #CS-02:70, Administration presents the Board with an annual update of the investment portfolio's performance for the year.

COMMENTS

The Table below summarizes the performance of investments held at TD and Encasa for the 2025 year:

	Fair Market Value		
	TD (\$)	Encasa (\$)	Total (\$)
Opening Balance	24,486,225	9,553,282	34,039,507
Deposits	-	-	-
Withdrawals	-	-	-
Change in Value	2,298,200	230,195	2,528,395
Ending Balance	26,784,425	9,783,477	36,567,902
Return on Investment	9.4%	2.4%	7.4%

The fair market value (FMV) of investments at December 31, 2025 is \$36,567,902 (2024: \$34,039,507) compared to the book value (cost) of \$34,492,343 (2024: \$32,780,634). Overall, the FMV of investments increased by \$2,528,396 (7.4%) during 2025. Attachment #1 shows the FMV of investments over the past ten (10) years.

The portfolio book value is \$8,480,313 less than the total reserve fund balance of \$42,972,656 as indicated in Report No. 2026-12AGM 2025 Audited Consolidated Financial Statements. This difference is currently on deposits in the bank, earning interest (RBC Prime less 1.7% = 2.7% in January 2026). This amount could be transferred into the investment portfolio to potentially earn a greater return. However, considering the favourable interest rate, as well as the significant capital financing required in the 2026 Capital Budget, and capital carryforward from prior years' approved projects, Administration recommends leaving these funds on deposit for 2026 and re-evaluate throughout the year.

The investment strategy approved by the Board includes the recognition that the priority of the investment portfolio is to generate income, while at the same time, preserving capital. As at December 31, 2025, the asset mix of TBDSSAB investments was as follows:

Component	TD		Encasa		Total	
	FMV (\$)	%	FMV (\$)	%	FMV (\$)	%
Fixed Income	18,615,719	70%	9,783,478	100%	28,399,197	78%
Equities	8,168,706	30%	-	0%	8,168,706	22%
Total	26,784,425		9,783,478		36,567,903	

The table below shows the annual FMV rate of return on the entire TBDSSAB investment portfolio compared to the S&P/TSX Composite Index and the investment income earned over the past five years:

Year	Total TBDSSAB Portfolio	S&P/TSX Composite Index	Income Earned
2021	2.4%	21.7%	\$921,304
2022	(6.3%)	(8.7%)	\$802,843
2023	6.4%	8.1%	\$1,360,438
2024	7.3%	18.0%	\$1,528,731
2025	12.6%	28.2%	\$2,127,051

These results are consistent with the guiding principles in the Investment Policy, considering the heavy concentration of fixed-income securities in the portfolio.

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


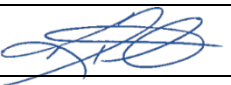
The 2025 investment portfolio performance is reflected in the 2025 Consolidated TBDSSAB Financial Statements.

CONCLUSION

It is concluded that all investments in 2025 were consistent with the Investment Policy and goals approved by the Board.

REFERENCE MATERIALS

Attachment #1 Historical Investment Portfolio Summary

PREPARED BY:	Richard Jagielowicz, CPA, CA, CBV Director - Corporate Services Division
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
Historical Investment Portfolio Summary**

TD	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Deposit	287,142	-	-	-	-	-	6,302,677	-	-	-
FMV	13,291,394	13,793,582	13,467,508	14,419,037	14,731,538	15,641,357	21,024,991	22,558,616	24,486,225	26,784,425
Change in FMV	909,757	502,188	(326,074)	951,529	312,501	909,819	(919,043)	1,533,625	1,927,609	2,298,200
	7.5%	3.8%	-2.4%	7.1%	2.2%	6.2%	-4.2%	7.3%	9.2%	10.2%

Encasa	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
FMV	8,635,954	8,766,629	8,833,590	9,339,090	10,063,240	9,748,133	8,668,473	9,169,964	9,553,282	9,783,478
Change in FMV	469,226	130,675	66,961	505,500	724,150	(315,107)	(1,079,660)	501,491	383,318	230,196
	5.7%	1.5%	0.8%	5.7%	7.8%	-3.1%	-11.1%	5.8%	4.4%	2.5%

