

ADT 20-11

Budget Report 2012

District of Nipissing Social Services Administration Board

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November 15, 2011

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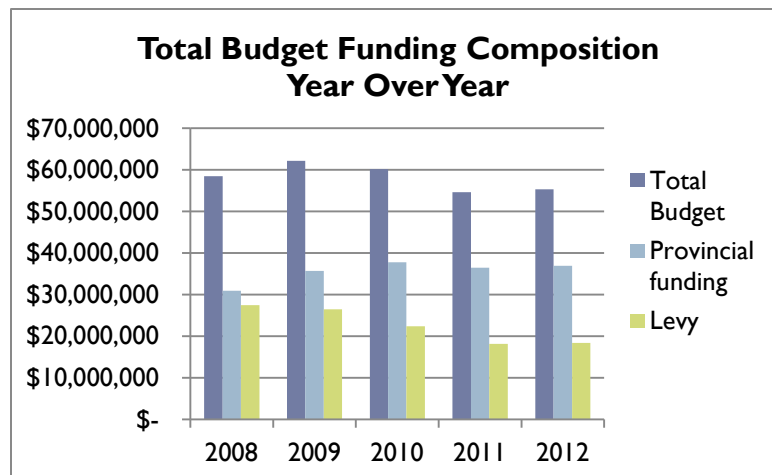
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Executive Summary

The 2012 Budget has been developed to provide the organization with a solid fiscal plan to maximize service delivery while recognizing the challenge of an ongoing weak provincial economy. The effects of the economy are expected to increase expenditures in both the Ontario Works (OW) and Community Housing programs. Although not related directly to the weak economy, expenditures are also expected to increase year over year in child care fee subsidy, and the EMS Land Ambulance program.

In the 2011 Budget, staff was challenged to find \$60,000 in Administration cost containment. These savings are expected to be achieved by year-end. These lower costs will be sustained in the 2012 Administration budget. Also, in 2011 changes in organization structure to support client service integration has resulted with an expected reduction in administration costs in 2012. Overall, the Administration budgets are down year over year by \$117,000 slightly off setting the other increased program costs.

Between 2008 and 2011 the DNSSAB budgets enjoyed a trend of shifting costs



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 provincially funded programs in Community Housing and Children’s Services. In 2012 this trend appears to have stopped 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 than (and therefore occurring over a much longer time

period) than the three year upload of ODSP costs between 2009 and 2011. In 2012 the municipal share of OW program costs decreases to 18.6% from 19.4%. This small reduction has been offset by expected increases in OW program costs year over year.

In 2012 the total Community Housing program budget has decreased by about \$1.9 million with the end of provincially funded Social Housing Renovation and Repair, and Northern Home Repair programs. In contrast, the OW program budget has increased by about \$2.2 million reflecting the continued high case load and cost per case. As a result the total budget for 2012 has increased by \$909,865 to \$55,331,098.

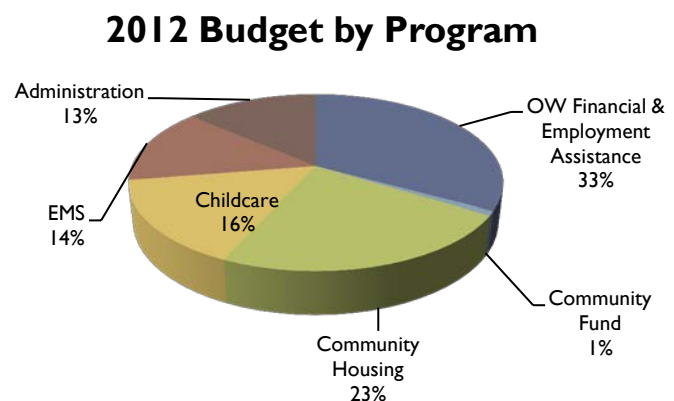
In 2012 the municipal levy represents 33% of the total budget, unchanged from 2011.

Budget Assumptions

The 2012 budget is divided into six sections:

1. Ontario Works Financial and Employment Assistance program;
2. Community Investments - OCB Reinvestments;
3. Community Housing program;
4. Children's Services program;
5. Emergency Medical Services (EMS) program;
6. Administration.

The distribution of the 2012 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 2012 Preliminary Budget Issues Report (ADT 10-11) the goal of the 2012 Budget is to maintain any budget increases that impact the municipal levy at or below the rate of inflation of 3% (CPI as of September 31, 2012). Staff are cognizant of the mounting fiscal pressures on our member municipalities to maintain services and minimize tax increases. The 2012 budget endeavors to find the balance between recognizing cost pressures, continuing to meet the increasing volume of client needs, and minimizing impact on the municipal levy.

The 2012 Budget has been developed within the following parameters:

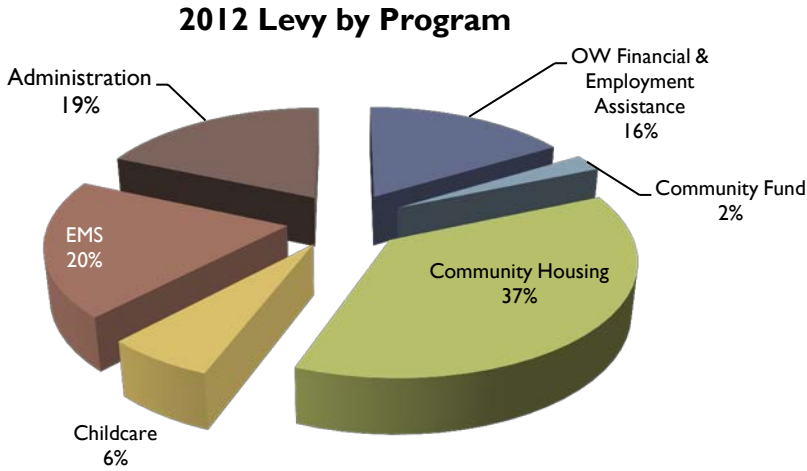
1. **Actual Known Costs Increases:** such as increased OMERS pensions costs, and increased net rent & maintenance costs to the City of North Bay and Municipality of West Nipissing.
2. **Anticipated Cost Increases:** such as the costs associated with ongoing higher OW caseloads, expected increases in subsidies to housing provider, increases in affordable housing contribution payments, increases in demand for child care fee subsidy, and CUPE settlement obligations to be negotiated in 2012.
3. **Ongoing Cost Containment and Finding Operating Efficiencies:** Cost containment goals achieved in 2011 to be maintained through reduced administration budgets in 2012, and staff to anticipate 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 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 2012 budget is a responsible budget that realistically accounts for cost pressures yet requires all staff, 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 1.64%, well below the rate of inflation of 3% as of September 31, 2011
- ✓ The 2012 budget contains provisions for planned service enhancements that align with the Board’s strategic plan including:
 - New OW initiative focusing on employment;
 - Increased access to child care fee subsidy;
 - Expanded Special Needs services for children 7 - 18 years old;
 - Enhanced EMS service in West Nipissing to reduce response times;
 - Provisions to support the development of a district-wide housing needs and homelessness plan.
- ✓ The total municipal levy for 2012 is \$18,371,546.

The municipal levy is distributed amongst the programs and administration costs as shown in the chart below

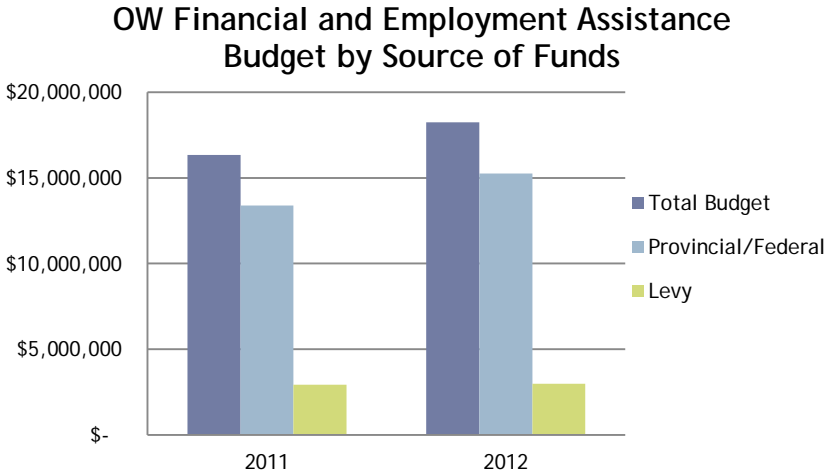


This distribution amongst the programs is the same in the 2011 budget.

Please refer to the 2012 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 2012 the Ontario Works (OW) Financial and Employment Assistance budget has increased by \$1,900,187, or 11.63% year over year. This increase results from the expectation that OW caseloads and cost per case will continue to increase in 2012 as we have seen in 2010 and again in 2011. Surprisingly the



2011 optimistic budget has proved to be almost as overly optimistic as the one set in 2010. In response to the expected increase in OW case load, staff has also budgeted additional expenditures in the Employment Assistance program for new initiatives and additional resources to facilitate more exits to employment from the caseload or employment income reducing cost per case.

It should be noted in 2012 two funds totaling \$342,000; the OW Formal Child Care, and the OW informal Child Care funds have been moved from the OW program budget to the Children's Services program budget. The amount of expenditures and required matching levy funding (20%) remains unchanged year over year.

Starting in 2010 the Ontario Works program costs are gradually going to be uploaded to the Province over a ten year period. In 2010 the municipal share of the costs decreased from 20% to 19.4% in 2010, then to 18.8% in 2011, and further 17.2% in 2012. The full benefit of this upload is not readily apparent in the 2012 budget due to the expected increased expenditures in OW financial assistance next year. The municipal share of those expenditures is budgeted at \$2,989,576 a year over year increase of 1.6%.

In addition to the provincial and municipal funding, another small source of revenue for the OW financial programs is repayments. They are received from individual clients the Family Responsibility Office and HRDC for clients who received OW Assistance while waiting to receive Employment Assistance, for example.

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

Ontario Works Financial Assistance & Employment Assistance Client Costs

For the period 1/1/2011..9/30/2011

Proposed Budget 2012

| | Actual | Forecast | Budget 2011 | Budget 2012 | Variance | % Change |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|---------------------|------------|
| Revenues: | | | | | | |
| Municipal levies | \$ 2,198,932 | \$ 2,964,169 | \$ 2,942,591 | \$ 2,989,577 | \$ 46,986 | 2% |
| Province of Ontario | 10,671,801 | 14,100,862 | 12,845,996 | 14,481,542 | 1,635,546 | 13% |
| Federal Funding (HRDC) | 79,110 | 92,979 | 92,979 | 120,131 | 27,152 | 29% |
| Repayments/reimbursements | 484,651 | 598,128 | 455,000 | 645,502 | 190,502 | 42% |
| Total Revenues | \$ 13,434,494 | \$ 17,756,138 | \$ 16,336,566 | \$ 18,236,752 | \$ 1,900,186 | 12% |
| Expenditures: | | | | | | |
| OW Financial Assistance | \$ 11,981,657 | \$ 15,610,270 | \$ 13,949,071 | \$ 16,094,478 | \$ 2,145,407 | 15% |
| OW/ODSP Special Items: | | | | | | |
| OW Formal child care | 206,063 | 242,414 | 230,000 | - | (230,000) | -100% |
| OW Informal child care | 13,369 | 45,132 | 112,000 | - | (112,000) | -100% |
| OW Discretionary benefits | 509,968 | 749,037 | 780,000 | 750,000 | (30,000) | -4% |
| OW Mandatory benefits | 410,381 | 533,159 | 425,000 | 551,082 | 126,082 | 30% |
| OW Funerals | 73,107 | 122,835 | 140,000 | 120,000 | (20,000) | -14% |
| OW Shelter | 77,166 | 115,903 | 130,000 | 135,000 | 5,000 | 4% |
| OW EA Client program (including LEAP) | 235,636 | 421,970 | 318,800 | 379,200 | 60,400 | 19% |
| CHPP | - | 64,801 | 64,801 | 68,371 | 3,570 | 6% |
| Homelessness partnership | 87,760 | 93,637 | 92,979 | 120,131 | 27,152 | 29% |
| Emergency Energy Fund | 45,290 | 49,915 | 49,915 | 18,490 | (31,425) | -63% |
| Enhanced Employment Support | - | - | 44,000 | - | (44,000) | -100% |
| Total Expenditures | \$ 13,640,397 | \$ 18,049,073 | \$ 16,336,566 | \$ 18,236,752 | \$ 1,900,186 | 12% |
| Surplus (Deficit) | \$ (205,902) | \$ (292,935) | \$ - | \$ - | | |

As noted above the municipal contribution to this budget is an increase year over year of \$49,986, or 1.6%. Without considering the removal of the OW child care funds, the increase in levy year over year for this program budget is about \$115,000 or 3.9%

The OW Financial & Employment Assistance budget is comprised of 10 funds. Six of these funds are cost shared between the province and the municipalities on an 82.8%/17.2% split, and the other three are fully funded by the province. Of the 6 funds, five of them do not have a set limit. These are:

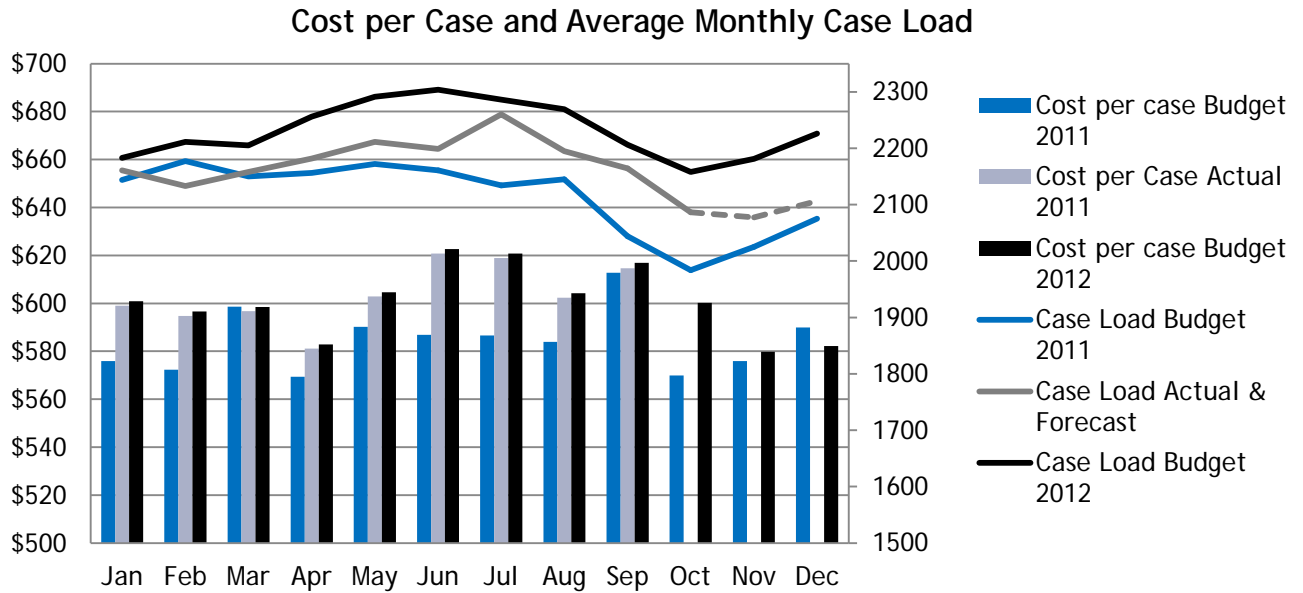
1. OW Financial Benefits;
2. OW Mandatory Benefits;
3. OW Discretionary Benefits;
4. OW Shelter;
5. OW Funeral and Burials.

What these means is the municipalities are required to share the costs incurred under these funds, regardless of how much that may be¹. This means for budget purposes, it is critical to set a budget that realistically addresses the expected costs for the upcoming year. This requires an analysis of data to detect trends, and an understanding of the provincial and local economic outlook, to be able to develop a credible cost forecast. The principal cost drivers of these funds, not surprisingly, are caseload and cost per case. The higher the caseload the higher the costs incurred. Case load and cost per case trends and forecast are used as the basis for determining appropriate budgets for these funds.

When looking at caseload trends over the past six years, there is quite a pronounced seasonal trend each year which enhances the predictability of caseload. In 2010 there was a significant jump in case load, but surprisingly the seasonal trend was still strongly evident. The 2011 budget was set expecting case-loads to start to decline and return closer to historical levels. That has not occurred in 2011. Figures 1 and 2 on the next page shows the case load and cost per case in terms of the 2011 Budget, 2011 actuals, and 2012 Budget: The budget for 2012 is based on a forecast predicting higher average monthly caseloads than what was experienced in 2011. The forecast cost per case is expected to remain relatively close to what was experienced in 2011. Combining these two cost drivers results with an increased budget for OW financial benefit and mandatory costs by \$2.27 million. The budget for discretionary costs has been reduced to reflect current level of utilization.

¹ For example, if during the year OW financial benefit costs were \$1,000,000, the municipalities would be required to pay $\$1,000,000 \times 18.8\% = \$188,000$ of those costs. If on the other hand, the costs were \$10,000,000, the municipalities would be required to pay $\$10,000,000 \times 18.8\% = \$1,880,000$.

Figure 1



The following table shows in greater detail the changes in municipal levy year over year by fund.

Figure 2

| OW | 2011 | 2011 | 2012 | Increase | 2011 | 2012 | Increase | % |
|-----------------------------|----------------------|----------------------|----------------------|---------------------|---------------------|---------------------|------------------|--------------|
| | Forecast to YE | Budget | Budget | (Decrease) | Municipal Share | Municipal Share | (Decrease) | |
| OW Financial Assistance | \$ 15,610,270 | \$ 13,949,071 | \$ 16,094,478 | \$ 2,145,407 | \$ 2,543,465 | \$ 2,662,631 | \$ 119,166 | 4.69% |
| Discretionary Benefits | 749,037 | 780,000 | 750,000 | (30,000) | 146,640 | 129,000 | (17,640) | -12.03% |
| Mandatory Benefits | 553,159 | 425,000 | 551,082 | 126,082 | 79,900 | 94,786 | 14,886 | 18.63% |
| Funerals | 122,835 | 140,000 | 120,000 | (20,000) | 19,740 | 14,718 | (5,022) | -25% |
| Shelter | 115,903 | 130,000 | 135,000 | 5,000 | 24,440 | 23,220 | (1,220) | -5% |
| Employment Assistance | 321,169 | 318,800 | 379,200 | 60,400 | 60,006 | 65,222 | 5,216 | 9% |
| CHPP | 64,800 | 64,800 | 68,371 | 3,571 | - | - | - | - |
| Homelessness Partnership | 92,979 | 92,979 | 120,131 | 27,152 | - | - | - | - |
| Emergency Energy Fund | 45,290 | 49,915 | 18,490 | (31,425) | - | - | - | - |
| Enhanced Employment Support | 44,000 | 44,000 | - | (44,000) | - | - | - | - |
| Fee Subsidy OW Formal | - | 230,000 | - | (230,000) | 46,000 | - | (46,000) | - |
| Fee subsidy OW Informal | - | 112,000 | - | (112,000) | 22,400 | - | (22,400) | - |
| Total | \$ 17,719,442 | \$ 16,336,565 | \$ 18,236,752 | \$ 1,900,187 | \$ 2,942,590 | \$ 2,989,576 | \$ 46,986 | 1.60% |

It is important to understand the difference between Mandatory and Discretionary Benefits. Unlike what the name seems to imply, the discretion

refers to the frequency a particular benefit may be given and the amount (within a set range). Otherwise the benefits are quite prescribed. For a more detailed definition of each category of benefits with examples please refer to Appendix 2.

Community Investment - OCB

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.

Historically the level of reinvestment was about \$520,000. In 2011 it was noted the suggested reimbursable costs in the OMPF calculation was significantly lower at about \$300,000. So the budget for this fund was reduced accordingly.

During 2011 the Board has received confirmation from the OMPF Policy unit the allowable reimbursable costs for 2012 will be \$436,000. As such it recommended the budget be increased to match that amount.

This fund is used primarily to support programs delivered by key community partners.

It is important to note, as the cost of OW benefits are uploaded to the province, the level of municipal OCB savings will diminish as will the level of reimbursable costs, and OMPF funding to municipalities. See financial presentation of this budget on the following page

Community Investment - OCB Reinvestment

For the period 1/1/2011..9/30/2011

Proposed Budget 2012

| | Actual | Forecast | Budget 2011 | Budget 2012 | Variance (Budgets) | % Change |
|------------------------------------|---------------------|-------------------|------------------------|------------------------|-------------------------------|-----------------|
| Revenues: | | | | | | |
| Municipal levies | \$ 224,022 | \$ 300,000 | \$ 300,000 | \$ 436,000 | \$ 136,000 | 45% |
| | | | | | - | |
| Total Revenues | \$ 224,022 | \$ 300,000 | \$ 300,000 | \$ 436,000 | \$ 136,000 | 45% |
| Expenditures: | | | | | | |
| OCB Expenditures | \$ 388,461 | \$ 426,089 | \$ 300,000 | \$ 436,000 | \$ 136,000 | 45% |
| Total Expenditures | \$ 388,461 | \$ 426,089 | \$ 300,000 | \$ 436,000 | \$ 136,000 | 45% |
| Transfer from Reserve Funds | | 126,089 | | | | |
| Surplus (Deficit) | \$ (164,439) | \$ - | \$ - | \$ - | | |

Community Housing Program

The budget for the Community Housing Program has decreased year over year by (\$1.99 million) with the end of the fully provincially funded Northern Remote Home Repair and the Social Housing Renovation and Repair (SHRRP) programs.

In 2012 the Province will be introducing a new affordable housing program; Investment in Affordable Housing. This is slated to be a three year program with the District of Nipissing receiving \$1.22 million in 2012. This new program can be comprised of the following components:

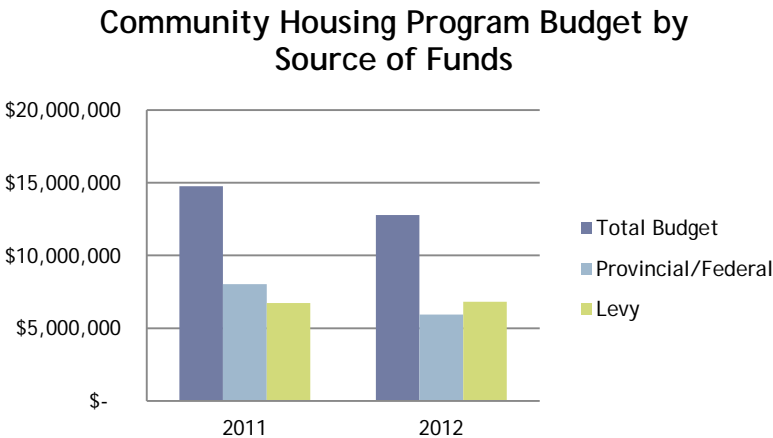
- Rental housing (new construction)
- Home Ownership
- Rent Supplement
- Housing Allowance
- Renovation

The Board is required to determine which program components and funding amounts will be used before January 31, 2012.

Despite the overall decrease in the Community Housing budget, the municipal share of the budget is set to increase year over year by \$88,523, or 1.31%.

This is a result of cost pressures relating to public housing programs and the full effect of the Board's commitment of "affordability payments" to the landlords that built 117 affordable rental units under the affordable housing program between 2008 and 2010.

The total budget and source of funds is shown in the chart below.



The financial presentation of the Community Housing Program 2011 budget is shown on the following page:

Community Housing Services
For the period 1/1/2011..9/30/2011

Proposed Budget 2012

| | Actual | Forecast | Budget 2011 | Budget 2012 | Variance | % Change |
|----------------------------------|------------------------|----------------------|----------------------|----------------------|-----------------------|-------------|
| Revenues: | | | | | | |
| Municipal levy | \$ 5,032,994 | \$ 6,741,581 | \$ 6,741,581 | \$ 6,830,104 | \$ 88,523 | 1% |
| MMAH & Federal funding | 4,801,059 | 7,002,958 | 7,899,930 | 5,943,278 | (1,956,652) | -25% |
| Deferred revenue | 632,266 | 847,425 | 119,701 | - | (119,701) | -100% |
| Total Revenues | \$ 10,466,319 | \$ 14,591,964 | \$ 14,761,212 | \$ 12,773,382 | \$ (1,987,830) | -13% |
| Expenditures: | | | | | | |
| Reformed non-profit | \$ 3,978,486 | \$ 5,304,647 | \$ 5,412,963 | \$ 5,483,131 | \$ 70,168 | 1% |
| Federal non-profit | 515,469 | 676,113 | 685,164 | 653,148 | (32,016) | -5% |
| Municipal Non Profit | 735,535 | 980,714 | 1,030,164 | 1,019,056 | (11,108) | -1% |
| Urban Native | 749,500 | 999,333 | 1,062,204 | 1,066,011 | 3,807 | 0% |
| Nipissing District Housing Corp | 1,737,062 | 2,316,083 | 2,316,083 | 2,142,922 | (173,161) | -7% |
| Commercial rent supplement | 328,052 | 437,403 | 437,403 | 438,012 | 609 | 0% |
| Registry - Housing | 40,233 | 53,644 | 53,644 | 53,644 | - | 0% |
| Strong communities rent supp. | 264,675 | 352,899 | 340,411 | 340,441 | 30 | 0% |
| Northern remote - Build | 45,187 | 60,250 | 119,701 | 127,735 | 8,034 | 7% |
| Northern remote - Home Repair | 473,716 ¹ | 520,959 | 677,548 | - | (677,548) | |
| Rent Bank | 42,619 | 42,619 | 40,206 | 42,619 | 2,413 | |
| Housing allow ance program | 93,089 | 124,119 | 122,400 | 77,987 | (44,413) | -36% |
| Investment in Affordable Housing | | - | - | 1,226,187 | 1,226,187 | |
| SHRRP - Repair & Reonvation Prgm | 1,013,299 ¹ | 2,468,896 | 2,463,321 | - | (2,463,321) | -100% |
| Affordable Housing Reserve Fund | - | - | - | 102,489 | 102,489 | |
| Capital Repair Fund | 25,921 | 25,921 | | | - | |
| Rental Supportive Program | 8,550 | 8,550 | | | | |
| Total Expenditures | \$ 10,051,394 | \$ 14,372,150 | \$ 14,761,212 | \$ 12,773,382 | \$ (1,987,830) | -13% |
| Surplus (Deficit) | \$ 414,925 | \$ 219,814 | \$ (0) | \$ - | \$ 0 | |

The table on the next page shows in greater detail the changes in municipal levy year over year by fund.

Figure 3

| Community Housing | 2011 | 2011 | 2012 | Increase | 2011 | 2012 | Increase | % |
|---|----------------------|----------------------|----------------------|-----------------------|---------------------|---------------------|------------------|--------------|
| | Forecast to YE | Budget | Budget | (Decrease) | Municipal Share | Municipal Share | (Decrease) | |
| Reformed non-profit | \$ 5,304,647 | \$ 5,412,963 | \$ 5,483,131 | \$ 70,168 | \$ 3,111,649 | \$ 3,153,608 | \$ 41,959 | 1.35% |
| Federal non-profit | 676,113 | 685,164 | 653,148 | (32,016) | | | - | |
| Municipal non-profit | 980,714 | 1,030,164 | 1,019,056 | (11,108) | 1,030,164 | 1,019,056 | (11,108) | |
| Urban Native | 999,333 | 1,062,204 | 1,066,011 | 3,807 | | | - | |
| Nipissing District Housing Corp | 2,316,083 | 2,316,083 | 2,142,922 | (173,161) | 2,316,083 | 2,142,922 | (173,161) | -7.48% |
| Commercial Rent Supplement | 437,403 | 437,403 | 438,012 | 609 | 230,041 | 230,650 | 609 | 0% |
| Registry - Housing | 53,644 | 53,644 | 53,644 | - | 53,644 | 53,644 | - | 0% |
| Strong Communities Rent Supp | 352,899 | 340,411 | 340,441 | 30 | | | - | |
| Northern Remote - Build | 60,250 | 119,701 | 127,735 | 8,034 | | 127,735 | 127,735 | |
| Northern Remote - Home Repair | 520,959 | 677,548 | | (677,548) | - | | - | |
| Rent Bank | 42,619 | 40,206 | 42,619 | 2,413 | - | | - | |
| Housing Allowance Program | 124,119 | 122,400 | 77,987 | (44,413) | | | - | |
| SHRRP - Repair & Renovation | 2,468,896 | 2,463,321 | | (2,463,321) | - | | - | |
| Affordable Housing Reserve ¹ | | | 102,489 | 102,489 | | 102,489 | 102,489 | |
| Investment in Affordable Housing | | | 1,226,187 | 1,226,187 | - | - | - | |
| Total | \$ 14,337,679 | \$ 14,761,212 | \$ 12,773,382 | \$ (1,987,830) | \$ 6,741,580 | \$ 6,830,103 | \$ 88,523 | 1.31% |

As shown in above table the cost pressures associated with the municipal levy are attributable to the reformed non-profit and the Northern Remote - Build affordability payments, as mentioned above.

The reformed non-profit funds are flowed to housing service providers. The amount of funding available to a service provider is formula driven and therefore quite prescribed as are the allowable actual annual expenses incurred to operate a non-profit housing organization. During the year DNSSAB housing staff reconciles the funding received to actual allowable operating costs for all the housing providers to ensure surpluses are returned to the DNSSAB and deficits are topped up.

In 2012, the budget for these funds takes into consideration provider operating cost pressures, mortgage renewals, changes in rent-geared-to-income (RGI) and market rent revenue increases. Although no mortgage renewal are expected in 2012, adding to operating costs are assumed increases in property taxes of 2%, water rate of 6.38%, and fuel costs of 10.65%.

Historically, housing provider reconciliations has resulted with in-year reduction in subsidy, since housing providers were able to generate higher than

expected rental revenue and therefore required less rental subsidy. Over the past three years there has been a declining trend in the amount of subsidy being reclaimed through reconciliations as more tenants require rent subsidy, and therefore fewer rental units are available for market-rent tenants. This trend is clearly related to the weak economy that has negatively impacted household incomes in the district.

It is very likely, as the economy remains weakened, the year-end reconciliations of housing providers could result with their eligibility for in-year increased subsidy. Although that is not anticipated in the current budget, it could very well be the case in subsequent years.

In 2008 the DNSSAB received \$3.7 million in provincial DOOR funding (Delivering Opportunities for Ontario Renters) and expected an additional \$2.36 million in federal/provincial Northern Remote funding. To leverage these funds to maximize the number of affordable rental units built in the District the board agreed to support this affordable housing program through ongoing "affordability" payment to the housing providers over the next 25 to 30 years. The annual amount is expected to be about \$130,000. This support allowed the housing providers to leverage more bank debt, and build more units. In total 117 units were built. The affordability payment takes into consideration the interest rate on the mortgage of the provider. The estimates in 2008 were based on mortgages of 5.5% interest. As actual mortgage rates are lower, so are the payments. In 2010 there were anticipated payments that did not occur. The savings to the municipal levy last year will be transferred to the 2011 budget, and the interest earned on the DOOR funding was used to cover the balance of the anticipated costs in 2011. Having depleted the interest revenue, in 2012 the cost of the affordability payment is fully supported by the levy. In subsequent years there should be no impact in the levy.

The 2012 Budget Nipissing District Housing Corporation (NDHC) has decreased year over year by \$173,161. There is a slight increase in the operating budget of \$30,000, and a decreased capital budget of (\$204,978). This decrease relates to the expected capital expenditures in 2012, which will be less than those in 2011. It is important to note, the expected capital expenditures do

not include the extraordinary capital costs associated with the Manitou Mulligan project. That revitalization project is ongoing and is currently in the business planning and design stages. Work is going ahead with repair and renovation of some of the existing units. That work is being completed with use of the provincial SHRRP funding. For the rebuild component of the revitalization project, planning is underway to determine the best mix of units, number of units, and sources of financing. As such, the 2012 budget does not include provisions beyond the development stage of the revitalization project.

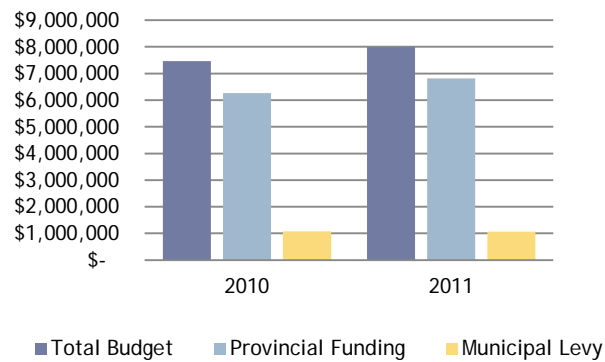
Although NDHC has request less funding for capital expenditures, it is proposed in the 2012 budget, the Board continue to commit funding towards unspecified future community housing costs. This would serve two purposes. One, it would smooth future year over year levy requirements as it is very likely NDHC will require higher capital funding in subsequent years considering the age of its housing stock. Two, it would provide a future source of revenue to supplement or leverage additional provincial funds to provide greater benefits to the citizens in the District of Nipissing in terms of affordable housing needs. As such, the 2012 budget proposes the Board fund and Affordable Housing Reserve of \$102,489. As with all reserve funds its future use would require Board resolution.

In 2012 the Board will be required to start to develop a comprehensive district-wide affordable housing and homelessness plan. As an incentive to the Province to participate in the Investment in Affordable Housing Program, there is a \$100,000 "signing bonus". This funding will be given to Districts and municipalities that commit early to the program. Staff intends to use those some of those funds to develop the comprehensive plan starting in 2012.

Children's Services Program

Although from looking at the 2012 Children's Service budget there does not appear to be much change year over year apart from moving the OW Formal and Informal Child Care funds from the OW program budget to the Children's

**Child Care Services Program Budget
by Sources of Funds**



Services budget.

There have been some significant developments in the Children's services program that include increased client needs, expanded services, and an organization

restructuring. Fortunately all of these changes are being managed within the existing program budget, with no impact on funding from member municipalities.

The financial presentation of the Child Care Services Program 2012 budget is shown on the next page:

Children's Services
For the period 1/1/2011..9/30/2011

Proposed Budget 2012

| | Actual | Forecast | Budget 2011 | Budget 2012 | Variance | % Change |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|-------------------|-----------|
| Revenues: | | | | | | |
| Municipal levies | \$ 799,040 | \$ 1,070,358 | \$ 1,070,358 | \$ 1,138,758 | \$ 68,399 | 6% |
| Province of Ontario | 5,302,135 | 6,953,099 | 6,811,045 | 7,404,692 | 593,647 | 9% |
| Deferred Revenues | - | - | - | - | - | - |
| Repayments/reimbursements | 231,875 | 259,000 | 108,500 | 108,500 | - | - |
| | - | - | - | - | - | - |
| Total Revenues | \$ 6,333,050 | \$ 8,282,457 | \$ 7,989,903 | \$ 8,651,950 | \$ 662,046 | 8% |
| Expenditures: | | | | | | |
| Fee Subsidy | \$ 3,093,142 | \$ 3,779,579 | 3,694,305 | \$ 3,779,578 | \$ 85,273 | 2% |
| Special Needs | 609,304 | 812,406 | 812,405 | 812,405 | - | 0% |
| Resource Centres | 39,948 | 53,264 | 53,264 | 53,264 | - | 0% |
| Wage Subsidy | 1,072,770 | 1,430,558 | 1,430,558 | 1,430,558 | (1) | 0% |
| Transition and Stabilization Funding | 99,088 | 106,124 | 49,350 | 106,124 | 56,774 | 115% |
| Pay Equity | 128,341 | 171,121 | 171,121 | 171,121 | - | 0% |
| Fee Subsidy - OW Formal | | | - | 278,873 | 278,873 | |
| Fee Subsidy - OW Informal | | | - | 63,127 | 63,127 | |
| Best Start Activities & Programs | 529,802 | 1,929,400 | 1,778,900 | 1,956,900 | 178,000 | 10% |
| Total Expenditures | \$ 5,572,396 | \$ 8,282,452 | \$ 7,989,903 | \$ 8,651,950 | \$ 662,047 | 8% |
| Surplus (Deficit) | \$ 760,654 | \$ 5 | \$ 0 | \$ - | \$ (0) | |

Figure 4 on the next page shows in greater detail the changes in municipal levy year over year by fund

Figure 4

| Children's Services | 2011 | 2011 | 2012 | Increase | 2011 | 2012 | Increase | % |
|-------------------------------|---------------------|---------------------|---------------------|-------------------|---------------------|---------------------|------------------|--------------|
| | Forecast to YE | Budget | Budget | (Decrease) | Municipal Share | Municipal Share | (Decrease) | |
| Fee Subsidy DNA | \$ 3,198,555 | \$ 3,198,555 | \$ 3,198,555 | \$ - | \$ 639,711 | \$ 639,711 | \$ - | 0.00% |
| Special Needs DNA | 698,255 | 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 | 242,414 | - | 278,873 | 278,873 | - | 55,775 | 55,775 | |
| Fee subsidy OW Informal | 45,132 | - | 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 | 1,778,900 | 1,778,900 | 1,956,900 | 178,000 | - | - | - | |
| ELCD Fee Subsidy | 67,400 | 67,400 | 81,873 | 14,473 | - | - | - | |
| Fee Subsidy - Extended Day | - | - | 70,800 | 70,800 | - | - | - | |
| Child Care Transition Funding | 49,350 | 49,350 | 99,324 | 49,974 | - | - | - | |
| Child Care Stability Funding | - | - | 6,800 | 6,800 | - | - | - | |
| Total | \$ 8,277,450 | \$ 7,989,904 | \$ 8,651,951 | \$ 662,047 | \$ 1,070,357 | \$ 1,138,757 | \$ 68,400 | 6.39% |

In 2009 the Province announced a plan to provide province-wide kindergarten full day learning. As well, this plan was to include before and after child care by school staff in schools. Child Care providers anticipated a significant reduction in fee revenue as small children move from day care into school, and older children stay at school for before and after school care. Child Care providers in the District of Nipissing took steps to replace that potential lost income, by increasing spaces, creating more infant spaces, and in some cases increases child care fees. Between 2009 and 2011a total of 240 new subsidized spaces have been created.

Understanding the impact of full day learning and before and after care in schools may have on the day care system, the Ministry of Education has provided additional fee subsidy, stability and transition funding for day care providers. As well, Service Managers are advised to use Best Start (or ELCD) funds to support the child care system in the areas of fee subsidy, special needs, and wage subsidy "top-up" funding. As well, a small portion (10%) may be used to support administration of program targeting 0-6 year olds.

As a result of the new spaces, there has been a significant increase in demand for fee subsidy in 2011. In fact, as of the end of the third quarter, fee subsidy expenditures are forecast to be \$705,000 higher than expected. As a result the

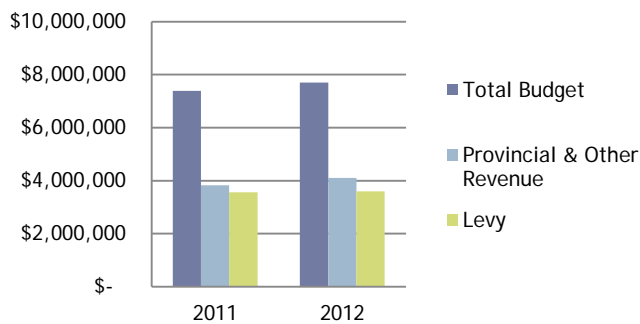
Best Start Operating fund will be used to top-up fee subsidy budgets to meet this demand.

In the 2012 staff plans to expand special need services to children over between the ages of 7 and 18. Currently special needs services are provided for children between 0-6 years. The services for 0-6 year olds currently funded through the Special Needs Day Nursery Act (DNA) fund will be allocated to the Best Start Operating fund. The Special Needs DNA fund will be used for older children. To further support and strengthen the child care system, the Best Start Operating fund will be used to provide full wage subsidy top up. By doing so ensures day care providers are able to compensate staff at a reasonable level while being able to keep day care fees affordable for working parents.

By using the Best Start Operating fund to fully support the child care system, means there will be very little funding available for other community planning projects that have received Best Start funding in the past.

The budget for EMS (Emergency Medical Services - Land Ambulance) increases year over year by \$317,200, or 4.3%. The chart shows the change in the sources of funds for this budget between 2011 and 2012

**EMS Land Ambulance Program Budget
by Source of Funds**



To reduce the impact of the increased budget on the member municipalities, \$128,500 from the equipment reserve fund will be used to offset the cost of the ambulance and medical capital equipment

purchases. In 2011 the Ministry of Health and Long Term Care (MOHLTC), the provincial ministry providing funding to this program, has provided more base funding (about \$56,000), which is included in the 2012 budget.

The financial presentation of the proposed 2011 EMS program budget is shown on the next page.

**Emergency Medical Services
For the period 1/1/2011..9/30/2011**

Proposed Budget 2012

| | Actual | Forecast | Budget 2011 | Budget 2012 | Variance | % Change |
|--------------------------------------|---------------------|---------------------|------------------------|------------------------|-------------------|-----------------|
| Revenues: | | | | | | |
| Municipal levy | \$ 2,658,601 | \$ 3,560,368 | \$ 3,560,368 | \$ 3,592,944 | \$ 32,576 | 1% |
| MOHLTC | 2,893,142 | 3,857,522 | 3,793,514 | 3,855,093 | 61,579 | 2% |
| Deferred revenue | - | - | - | 128,500 | 128,500 | - |
| Repayments | 26,311 | 25,000 | 30,000 | 124,588 | 94,588 | 315% |
| Total Revenues | \$ 5,578,053 | \$ 7,442,890 | \$ 7,383,882 | \$ 7,701,125 | \$ 317,243 | 4% |
| Expenditures: | | | | | | |
| Contractor Transfers | \$ 4,961,325 | \$ 6,431,284 | \$ 6,429,652 | \$ 6,795,588 | \$ 365,936 | 6% |
| Cross Border Billings | 21,379 | 28,506 | 38,853 | 40,311 | 1,458 | 4% |
| Tem PQ & Boat Taxi | | 4,800 | 4,800 | 3,200 | (1,600) | -33% |
| Uniforms | 15,762 | 42,915 | 42,915 | 42,996 | 81 | 0% |
| Paramedic Training + WSIB | 18,259 | 24,345 | 25,785 | 14,400 | (11,385) | -44% |
| Travel, Meeting, Memberships | - | 500 | 500 | 600 | 100 | 20% |
| Rent, Internet, Insurance, computers | 181,620 | 310,006 | 261,481 | 267,830 | 6,349 | 2% |
| Laundry & Linen Replacement | 16,632 | 37,176 | 40,800 | 40,800 | - | 0% |
| Medical Equipment (capital) | - | 94,000 | 63,560 | 64,000 | 440 | 1% |
| Medical Equipment (Consumables) | 36,137 | 48,183 | 48,785 | 48,000 | (785) | -2% |
| Bio Medical (Mtnce & Repair) | 1,303 | 9,500 | 10,725 | 6,400 | (4,325) | -40% |
| Ambulance Purchases | 234,565 | 234,565 | 257,026 | 257,000 | (26) | 0% |
| Vehicle Maintenance | 85,776 | 159,000 | 159,000 | 120,000 | (39,000) | -25% |
| | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| Total Expenditures | \$ 5,572,758 | \$ 7,424,780 | \$ 7,383,882 | \$ 7,701,125 | \$ 317,243 | 4% |
| Surplus (Deficit) | \$ 5,295 | \$ 18,110 | \$ - | \$ - | \$ - | |

The Contractor Transfers is the funding given the five land ambulance services in the district:

1. North Bay (serviced by North Bay and District General Hospital -NBDGH)
2. West Nipissing (serviced by NBDGH)
3. South Algonquin (serviced by NBDGH)
4. Temagami (serviced by Municipality of Temagami)
5. Mattawa (serviced by Mattawa General Hospital).

The following table shows the specific budgets for these services in 2010 and 2011:

| | Budget 2011 | Budget 2012 | Variance | % Change |
|----------------------------------|------------------------|------------------------|-------------------|-----------------|
| North Bay Regional Health Centre | \$ 3,706,611 | \$ 3,888,020 | \$ 181,409 | 4.89% |
| West Nipissing | 1,336,377 | 1,464,246 | 127,869 | 9.57% |
| Temagami | 553,004 | 580,392 | 27,388 | 4.95% |
| Mattawa General Hospital | 530,972 | 544,719 | 13,747 | 2.59% |
| South Algonquin | 299,688 | 318,208 | 18,520 | 6.18% |
| | \$ 6,426,652 | \$ 6,795,585 | \$ 368,933 | 5.74% |

The increased costs in the 2012 budget are attributable to increased expenditures under contract transfers. As noted above, the contract transfers for West Nipissing is set to increase year over year by \$127,869. This increase is due in part to CUPE settlement obligations of 2%, and enhanced service in West Nipissing with a cost of about \$88,000. It is proposed an additional ambulance (crew) be allocated to West Nipissing to address EMS response times in that area.

The increased expenditures to the North Bay Regional Health Centre almost entirely relate to increased staffing costs resulting from CUPE settlement obligation of 2%, anticipated arbitration award, and non-union salary increases to re-instate salary differential of 3% effective April 2012 after a two-year wage freeze.

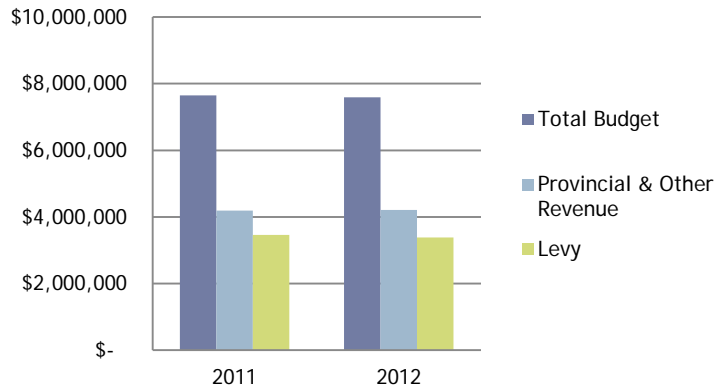
After an analysis of the costs to operate a garage for ambulance maintenance and repairs, in 2009 the Board decided to close the EMS garage and contract those services with the North Bay Jack Garland Airport. In the 2012 budget, \$120,000 has been set for vehicle maintenance and repair costs under that contract. It is of interest to note that in 2009 the garage net costs at year end were about \$216,000, a difference of \$96,000.

Administration

Each program has an administrative component (fund). The Administration budget combines all the program administration funds. Corporate services, or central administration, costs are allocated amongst the administration funds based on FTE (full time equivalent)

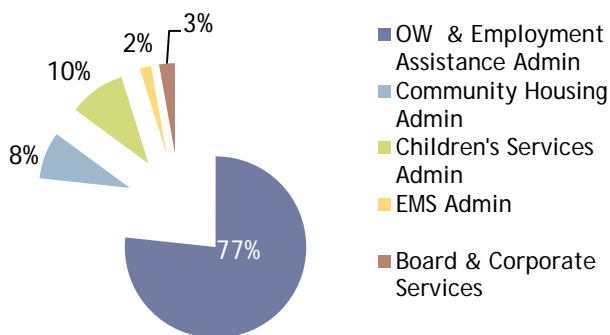
staff in a program. Municipal levy is not used to fund Corporate Services directly. The Administration budget has decreased year over year by (\$55,865) to \$7,593,776. Provincial funding for administration has increased year over year by \$217,000. Consequently, the levy has decreased year over year by (\$76,218) or -2.2%

Administration Budget by Source of Funds



The following chart shows the distribution of the municipal levy amongst the program administration budgets.

Administration Budget by Program



Ontario Works is a direct delivery program, whereas all the other programs are administered through purchase of service agreements with external service providers (for example, NBGH provides EMS services, NDHC

provides public housing, YMCA provides child care services). Ontario Works, as a direct delivery program, accounts for most of the staff employed by DNSSAB and therefore incurs most of the administration costs.

The table below shows these changes in greater detail, and also the impact on the municipal levy between 2011 and 2012

Figure 5

| Administration | 2011 | 2011 | 2012 | Increase | 2011 | 2012 | Increase | % |
|-----------------------|---------------------|---------------------|---------------------|--------------------|---------------------|---------------------|--------------------|---------------|
| | Forecast to YE | Budget | Budget | (Decrease) | Municipal Share | Municipal Share | (Decrease) | |
| OW Admin | \$ 4,131,831 | \$ 3,774,473 | \$ 4,436,437 | \$ 661,964 | \$ 2,062,759 | \$ 2,172,346 | \$ 109,587 | 5.31% |
| Employment Asst Admin | 1,521,070 | 1,880,016 | 1,479,314 | (400,702) | 337,356 | 239,720 | (97,636) | |
| Housing Admin | 633,280 | 640,148 | 596,260 | (43,888) | 523,968 | 522,643 | (1,325) | -0.25% |
| ELCC Admin* | 101,231 | 100,612 | 113,711 | 13,099 | 62,302 | 85,911 | 23,609 | |
| Child Care Admin | 643,025 | 647,630 | 334,152 | (313,478) | 312,938 | 191,472 | (121,466) | -38.81% |
| Best Start Admin | 178,000 | 178,000 | 210,539 | 32,539 | | | - | |
| Best Start Planning | 26,712 | 26,712 | 26,712 | - | | | - | |
| EMS Admin | 160,258 | 155,153 | 183,391 | 28,238 | 77,576 | 103,391 | 25,815 | 33.28% |
| Board Admin | 115,476 | 113,487 | 98,685 | (14,802) | 83,487 | 68,685 | (14,802) | -17.73% |
| Central Admin | 191,922 | 108,202 | 114,575 | 6,373 | | | - | |
| NOHF Admin* | 34,480 | 25,208 | - | (25,208) | - | - | - | |
| Total | \$ 7,737,285 | \$ 7,649,641 | \$ 7,593,776 | \$ (55,865) | \$ 3,460,385 | \$ 3,384,167 | \$ (76,218) | -2.20% |

Although up to this point the budget has been addressing cost pressures and service demand in most of the program areas, there is good news with the administration budget: costs are down, and provincial funding is up.

In the 2011 Budget the Board challenged the staff with an administration cost containment target of \$60,000. At the end of the third quarter this year-end target is expected to be met net of the extraordinary and funding specific expenditures. In 2011 some expenditures were higher than expected, but were also offset by repayment revenue. When looking at the reduction in ongoing operating costs, the savings were primarily from reduced travel, phone, office supplies and advertising costs.

When presented with cost containment challenge staff responded by looking for opportunities to save costs such as reducing travel by using teleconferencing and

videoconferencing instead of driving to meetings, taking online courses, re-using and re-purposing office supplies, scanning documents instead of photocopying, and using a rental car when it costs less than mileage reimbursement.

To ensure these savings are sustainable, the reduced costs have been incorporated into the 2012 Administration budget. In 2012 staff will continue to be challenged to find efficiencies as a key component of the Boards strategic plan.

The Administration budget has made some modest provisions for some strategic plan initiatives and projects in 2012. For example, purchase software with City of North Bay to develop a new website that will interface with the intranet developed this year. A new website is a key component in the communication plan of the strategic plan and will enhance client, partner, and citizen access to information and services. Another modest investment under "strategic plan implementation" will allow staff to develop other elements of the strategic plan that will result with the organization becoming more agile, accessible, transparent, and responsive.

In 2011 staff was able to effect further organization restructuring as the Children's Services and Ontario Works administration was combined into Integrated Services Administration. As a result there were some initial reductions in staffing costs, but the new structure also allowed the organization to take advantage of an attrition opportunity through a retirement. All of these changes have resulted with a year over year decrease in staffing costs of \$161,000. This decrease is net of known cost increases such as OMERS rate increases.

The other positive news for the Administration budget comes from the province. Historically the administration costs for the delivery of the OW programs was not been shared equally between the province and the member municipalities, as it was supposed to be. The Province froze administration funding at 2003 levels for 10 years. The member municipalities were required to fund the disparity. In 2011 the Province announced the new OW program delivery funding formula. For the District of Nipissing the formula included a reduction in 80/20 cost shared funding (representing costs that are being uploaded to the province) and a significant increase in 50/50 shared funding (for costs that will not be uploaded to the

province). In fact the shared funding envelope is so large it is well beyond the reach of the board at \$3.1 million. To access that funding the Board would have to invest an additional \$1 million. Despite not being able to access the full envelope, the costs of the OW administration in 2012 will be fully shared with the province.

The additional funding and reduced administration costs means the levy for the administration budget has reduced year over year by an amount greater than the overall year over year budget decrease.

The financial presentation of the Direct Operations Budget is shown on the following page.

Administration Statement of Operations
For the period 1/1/2011..9/30/2011

Proposed Budget 2012

| | Actual | Forecast | Budget 2011 | Budget 2012 | Variance | % Change |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|--------------------|-------------|
| Revenues: | | | | | | |
| Municipal levy | \$ 2,582,435 | \$ 3,438,530 | \$ 3,460,386 | \$ 3,384,168 | \$ (76,218) | -2% |
| Provincial Funding | 2,829,227 | 4,077,179 | 3,743,102 | 3,960,980 | 217,878 | 6% |
| Lease Revenue | 36,880 | 49,107 | 14,412 | 4,575 | (9,837) | -68% |
| Interest Revenue | 99,860 | 133,146 | 82,000 | 115,000 | 33,000 | 40% |
| Repayments | 141,480 | 164,922 | 152,854 | 91,745 | (61,109) | -40% |
| Deferred revenue | 140 | 124,230 | 196,886 | 37,308 | (159,578) | -81% |
| Total Revenues | \$ 5,690,022 | \$ 7,987,114 | \$ 7,649,640 | \$ 7,593,776 | \$ (55,864) | -1% |
| Expenditures: | | | | | | |
| Salaries & Benefits | 4,616,581 | 6,409,775 | 6,411,774 | 6,249,954 | \$ (161,820) | -3% |
| Office supplies | 26,325 | 32,000 | 44,001 | 34,350 | (9,651) | -22% |
| Postage & courier | 36,742 | 43,596 | 50,070 | 44,075 | (5,995) | -12% |
| Telephone & data lines | 83,220 | 112,160 | 124,400 | 115,761 | (8,639) | -7% |
| Photocopy & office equipment lease | 31,624 | 40,246 | 39,246 | 35,475 | (3,771) | -10% |
| Travel | 15,895 | 30,392 | 55,582 | 31,300 | (24,282) | -44% |
| Training | 44,675 | 64,828 | 76,500 | 86,200 | 9,700 | 13% |
| City of North Bay service fees | 100,774 | 203,314 | 203,314 | 200,624 | (2,690) | -1% |
| Rent, building maintenance & parking | 374,354 | 536,752 | 485,065 | 495,937 | 10,872 | 2% |
| Professional fees | 101,056 | 114,751 | 87,500 | 94,826 | 7,326 | 8% |
| Insurance | 16,743 | 22,324 | 26,515 | 26,598 | 83 | 0% |
| Furniture & equipment | 6,212 | 25,220 | 5,000 | 6,300 | 1,300 | |
| Computer hardware & software | 9,551 | 26,110 | 19,200 | 44,200 | 25,000 | 130% |
| Health and Safety | 13,059 | 27,949 | 29,593 | 26,800 | (2,793) | |
| Other (e.g. advertising, memberships) | 34,567 | 47,868 | 51,880 | 65,364 | 13,484 | 26% |
| COA | | | | - | - | |
| Transfer to Service Provider | | | | 26,712 | 26,712 | |
| Ongoing fiscal restraint program | - | - | (60,000) | - | 60,000 | |
| Strategic Plan Implementation | | | | 9,300 | 9,300 | |
| Total Expenditures | \$ 5,511,378 | \$ 7,737,285 | \$ 7,649,640 | \$ 7,593,776 | \$ (55,864) | (1%) |
| Surplus (Deficit) | \$ 178,645 | \$ 249,829 | \$ - | \$ - | \$ - | |

Conclusion

The 2012 budget addresses cost pressures expected in most of the programs, while at the same time provides enhanced services through meeting increased demand, and expanding the scope of services, such as programming for special needs children between the ages of 7 and 18 year old.

This is a budget that is meant to give the Board a solid fiscal plan as we enter another year of economic weakness. The poor economic outlook is expected to directly impact the OW financial and Employment Assistance budget as well as components of the Community Housing budget. Changes in the child care sector resulted from the provinces push to provide full day kindergarten is expected to continue to increase demand for fee subsidy. For 2012 this impact can be managed within existing budgets without having to limit client access to funding or impacting the levy.

Additional funding is available for our key community partners to offer programs that further address client needs that are beyond our mandated funds.

Reduction in administration costs have been returned to member municipalities with a lower year over year administration budget, and at the same have allowed the Board to make modest investments that will provide tremendous impetus towards achieving its 2014 vision.

Appendices

Appendix 1 - 2012 Budget Summary

| DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD | | | | | | | | |
|--|---------------------------------|---------------------|---------------------|------------------------|--------------------------------------|--------------------------------------|------------------------|---------|
| 2012 BUDGET SUMMARY | | | | | | | | |
| | 2011 YTD Actual Sept 30th | 2011 Budget | 2012 Budget | Increase (Decrease) | 2011 Municipal Share of Budget | 2012 Municipal Share of Budget | Increase (Decrease) | % |
| OW Financial Assit. & Employment Assist. Client Costs | \$18,049,072 | \$16,336,566 | \$18,236,752 | \$1,900,186 | 2,942,591 | 2,989,576 | \$46,985 | 1.60% |
| Community Investments - OCB | 428,436 | 300,000 | 436,000 | 136,000 | 300,000 | 436,000 | 136,000 | 45.33% |
| Community Housing | 14,372,150 | 14,761,242 | 12,773,382 | -1,987,860 | 6,741,581 | 6,830,103 | 88,522 | 1.31% |
| Children's Services | 8,282,451 | 7,989,903 | 8,651,951 | 662,048 | 1,070,358 | 1,138,757 | 68,399 | 6.39% |
| EMS | 7,424,781 | 7,383,881 | 7,701,125 | 317,244 | 3,560,368 | 3,592,944 | 32,576 | 0.91% |
| Administration | 7,737,285 | 7,649,641 | 7,593,776 | -55,865 | 3,460,387 | 3,384,167 | -76,220 | (2.20%) |
| Total | \$56,294,175 | \$54,421,233 | \$55,392,986 | \$971,753 | 18,075,284 | 18,371,546 | \$296,262 | |
| | | | | % Increase | 1.73% | % Increase | 1.64% | |
| 2012 Provincial/Federal Share | \$35,765,716 | | | 64.57% | | | | |
| 2012 Municipal Share | \$18,371,546 | | | 33.17% | | | | |
| 2012 Repayments & Other Income | \$1,255,724 | | | 2.27% | | | | |
| 2011 Apportionment | \$18,075,284 | 33.21% | | | | | | |

Appendix 2 - Discretionary and Mandatory OW Financial benefits

Ministry of Community and Social Services Definitions:

Mandatory benefits:

These are benefits that are listed in Regulation and are provided to eligible recipients and their dependents.

Discretionary benefits:

These are benefits that are provided on a case-by-case basis at the discretion of the Administrator. The Administrator determines the amount to be provided for discretionary benefits. Discretionary benefits may be listed in regulation or authorized by the Director as special services, items or payments where the Administrator has made a determination of need based on verifiable documentation and where failure to provide the service would result in a detriment to the health of the recipient or a member of the benefit unit.

Explanation and Examples of Discretionary Benefits

Provided by Bonnie Kraemer, Manager of Integrated Services

Discretionary has two categories:

1. Discretionary health;
2. Discretionary non health.

In addition to the Ministry guideline, District and Community Social Services Boards set local policies around discretionary benefits.

Examples of health related discretionary: dental care for adults, vision care for adults, prosthetic appliances, funerals and burials, heating payments and payments for low-cost heating energy conservation measures.

Where the directives provide mandatory dental and vision for children, it is discretionary for adults. We set a local policy in how we manage the discretion to pay for dental care for adults. We approve coverage of emergency pain related treatment for adults based on our fee guidelines.

Examples of non- health related discretionary: vocational training and retraining, travel and transportation that is not for health-related purposes, moving expenses, any other special service, item or payment authorized by the Director.

These non-health items are generally discussed on a case by case basis and are also written into our local policy.

All discretionary items have provincial policies and guidelines to follow as do the mandatory. The difference being we have a little more discretion in the amounts and frequency of issuing specific discretionary benefits. Mandatory benefits are more structured with specific amounts and time frames of issuing. All benefits are issued on the basis that they will assist the client to achieve self-sufficiency and the issuance must be documented in the file supported by receipts as required for audit purposes.

Appendix 3 - Acronyms

CHPP - Consolidated Homelessness Partnership Program

COA - Central Operating Costs

CUPE - Canadian Union of Public Employees

EDU - Ministry of Education

ELCC - Early Learning Child Care

EMS - Emergency Medical Services

HRDC - Human Resource Development Canada

MCSS - Ministry of Community and Social Services

MCYS - Ministry of Children and Youth Services

MOHLTC - Ministry of Health and Long Term Care

NBDGH - North Bay and District General Hospital

NDHC - Nipissing District Housing Corporation

NOHF - North Ontario Heritage Fund

OCB - Ontario Childcare Benefit

ODSP - Ontario Disability Support Program

OW - Ontario Works

SHRRP - Social Housing Repair and Renovation Program