

Amended to reflect Resolution No. 2012 - 215B

EX 21-12

DNSSAB 2013 BUDGET



APPROVED DECEMBER 18, 2012 by the DNSSAB BOARD:

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District of Nipissing
Social Services
Administration Board



Conseil d'administration
des services sociaux
du district de Nipissing

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ACKNOWLEDGEMENTS

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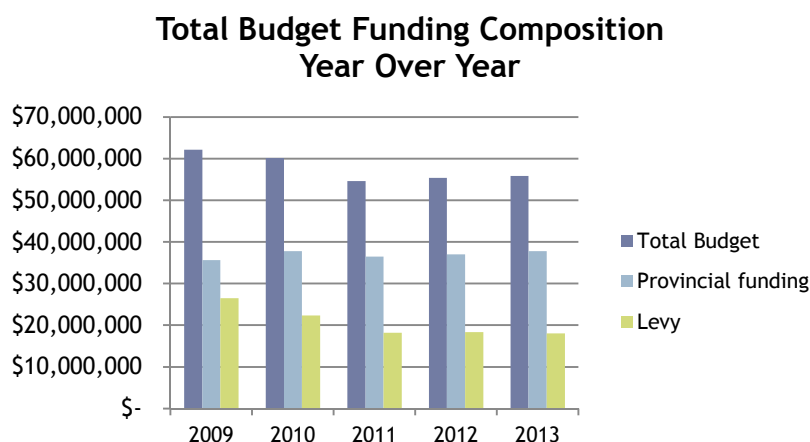
Executive Summary

The 2013 Budget proposes a total budget increase year over year of .89% to \$55,888,247, with a reduction in the municipal levy year over year of -2.02% to \$18,001,312. It has been developed to provide the organization with a solid fiscal plan to maximize service delivery while recognizing the impact of ongoing economic challenges on human services, decreased provincial financial support through program elimination, reduced social funding levels, and the introduction of capped funded programs. These effects can be seen primarily in the Social Housing Program. Expenditures are also expected to increase year over year in the EMS Land Ambulance program due to arbitrated labour settlements and increasing fuel costs.

In the 2013 Budget, staff continues to look for operating efficiencies to achieve administration cost containment. Attrition opportunities in 2012 have helped reduce the impact of administrative cost pressures from increased OMERS contributions, group benefit costs, and the negotiated CUPE settlement. Overall, the Administration budget is up slightly year over year by 0.73% or about \$55,000.

Between 2009 and 2013 the DNSSAB budgets enjoy a trend of shifting costs

Fig. 1



from municipal to provincial sources of funds. This shift was facilitated in part by the “uploading” of Ontario Works and ODSP costs to the Province as part of the 2009 Provincial Municipal Funding Review, as well as through increases in the amount of provincially funded programs in Community Housing and

Children’s Services. Between 2012 and 2013 this trend appears to have significantly diminished with the source of funding remaining relatively

unchanged year over year. Although the upload of OW costs continues, it is at a much lower rate (and therefore occurring over a much longer time period) than the three year upload of ODSP costs between 2009 and 2011. In 2013 the municipal share of OW program costs decreases to 14.2% from 17.2%. This reduction along with similar anticipated caseload costs year over year has resulted with decreased OW program costs year over year for the municipalities by almost (\$570,000).

In 2013 the total Social Housing program budget has increased by about \$834,000 with the transfer of previous OW program funding into the new Community Homelessness Prevention Initiative (CHPI) fund.

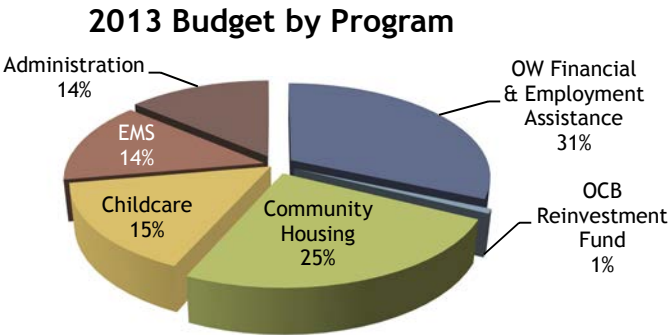
The total budget for 2013 has increased by \$495,261 to \$55,888,247. The municipal levy represents 32% of the total budget, down from 33% in 2012, and has decreased by (\$370,234) to \$18,001,312.

Budget Assumptions

The 2013 budget is divided into six sections:

1. Ontario Works Financial and Employment Assistance program;
2. Child Care Services program;
3. OCB Reinvestments;
4. Social Housing program;
5. Emergency Medical Services (EMS) program;
6. Administration.

Fig. 2



The distribution of the 2013 budget is shown in the pie chart below. This report will be divided into these sections accordingly and within each section relevant budget assumptions will be discussed with greater detail.

As noted in the 2013 Preliminary Budget Issues Report (ADT 7-12), the goal of the 2013 Budget is to limit budget increases that impact the municipal levy to a rate of inflation of 2% or less. Staff are cognizant of the mounting fiscal pressures on our member municipalities to maintain services and minimize tax increases. The 2013 budget endeavors to find the right balance between recognizing cost pressures, continuing to meet the increasing volume of client needs, reduced provincial funding, and minimizing impact on the municipal levy.

The 2013 Budget has been developed within the following parameters:

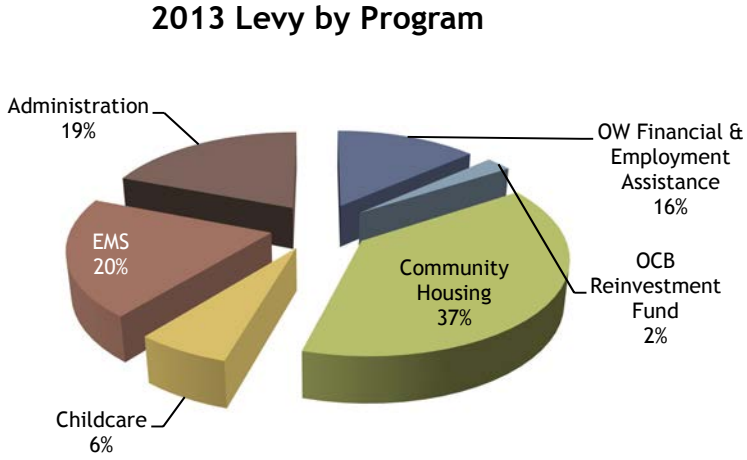
1. **Actual Known Cost Increases:** such as increased OMERS pension costs, Group Benefit costs, CUPE negotiated settlement, lease rate increases to the City of North Bay and Municipality of West Nipissing.
2. **Anticipated Cost Increases:** such as the costs associated with ongoing, EMS land ambulance service delivery, expected high demand for CHPI financial support to prevent and resolve homelessness, and year over year increase in social housing capital costs.
3. **Ongoing Cost Containment and Finding Operating Efficiencies:** Cost containment goals achieved in 2011 and 2012 are being maintained through nominal increases in administration budgets in 2013, and further efficiencies through using technology, process improvements, and improved integration and alignment of resources.
4. **Strategic Plan Alignment and Priorities:** New initiatives are assessed against the Strategic Plan to ensure a fit with the adopted strategic direction of the Board. Identified strategic priorities are supported through the budget, and that such investments will lead to greater efficiencies and move the Board closer to achieving its 2014 vision: “To be a leader in partnering internal knowledge and expertise with community resources to enhance opportunities for citizen success”

The 2013 budget is a responsible budget that realistically accounts for cost pressures yet requires all staff, partners, and service providers, to achieve greater efficiencies and to continue to contain costs without reducing services.

- ✓ The increase in municipal levy to support ongoing operations is 1.47%, well below the rate of inflation of the 2% target set by the Board.
- ✓ The 2013 budget contains provisions to maintain the service enhancements established in 2012 that align with the Board’s strategic plan including:
 - Supporting OW initiative focusing on employment;
 - Maintaining increased access to child care fee subsidy;
 - Maintaining expanded Special Needs services for children;
 - Provisions to support the development of a district-wide housing needs and homelessness plan.
- ✓ The total municipal levy for 2013 is \$18,001,312.

The municipal levy is distributed amongst the programs and administration costs as shown in the chart below. This distribution is the same in the 2012 budget.

Fig. 3

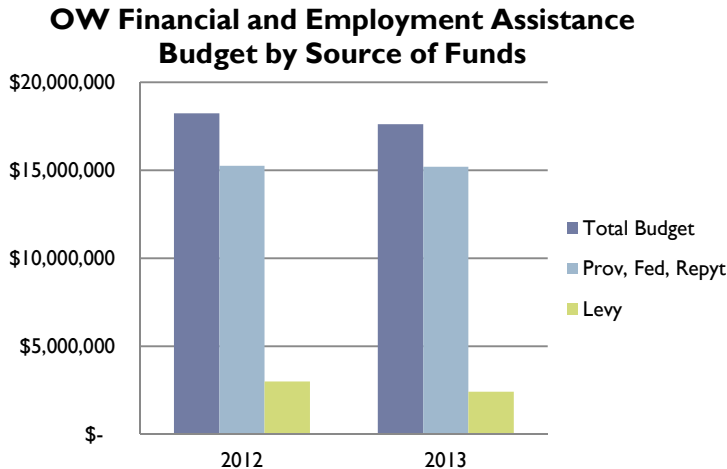


Please refer to the 2013 Budget Summary table in Appendix 1 for more financial information regarding year over year changes in cost per program and sources of funds.

Ontario Works Financial and Employment Assistance Program

In 2013 the Ontario Works budget has decreased by \$ (614,292), or -3.37% year over year. This decrease is primarily a result of the change in funding allocation from the Ontario Works to the Social Housing portfolio. During the

Fig. 4



year the Provincial government announced the transfer of program funds from MCSS to MMAH with the creation of a 100% provincially funded Community Homelessness Prevention Initiative (CHPI) program. Some of the funds being transferred to the housing portfolio for this

program represent a year over year budget change of about \$221,869 (Consolidated Homelessness, Energy Fund, and Shelter). The OW financial benefit: the Community Start Up and Maintenance Benefit (CSUMB), is also being transferred to the housing portfolio. Since this benefit is one of OW financial benefits, only the net effect is apparent in the year over year change in OW financial benefits budget line. That fund is showing a year over year decrease of about \$(360,000). In addition to these MCSS funds, the federal Homeless Prevention Initiative is also being transferred to the housing portfolio as result of DNSSAB's internal organization review.

Please refer to the next page for the financial presentation of the OW Financial & Employment Assistance budget

Table 1
Ontario Works Financial Assistance & Employment Assistance Client Costs
For the Period January 1 to September 30, 2012

Proposed Budget 2013

	Actual	Forecast	Budget 2012	Budget 2013	Variance	% Change
Revenues:						
Municipal levies	\$ 2,268,262	\$ 2,990,093	\$ 2,990,092	\$ 2,420,108	\$ (569,984)	-19%
Province of Ontario	10,741,599	13,777,709	14,481,027	14,622,908	141,881	1%
Federal Funding (HRDC)	21,484	120,131	120,131	-	(120,131)	-100%
Repayments/reimbursements	437,029	589,317	645,502	579,444	(66,058)	-10%
Total Revenues	\$ 13,468,374	\$ 17,477,250	\$ 18,236,752	\$ 17,622,460	\$ (614,292)	-3%
Expenditures:						
OW Financial Assistance	\$ 11,966,695	\$ 15,243,738	\$ 16,094,478	\$ 15,734,260	\$ (360,218)	-2%
OW Special Items:						
OW Discretionary benefits	519,731	714,731	750,000	857,000	107,000	14%
OW Mandatory benefits	376,815	512,973	551,082	532,000	(19,082)	-3%
OW Funerals	72,091	112,091	120,000	120,000	-	
OW Shelter	60,819	119,000	135,000	-	(135,000)	
OW EA Client program (including LE	218,567	379,200	379,200	379,200	-	
CHPP	68,371	68,371	68,371	-	(68,371)	
Homelessness partnership	39,787	120,790	120,131	-	(120,131)	
Water Filter Fund	-	-	-	-	-	
Emergency Energy Fund	53,143	53,143	18,490	-	(18,490)	-100%
	-	-	-	-	-	
Total Expenditures	\$ 13,376,017	\$ 17,324,036	\$ 18,236,752	\$ 17,622,460	\$ (614,292)	-3%
Surplus (Deficit)	\$ 92,357	\$ 153,213	\$ -	\$ -		

The cost drivers for the OW financial assistance budget are cost per case and caseload. To determine cost per case it is necessary to consider the effect of the removal of CSUMB as a financial assistance benefit. The table below shows the total CSUMB paid each year since 2008 (3 quarters for 2012) relative to total financial benefit costs net of repayments. As well the table shows the annual average cost per case with and without the CSUMB.

Table 2 Costs of CSUMB Relative to Total OW Financial Benefits 2008 - 2013

	2008	2009	2010	2011	2012	Budget 2013
CSUMB	\$ 720,203	\$ 728,694	\$ 823,885	\$ 862,426	\$ 519,215	\$ -
Total OW Financial Benefits	\$ 11,785,975	\$ 11,747,687	\$ 13,992,765	\$ 14,596,428	\$ 11,020,872	\$ 15,734,260
% of CSUMB to Total	6.11%	6.20%	5.89%	5.91%	4.71%	0.00%
Annual Average Cost per case	\$ 551.51	\$ 576.00	\$ 586.53	\$ 603.79	\$ 602.12	
Cost per case Without CSUMB	\$ 522.27	\$ 553.83	\$ 554.18	\$ 570.55	\$ 576.39	\$ 598.83

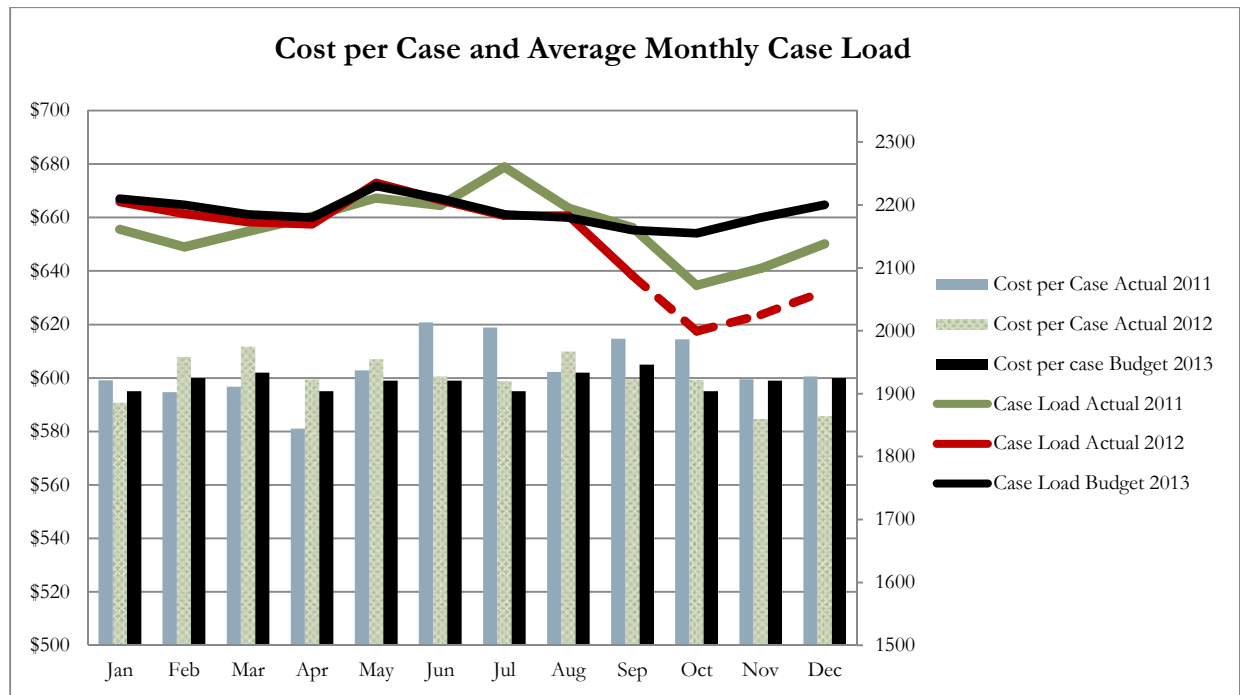
Note:

The figures for 2012 are year to date as of September 30th

The annual average cost per case is budgeted slightly lower than the expected cost per case in 2012. Although this annual average figure doesn't seem to consider the effect of the removal of the CSUMB, the chart below shows the greater monthly variations taking that into consideration.

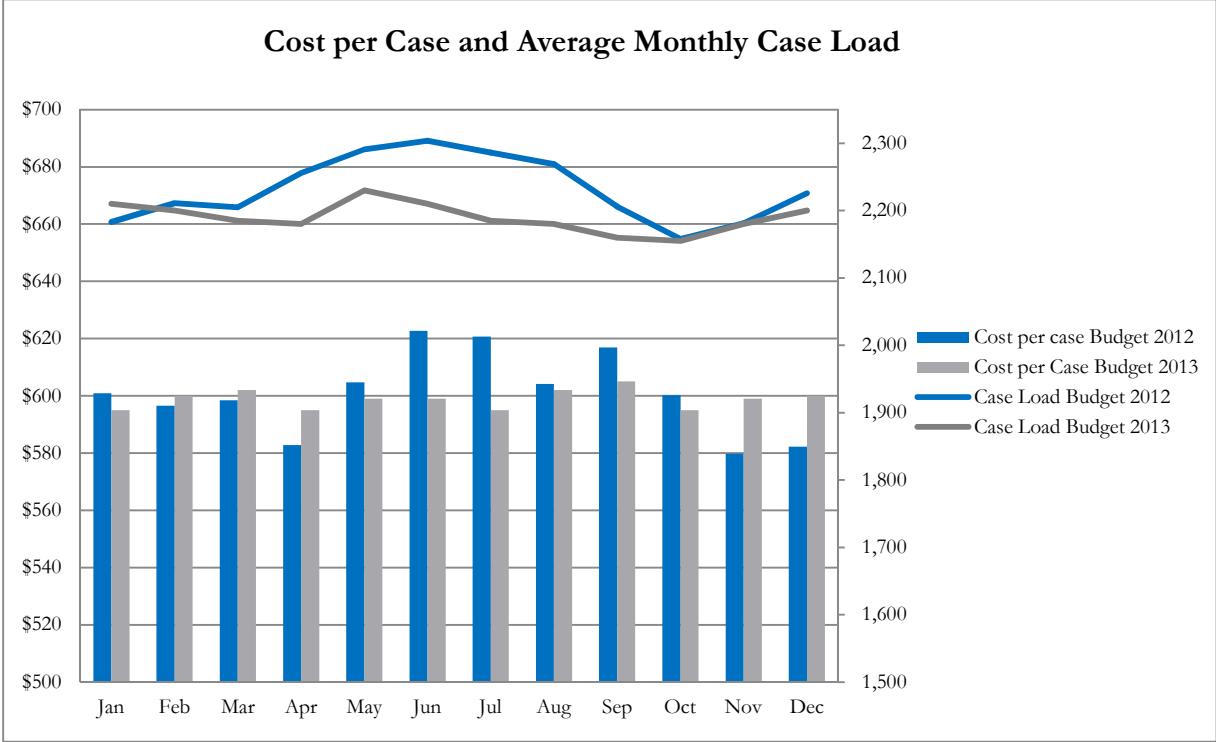
The other cost driver, average monthly caseload, is expected to closely follow the pattern set in 2012, and takes into consideration the seasonal trend, with the last quarter showing increasing caseloads relative to that forecasted for 2012.

Chart 1



The year over year change in budget for cost per case and monthly caseload is shown in Chart 2 below.

Chart 2



In addition to the overall year over year decrease in the budget for OW Financial Assistance, the continued upload of social costs to the Province further reduces the municipal share of those costs. In 2013 the Province shares 85.8% and the municipalities 14.2% compared to 82.8% and 17.2% respectively in 2012. As a result the municipal share of the OW program budget has decreased year over year by \$(569,985) or -19.06%.

Table 3 on the next page shows in greater detail the changes in the municipal share of the budget year over year by fund.

Table 3 Municipal Share of Ontario Works and Employment Assistance Program

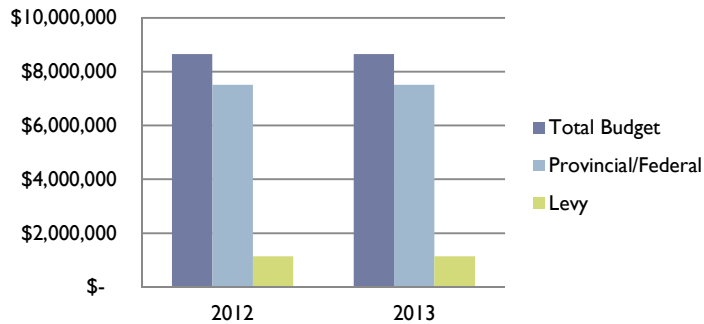
Ontario Works Programs	2012 Forecast to YE	2012 Budget	2013 Budget	Increase (Decrease)	2012 Municipal Share	2013 Municipal Share	Increase (Decrease)	%
OW Financial Assistance	\$ 15,243,738	\$ 16,094,478	\$ 15,734,260	\$ (360,218)	\$ 2,662,631	\$ 2,157,138	\$ (505,493)	-18.98%
Discretionary Benefits	714,731	750,000	857,000	107,000	129,000	121,694	(7,306)	-5.66%
Mandatory Benefits	512,973	551,082	532,000	(19,082)	94,786	75,544	(19,242)	-20.30%
Funerals	112,091	120,000	120,000	-	14,718	11,885	(2,833)	-19%
Employment Assistance	379,200	379,200	379,200	-	65,222	53,846	(11,376)	-17%
Shelter	119,000	135,000	-	(135,000)	23,220	-	(23,220)	-100%
Homelessness Partnership	120,790	120,131	-	(120,131)	-	-	-	-
CHPP	68,371	68,371	-	(68,371)	-	-	-	-
Emergency Energy Fund	53,143	18,490	-	(18,490)	-	-	-	-
Total	\$ 17,324,036	\$ 18,236,752	\$ 17,622,460	\$ (614,292)	\$ 2,989,576	\$ 2,420,106	\$ (569,470)	-19.05%

The Discretionary Benefits budget has increased year over year to reflect the Provincial policy change in 2012. Now all discretionary benefits are capped at \$10 per combined OW and ODSP average caseload. Previously only non-health discretionary benefits were capped at \$8.75 per combined caseload. The overall result with this change is potentially an increase in the amount of funding available. The proposed budget is based on the average monthly caseload for OW and ODSP recipients over the past three years. Because the monthly caseload changes and since this fund is now capped, it will be monitored closely during 2013.

Mandatory benefits are expected to be reduced slightly in 2013. This reflects the current annual trends.

Child Care Services Programs

Fig. 5
Children's Services Program Budget
by Source of Funds



When comparing the 2012 and the 2013 budget, there are no changes year over year. However the impact of full day kindergarten and the changes implemented in 2011 to stabilize and strengthen the child care system continue to be felt within the allocated budgets.

The demand for fee subsidy is expected to continue to increase. As

a result \$78,000 more of the Early Learning and Child Development (ELCD) Operating Fund will be set aside to support fee subsidy. This will increase fee subsidy support to about \$1 million out of that fund. Other changes include a reduction in the additional Special Needs funding from ELCD operating by \$(157,000) and a corresponding increase in quality assurance funding of \$149,000. The 2012 budget allocated an additional \$315,000 in funding for Special Needs programming to increase services from 0-6 year olds up to 18 year olds. In 2013 it is anticipated that only half of that funding will be required to meet these needs.

The emphasis in 2013 will be to continue to strengthen the child care system through continued quality assurance (QA) initiatives. A quality driven approach will be utilized to implement changes in the child care system that will facilitate full integration with the education system. This framework will allow policy development by the DNSSAB that gives priority to the Province's Early Learning goals, ensures cost effectiveness of services purchased, and enhances accountability of service providers to deliver quality programming to young children. In addition, a QA approach will be used to make informed decisions about scarce resources.

The financial presentation of the Child Care Services Program 2013 budget is shown below.

Table 4

Child Care Services Program
For the Period January 1 to September 30, 2012
Proposed Budget 2013

	Actual	Forecast	Budget 2012	Budget 2013	Variance	% Change
Revenues:						
Municipal levies	\$ 849,310	\$ 1,138,759	\$ 1,138,759	\$ 1,138,758	\$ (1)	0%
Province of Ontario	5,515,693	7,476,841	7,404,691	7,404,694	3	0%
Deferred Revenues	-	-	-	-	-	-
Repayments/reimbursements	81,375	108,500	108,500	108,500	-	-
	-	-	-	-	-	-
Total Revenues	\$ 6,446,378	\$ 8,724,100	\$ 8,651,950	\$ 8,651,952	\$ 2	0%
Expenditures:						
Fee Subsidy	\$ 3,388,114	\$ 4,044,855	\$ 4,121,578	\$ 4,121,578	\$ -	0%
Special Needs	609,304	812,405	812,405	812,405	-	0%
Resource Centres	39,948	53,264	53,264	53,264	-	0%
Wage Subsidy	1,067,572	1,430,558	1,430,558	1,430,560	2	0%
Transition and Stabilization Funding	101,033	188,874	106,124	106,124	-	0%
Pay Equity	128,341	171,121	171,121	171,121	-	0%
Best Start Activities & Programs	830,686	1,956,900	1,956,900	1,956,900	-	0%
Total Expenditures	\$ 6,164,999	\$ 8,657,977	\$ 8,651,950	\$ 8,651,952	\$ 2	0%
Surplus (Deficit)	\$ 281,379	\$ 66,123	\$ 0	\$ -	\$ (0)	

Table 5 on the following page shows in greater detail the allocation of municipal levy by fund

Table 5 Municipal Share of Child Care Services Program

Child Care Services	2012	2012	2013	Increase	2012	2013	Increase	%
	Forecast to YE	Budget	Budget	(Decrease)	Municipal Share	Municipal Share	(Decrease)	
Fee Subsidy DNA	\$ 3,141,348	\$ 3,198,555	\$ 3,198,555	\$ -	\$ 639,711	\$ 639,711	\$ -	0.00%
Special Needs DNA	698,256	698,255	698,255	-	139,651	139,651	-	
Resource Centre	53,264	53,264	53,264	-	53,264	53,264	-	
Wage Subsidy NP	1,146,658	1,146,658	1,146,658	-	229,332	229,332	-	0%
Wage Subsidy Commercial	42,000	42,000	42,000	-	8,400	8,400	-	0%
Pay Equity	171,122	171,122	171,122	-	-	-	-	
Fee Subsidy OW Formal	255,000	278,873	278,873	-	55,775	55,775	-	
Fee subsidy OW Informal	42,445	63,127	63,127	-	12,625	12,625	-	
ELCC Fee Subsidy	428,350	428,350	428,350	-	-	-	-	
ELCC Special Needs	114,150	114,150	114,150	-	-	-	-	
ELCD Wage Improvement NP	188,175	188,175	188,175	-	-	-	-	
ELCD Wage Improvement Comm	53,725	53,725	53,725	-	-	-	-	
ELCD Operating	1,956,900	1,956,900	1,956,900	-	-	-	-	
ELCD Fee Subsidy	103,512	81,873	81,873	-	-	-	-	
Fee Subsidy - Extended Day	74,200	70,800	70,800	-	-	-	-	
Child Care Transition Funding	158,881	99,324	99,324	-	-	-	-	
Child Care Stability Funding	29,993	6,800	6,800	-	-	-	-	
Total	\$ 8,657,979	\$ 8,651,951	\$ 8,651,951	\$ -	\$ 1,138,757	\$ 1,138,757	\$ -	0.00%

OCB Reinvestment Fund

The OCB (Ontario Child Care Benefit) Reinvestments budget is fully funded by municipal levy and is supposed to represent savings incurred in OW financial benefits as a result of the Social Assistance Restructuring (SAR) in 2008. Prior to that, there was a similar fund; NCB (National Child Care Benefits).

Municipalities and DSSABs are encouraged to reinvest these savings in programs to support low income families with young children. The Ministry of Finance considers these reinvestments to be reimbursable social costs in the Ontario Municipal Partnership Fund (OMPF) calculation.

For the District of Nipissing, the Ministry of Finance will allow reimbursable costs up to \$436,000. This amount was confirmed in 2011 and continues to be a limit in the OMPF calculation. It is important to note, as the cost of OW benefits are uploaded to the Province, the level of municipal OCB savings are expected to diminish as will the level of reimbursable costs, and OMPF funding

to municipalities. Although the uploading of social program costs is occurring as planned, the OCB reinvested savings, as noted on the OMPF calculation, have not diminished accordingly. At this time, there is no indication from the Ministry of Finance the allowable limit of OCB reinvestment as an OMPF reimbursable cost for 2013 will be reduced.

Historically the OCB Reinvestment fund has been used primarily to support programs delivered by key community partners. Typically, the call for applications for funding, and the subsequent grants are disbursed at the beginning of the summer. In 2012 that process was delayed to ensure sufficient bridge funding was available for community partners who were no longer able to be funded through the ELCD operating fund. Since the call for applications went out during the summer, there were only a few submissions so the fund will be underspent by about \$20,000. This fund was also underspent in 2011 by \$13,000.

In addition to supporting community partner programing for low income children and families, the OCB reinvestment fund is also used internally to support child care fee subsidy and special needs, and to support community partner program delivery. When there's a reduced level of reimbursable social costs associated with this fund, focus will need to be given to ensure minimal dilution of program funding. In preparation for this, 2013 may be seen as a transitional year to determine funding formulas, policy development, and accountability framework.

See financial presentation of the OCB Reinvestment budget in table 6 on the following page.

Table 6

OCB Reinvestment
For the Period January 1 to September 30, 2012
Proposed Budget 2013

	Actual	Forecast	Budget 2012	Budget 2013	Variance (Budgets)
Revenues:					
Municipal levies	\$ 326,997	\$ 436,000	\$ 436,000	\$ 436,000	\$ -
					-
Total Revenues	\$ 326,997	\$ 436,000	\$ 436,000	\$ 436,000	\$ -
Expenditures:					
OCB Expenditures	\$ 337,112	\$ 416,002	\$ 436,000 ¹	\$ 436,000	\$ -
Total Expenditures	\$ 337,112	\$ 416,002	\$ 436,000	\$ 436,000	\$ -
Transfer from Reserve Funds					
Surplus (Deficit)	\$ (10,115)	\$ 19,998	\$ -	\$ -	

Notes**1. 2012 Planned Expenditures:**

ELCC Fee Subsidy	\$ 85,670
ELCC Special Needs	22,830
LIPI administration	192,062
LIPI Children's Emergency	20,000
LIPI Community & Recreation	40,000
LIPI Community Fund	15,000
Community Initiatives	40,440
	<u>\$ 416,002</u>

2. Expenditures to Date:

ELCC Fee Subsidy	\$ 64,253
ELCC Special Needs	17,123
LIPI administration	144,047
LIPI Children's Emergency	20,000
LIPI Community & Recreation	40,000
LIPI Community Fund	11,250
Family Enrichment	15,000
Mattawa Women's Resource Centre	13,440
Big Sisters of North Bay	12,000

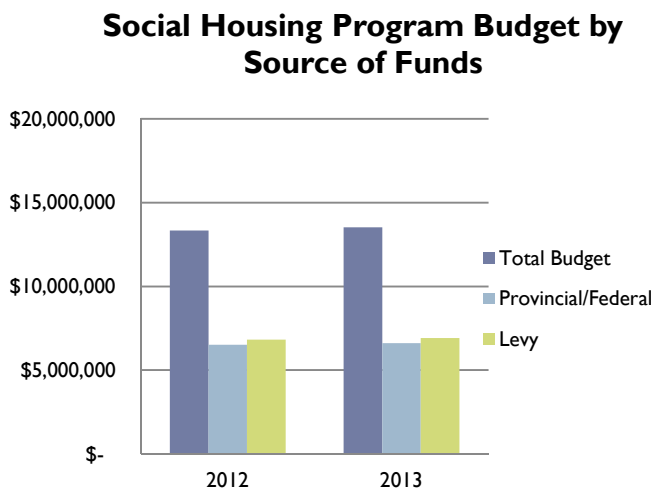
Reserve Funds	13,670	<u>\$ 337,112</u>
Available at YE 2012	33,668	

Social Housing Program

The total budget for the Social Housing Program has increased year over year by \$883,991. The Municipal share of the budget has also increased by \$93,062 or 1.36%.

The increase in the total program budget is primarily a result of program funds

Fig. 6



being moved from the Ontario Works (OW) portfolio to the Social Housing Program portfolio. In 2013, MMAH will be fully funding the Community Homelessness Prevention Initiative (CHPI) program. For the District of Nipissing the 2013 allocation is expected to be \$782,777, based on the calendar year. As noted in earlier reports to the Board, this fund is a combination of five funds provided by

MCSS and MMAH. Of the five funds, one was cost shared with municipal funding (at 17.2%), the Community Start Up Benefit (CSUMB). This was not a stand-alone fund, but was a benefit available to clients through OW Financial Benefits. See Table 7 below for a list of the funds being combined into the new CHPI fund

Table 7 Funds Consolidated into the New CHPI Fund

Funds:	Type of Fund	Ministry	Status
CSUMB	Part of a benefit	MCSS	Terminated ¹
Emergency Energy	Stand-alone	MCSS	Terminated
Consolidated Homelessness Prevention	Stand-alone	MCSS	Terminated
Emergency Shelter	Stand-alone	MCSS	Terminated
Rent bank	Stand-alone	MMAH	Terminated

¹ The Provincial source of funds for the CHPI fund is comprised of half of the previous CSUMB funding and the stand-alone funds.

The Social Housing Program budget currently presents the CHPI program without a municipal funding contribution. The fund does not require cost sharing by the municipalities, but the allocation is significantly lower than that received before the combination of the five funds in previous years (by about \$870,000). It is anticipated the 2013 allocated CHPI fund will significantly reduce the depth and or breadth of financial support for clients.

As the Social Housing Program budget is presented there is an increase in levy year over year of about \$93,000. Contributing to increase is also an increase in the NDHC budget of about \$246,000 year over year as a result of anticipated increased capital expenditures in 2013.

On the next page, Table 8 shows the operating and capital budgets for NDHC between 2011 and 2013, and most notably, the proposed annual increase in the capital budget for 2013 of 27% or about \$226,000. Staff has reviewed the current Building Condition Assessment (BCA) report for NDHC and note the planned expenditures in 2013 are not considered extraordinary. In fact NDHC's annual capital expenditures since 2007 have averaged about \$1 million. The significant variance between the 2012 and the 2013 budget is more a reflection of last year's budget being extraordinarily lower than average. As such, the capital budget for 2013 reflects the expected level of investment required to maintain the physical assets of a housing portfolio the size of that held by NDHC.

Table 8 Nipissing District Housing Corporation Operating and Capital Budget 2011-2013

	2011	2012	2013	2013-2012 Variance
NDHC Operating Budget	\$ 1,272,654	\$ 1,304,471	\$ 1,325,343	\$ 20,872
NDHC Capital Budget	1,043,429	838,451	1,064,130	225,679
		-		-
Total Budget	\$ 2,316,083	\$ 2,142,922	\$ 2,389,473	\$ 246,551

The 2013 increase in the NDHC budget has been offset by decreases in the reformed non-profit and municipal non-profit budgets. Together these budgets are decreasing by about \$67,000. The municipal share of these budgets is decreasing by almost \$158,000. Anticipated funding surpluses at year-end 2012 will be deferred to be used in 2013.

Please refer to Table 9 on the next page for the financial presentation of the Social Housing Program budget.

Table 9

Social Housing Services
For the Period January 1 to September 30, 2012

Proposed Budget 2013

	Actual	Forecast	Budget 2012	Budget 2013	Variance	% Change
Revenues:						
Municipal levy	\$ 5,122,575	\$ 6,830,106	\$ 6,830,104	\$ 6,923,166	\$ 93,062	1.36%
MMAH & Federal funding	3,789,753	5,590,750	5,943,278	6,605,705	662,427	11.15%
Deferred revenue	64,101	64,101	-	78,502	78,502	
Total Revenues	\$ 8,976,429	\$ 12,484,957	\$ 12,773,382	\$ 13,607,373	\$ 833,991	7%
Expenditures:						
Reformed non-profit	\$ 4,185,143	\$ 5,585,142	\$ 5,483,131	\$ 5,429,565	(53,566)	-1%
Federal non-profit	487,465	650,752	653,148	616,419	(36,729)	-6%
Municipal Non Profit	725,440	949,354	1,019,056	1,009,878	(9,178)	-1%
Urban Native	758,754	1,012,735	1,066,011	1,087,172	21,161	2%
Nipissing District Housing Corp	1,607,192	2,142,922	2,142,922	2,389,473	246,551	12%
Commercial rent supplement	328,509	438,012	438,012	438,012	-	0%
Registry - Housing	27,733	41,144	53,644	65,899	12,255	23%
Strong communities rent supp.	247,871	340,441	340,441	340,441	-	0%
Northern remote - Build	86,067	127,735	127,735	127,735	-	0%
Rent Bank	42,619	42,619	42,619	-	(42,619)	
Housing allowance program	65,284	77,987	77,987	-	(77,987)	-100%
IAH - Housing Allowance	-	-	-	130,576	130,576	
IAH - Rent Supplement	89,892	564,658	1,226,187	25,000	(1,201,187)	-98%
IAH - Rental Housing	-	-	-	724,841	724,841	
IAH - Ontario Renovates	4,032	309,000	-	235,000	235,000	
CHPI	-	-	-	782,777	782,777	
Affordable Housing Reserve Fund	-	102,489	102,489	102,489	-	
Homelessness Prevention Program	-	-	-	102,096	102,096	
Total Expenditures	\$ 8,655,999	\$ 12,384,990	\$ 12,773,382	\$ 13,607,373	\$ 833,991	6.53%
Surplus (Deficit)	\$ 320,430	\$ 99,967	\$ -	\$ -	\$ -	

Table 10 on the next page shows in greater detail the allocation of municipal levy by fund

Table 10

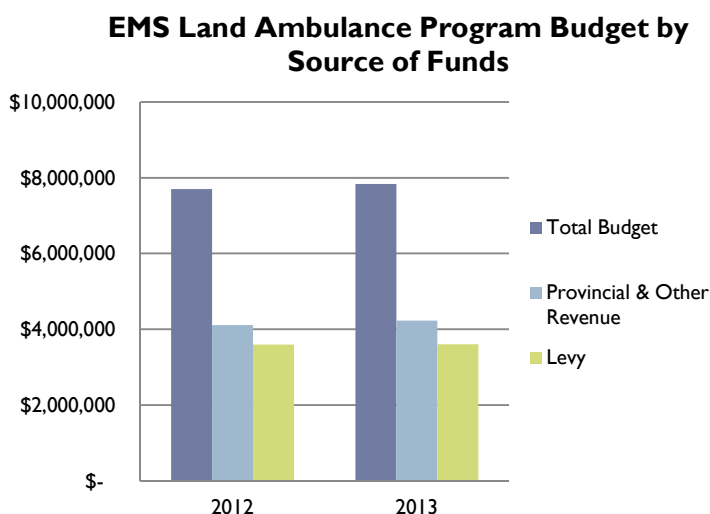
Municipal Share of the Social Housing Program

Social Housing Program	2012	2012	2013	Increase	2012	2013	Increase	%
	Forecast to YE	Budget	Budget	(Decrease)	Municipal Share	Municipal Share	(Decrease)	
Reformed non-profit	\$ 5,585,142	\$ 5,483,131	\$ 5,429,565	\$ (53,566)	\$ 3,153,608	\$ 3,074,027	\$ (79,581)	-2.52%
Federal non-profit	650,752	653,148	616,419	(36,729)			-	
Municipal non-profit	949,354	1,019,056	1,009,878	(9,178)	1,019,056	940,180	(78,876)	
Urban Native	1,012,735	1,066,011	1,087,172	21,161			-	
Nipissing District Housing Corp	2,142,922	2,142,922	2,389,473	246,551	2,142,922	2,389,473	246,551	11.51%
Commercial Rent Supplement	438,012	438,012	438,012	-	230,650	223,363	(7,287)	-3%
Registry - Housing	41,144	53,644	65,899	12,255	53,644	65,899	12,255	23%
Strong Communities Rent Supp	340,441	340,441	340,441	-			-	
Northern Remote - Build	127,735	127,735	127,735	-	127,735	127,735	-	
Rent Bank	42,619	42,619		(42,619)			-	
Housing Allowance Program	77,987	77,987		(77,987)			-	
Affordable Housing Reserve	102,489	102,489	102,489	-	102,489	102,489	-	
IAH - Rent Supplement	564,658	1,226,187	25,000	(1,201,187)				
IAH - Ontario Renovates	309,000		235,000	235,000				
IAH - Housing Allowance			130,576	130,576				
IAH - Rental Housing			724,841	724,841				
Homelessness Partnership			102,096	102,096				
CHPI			782,777	782,777	-			
Total	\$ 12,384,990	\$ 12,773,382	\$ 13,607,373	\$ 833,991	\$ 6,830,103	\$ 6,923,165	\$ 93,062	1.36%

EMS Program

In 2013 the EMS budget has increased by \$137,792 or 1.79% year over year. This increase is a result of cost pressures related to EMS contracted paramedic services through the North Bay Regional Health Centre, the Municipality of

Fig 7



Temagami, and the Mattawa General Hospital. These increases year over year are about \$250,000. The cost drivers are increases in salary and benefits resulting from arbitrated settlements and negotiated union contracts, fuel and insurance costs. Of these cost, the arbitrated settlement is considered to be a one time “catch-up” cost.

Figure 7 above shows the budgeted source of funds year over year. In 2013, there is a budgeted increase in levy of about \$67,000.

Table 11 below shows the increase in operating budgets for the contracted paramedic services. Please note, the services for West Nipissing are contracted through the North Bay Regional Health Centre.

Table 11 EMS Contracted Services Budget by Service Provider

	2012 Approved Budget	2013 Proposed Budget	Variance	
Total Budget				
North Bay Regional Health Centre	3,888,781	3,987,678	98,897	2.54%
West Nipissing	1,464,246	1,565,077	100,831	6.89%
Temagami	580,392	609,412	29,020	5.00%
Mattawa General Hospital	543,961	551,678	7,717	1.42%
South Algonquin	318,208	332,116	13,908	4.37%
District Budget	\$ 6,795,588	\$ 7,045,961	\$ 250,373	3.68%

To offset these increased costs in 2013, only one ambulance will be purchased instead of the usual two. The average age of the fleet will not be significantly impacted by delaying the purchase on an ambulance. In 2014, staff are projecting the purchase of two ambulances.

Please refer to table 12 below for the financial presentation of the EMS budget

Table 12

**Emergency Medical Services
For the Period 1/1/12..9/30/12**

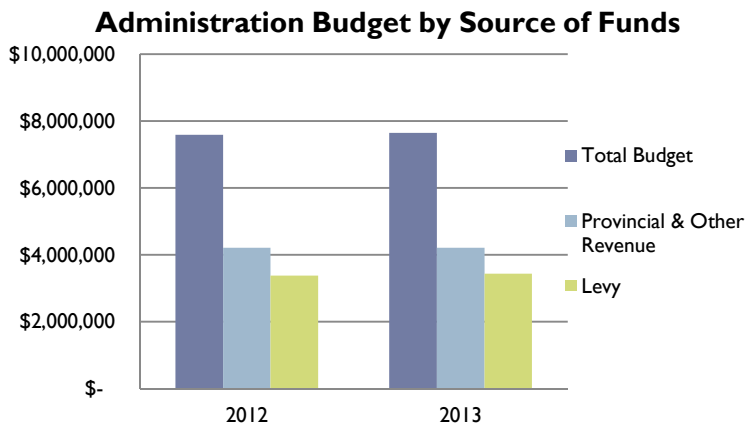
Proposed Budget 2013

	Actual	Forecast	Budget 2012	Budget 2013	Variance	% Change
Revenues:						
Municipal levy	\$ 2,694,708	\$ 3,592,944	\$ 3,592,944	\$ 3,660,273	\$ 67,329	1.87%
MOHLTC	2,969,963	4,053,793	3,855,093	4,043,645	188,552	4.89%
Deferred revenue	-	-	128,500	125,000	(3,500)	
	-	-	-	-	-	
Repayments	39,113	124,588	124,588	10,000	(114,588)	-91.97%
Total Revenues	\$ 5,703,784	\$ 7,771,325	\$ 7,701,125	\$ 7,838,917	\$ 137,792	1.79%
Expenditures:						
Contractor Transfers	\$ 5,099,239	\$ 6,795,588	\$ 6,795,588	\$ 7,045,961	\$ 250,373	3.68%
Cross Border Billings	20,311	40,311	40,311	40,992	681	1.69%
Tem PQ & Boat Taxi	2,400	3,200	3,200	3,600	400	12.50%
Uniforms	25,030	42,996	42,996	43,992	996	2.32%
Paramedic Training + WSIB	7,288	14,400	14,400	14,320	(80)	-0.56%
Travel, Meeting, Memberships	-	600	600	975	375	62.50%
Rent, Internet, Insurance, computers	199,570	276,754	267,830	270,285	2,455	0.92%
Laundry & Linen Replacement	14,286	34,049	40,800	40,800	-	0.00%
Medical Equipment (capital)	19,252	64,000	64,000	60,500	(3,500)	-5.47%
Medical Equipment (Consumables)	95,139	93,000	48,000	51,996	3,996	8.33%
Bio Medical (Mtnce & Repair)	11,378	12,000	6,400	6,996	596	9.31%
Ambulance Purchases	233,382	233,382	257,000	128,500	(128,500)	-50.00%
Vehicle Maintenance	109,962	120,000	120,000	130,000	10,000	0.08
	-	-	-	-	-	
	-	-	-	-	-	
Total Expenditures	\$ 5,837,237	\$ 7,730,279	\$ 7,701,125	\$ 7,838,917	\$ 137,792	1.79%
Surplus (Deficit)	\$ (133,453)	\$ 41,046	\$ -	\$ -	\$ -	

Administration

The total administration budget has increased year over year by almost \$56,000 or 0.73%. Of this amount \$49,845 is associated with levy funding, an increase year over year of 1.47%. The greatest area of cost pressure is from salary and benefits that have cost increases year over year of \$129,000. Although an

Fig 8



increase from 2012, cost containment has been achieved in the 2013 salary and benefits costs. By taking advantage of attrition opportunities and the organization changes that have taken place in 2012, salary and benefits cost in 2013 have been reduced by almost \$30,000. Known cost increases of group benefits, OMERS contributions, and the CUPE

settlement increase together are expected to be about \$158,000 in 2013

To further reduce the impact of the salary and benefit increases, staff has accepted the challenge of reducing other administration costs where possible. In 2013, staff will be continuing to look for efficiencies and areas to reduce cost. Two areas where costs continue to decline are with office supplies and meeting costs. Since introducing central supply we have been able to reduce costs by redeploying and reusing supplies, standardizing supplies, and limiting supply inventory. In 2013 more effort will be placed on reducing the volume of paper consumed. Meeting costs have declined by reducing the number of meetings, the length of meetings, and using technology to meet. In 2013 further investment is requested to enhance technology in the meeting rooms to facilitate more robust web and tele conferencing. Professional fees are also expected to be significantly reduced in 2013 owing to restructuring.

Please refer to Table 13 next page for the financial presentation of the Administration budget.

Table 13

**Administration Statement of Operations
For the Period January 1 to Septemebr 30, 2012**

Proposed Budget 2013

	Actual	Forecast	Budget 2012	Budget 2013	Variance	% Change
Revenues:						
Municipal levy	\$ 2,538,117	\$ 3,384,609	\$ 3,384,168	\$ 3,434,013	\$ 49,844	1%
Provincial Funding	4,392,452	4,247,942	3,960,982	3,995,958	34,977	1%
Lease Revenue	1,524	13,539	4,575	4,575	-	0%
Interest Revenue	75,259	100,345	115,000	115,000	-	0%
Repayments	128,394	151,210	91,745	-	(91,745)	-100%
Deferred revenue	31,640	37,308	37,308	100,000	62,692	168%
Total Revenues	\$ 7,167,385	\$ 7,934,953	\$ 7,593,778	\$ 7,649,546	\$ 55,768	1%
Expenditures:						
Salaries & Benefits	4,643,494	6,286,143	6,249,954	6,379,029	\$ 129,075	2.07%
Office supplies	13,101	21,871	34,750	23,075	(11,675)	-34%
Postage & courier	38,115	50,856	44,075	40,850	(3,225)	-7%
Telephone & data lines	93,195	125,606	115,761	118,960	3,199	3%
Photocopy & office equipment lease	37,389	50,048	35,475	46,775	11,300	32%
Travel	23,631	32,310	31,300	27,450	(3,850)	-12%
Training	37,706	90,495	86,200	87,250	1,050	1%
City of North Bay service fees	103,893	200,314	200,624	198,624	(2,000)	-1%
Professional Fees	61,389	102,960	94,826	68,375	(26,451)	-28%
Rent, building maintenance & parking	375,403	529,648	500,096	497,602	(2,494)	0%
Insurance	20,315	27,086	26,500	27,000	500	2%
Furniture & equipment	11,193	23,422	6,300	7,500	1,200	
Computer hardware & software	9,940	49,267	44,200	51,500	7,300	17%
Health and Safety	10,036	25,691	26,800	26,550	(250)	
Other (e.g. advertising, memberships)	44,518	66,117	60,805	45,605	(15,200)	(25%)
COA	0	5,538	-	201	201	
Transfer to Service Provider	146,055	199,200	26,812	-	(26,812)	
Strategic Plan Implementation	3,351	9,300	9,300	3,200	(6,100)	
Total Expenditures	\$ 5,672,724	\$ 7,895,870	\$ 7,593,778	\$ 7,649,546	\$ 55,768	1%
Surplus (Deficit)	\$ 1,494,660	\$ 39,083	\$ -	\$ (0)	\$ -	

Table 14 on the following page shows in greater detail the allocation of municipal levy by fund.

Table 14

Municipal Share of Administration Costs

Administration	2012	2012	2013	Increase	2012	2013	Increase	%
	Forecast to YE	Budget	Budget	(Decrease)	Municipal Share	Municipal Share	(Decrease)	
OW Admin	\$ 4,569,303	\$ 4,436,437	\$ 4,582,347	\$ 145,910	\$ 2,172,346	\$ 2,291,174	\$ 118,828	5.47%
Employment Asst Admin	1,458,622	1,479,314	1,393,685	(85,629)	239,720	197,902	(41,818)	
Housing Admin	597,353	596,260	653,940	57,680	522,643	542,820	20,177	3.86%
ELCC Admin*	113,759	113,711	122,582	8,871	85,911	94,782	8,871	
Child Care Admin	323,896	334,152	299,490	(34,662)	191,472	156,810	(34,662)	-18.10%
Best Start Admin	210,261	210,539	195,690	(14,849)			-	
Best Start Planning	225,729	26,712	26,712	-			-	
EMS Admin	185,051	183,391	161,840	(21,551)	103,391	81,840	(21,551)	-20.84%
Board Admin	104,754	98,685	98,685	-	68,685	68,685	-	0.00%
Central Admin	107,143	114,575	114,575	-			-	
NOHF Admin*		-	-	-	-	-	-	
Total	\$ 7,895,870	\$ 7,593,776	\$ 7,649,546	\$ 55,770	\$ 3,384,167	\$ 3,434,012	\$ 49,845	1.47%

The administration costs by program indicate increases in Ontario Works and Housing programs. The increase in Ontario Works program delivery costs reflects the staffing composition as a direct delivery program. With the highest number of staff, most of the increased salary and benefit costs are being allocated to that program. As well, transitional one-time program delivery funding is not anticipated in 2013.

The increase in housing administration reflects the increased administrative demand on that program in 2013 with the development of the 10-year Housing and Homelessness plan. Most of the cost of the plan will be offset by Provincial funds. Internal resources are being redeployed to work with that program in 2013.

Project Funding

As part of the planning process, some small projects for 2013 have been identified. They are considered to be investments to improve processes that will achieve future operating efficiencies, fulfil strategic planning goals, and leasehold improvements to improve physical workplace function and air quality. The following budget identifies the project with estimated costs, and potential sources of funds, see Table 15 on the next page.

Table 15

Municipal Share of Project Costs

Projects	Estimated	2013	2013
	Cost	Ministry Share	Municipal Share
Paint 3rd Floor Offices & Board Room	\$ 5,000	\$ 2,500	\$ 2,500
Meeting Room Technology Upgrade	30,000	11,250	18,750
Accounting Software Upgrade	42,000	21,000	21,000
Streamlining Initiatives	5,000	3,250	1,750
Total	\$ 82,000	\$ 38,000	\$ 44,000

The purpose of proposing a budget for these potential projects is to allocate funding in advance of developing full project proposals for Board approval in 2013. Since the projects are considered to be one-time or infrequent occurrences of expenditures it is not reasonable to add such expenditures to the on-going operating budgets.

Overall Net Impact

The overall impact of the budgets presented is total budget increase of 0.89% or \$495,261 and a decrease in levy of -2.02% or (\$370,234), as shown in Table 16.

Table 16

Total Share of Municipal Costs

Total Budget	2012	2012	2013	Increase	2012	2013	Increase	%
	Forecast to YE	Budget	Budget	(Decrease)	Municipal Share	Municipal Share	(Decrease)	
OW Financial Assistance & Employment Assistance	\$ 17,324,036	\$ 18,236,752	\$ 17,622,460	\$ (614,292)	\$ 2,989,576	\$ 2,420,106	\$ (569,470)	-19.05%
Community Investments (OCB)	416,002	436,000	436,000	-	436,000	436,000	-	0.00%
Community Housing	12,384,990	12,773,382	13,607,373	833,991	6,830,103	6,923,165	93,062	1.36%
Children's Services	8,657,979	8,651,951	8,651,951	-	1,138,757	1,138,757	-	0%
EMS - Land Ambulance	7,730,279	7,701,125	7,838,917	137,792	3,592,944	3,605,273	12,329	0%
Administration	7,895,870	7,593,776	7,649,546	55,770	3,384,167	3,434,012	49,845	1%
Projects			82,000	82,000		44,000	44,000	
Total	\$ 54,409,157	\$ 55,392,986	\$ 55,888,247	\$ 495,261	\$ 18,371,546	\$ 18,001,312	\$ (370,234)	-2.02%

Conclusion

The 2013 Budget proposes a total increase year over year of 0.89% to \$55,888,247. Staff was given a direction through the Budget Issues Report to bring forward a budget at or below inflation, or about 2%. The proposed budget achieves this goal with the total impact on the municipal levy of a *decrease* of -2.01%. Staff have been able to contain increased administrative cost to well below the targeted 2% at 0.73%.

The 2013 budget addresses cost pressures expected in most of the programs, while at the same time passes along most of the benefit of the Social Assistance upload to the municipalities in the District of Nipissing. Cost pressures in EMS, housing and administration budgets slightly offset the reductions in the municipal funding contribution to the OW financial and employment assistance programs.

The program, administration, and project budgets presented to date are realistic and successfully achieve a balance between being overly optimistic or pessimistic. The financial plan forwarded in this budget will provide good guidance in 2013 allowing for prudent and effective management of the financial resources of the organization, and at the same time allow the Board to make modest investments that will provide continued support towards achieving its 2014 vision.

Appendix 1 - 2012 Budget Summary

DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD 2013 BUDGET SUMMARY

	2012 Forecast to Year End	2012 Budget	2013 Budget	Increase (Decrease)	2012 Municipal Share of Budget	129 Municipal Share of Budget	Increase (Decrease)	%
OW Financial Assit. & Employment Assist. Client Costs	\$17,324,036	\$18,236,752	\$17,622,460	(\$614,292)	2,989,576	2,420,106	(\$569,470)	(19.05%)
OCB Reinvestment	416,002	436,000	436,000	0	436,000	436,000	0	0.00%
Social Housing	12,384,990	12,773,382	13,607,373	833,991	6,830,103	6,923,165	93,062	1.36%
Child Care Services	8,657,979	8,651,951	8,651,951	0	1,138,757	1,138,757	0	0.00%
EMS	7,730,279	7,701,125	7,838,917	137,792	3,592,944	3,605,273	12,329	0.34%
Administration	7,895,870	7,593,776	7,649,546	55,770	3,384,167	3,434,012	49,845	1.47%
Projects			\$82,000	82,000		44,000	44,000	
Total	\$54,409,157	\$55,392,986	\$55,888,247	\$495,261	18,371,546	18,001,312	(\$370,234)	
				% Increase	0.89%	% Increase	(2.02%)	
2013 Provincial/Federal Share	\$35,364,596		63.28%					
2013 Municipal Share	\$18,001,312		32.21%					
2013 Repayments & Other Income	\$1,159,353		2.07%					
2012 Apportionment	\$18,371,546		33.17%					