

***DISTRICT OF PARRY SOUND SOCIAL SERVICES  
ADMINISTRATION BOARD***

***2021 BUDGET***

***APPROVED December 10, 2020***

**DISTRICT OF PARRY SOUND SOCIAL SERVICES ADMINISTRATION BOARD**  
**2021 BUDGET**  
**OVERVIEW**

**OVERVIEW:**

The 2021 budget for the District of Parry Sound Social Services Administration Board (DSSAB) was approved on December 10, 2020 with no change to the municipal levy from the prior year.

Overall changes to the municipal levy are as follows:

<b>2020 Budgeted Levy</b>	<b>\$6,421,953</b>
OW Program decrease	(33,608)
Child Care increase	70,990
Community Services decrease	(188,366)
Corporate Services increase	73,257
Other Contributions increase	<u>77,727</u>
<b>2021 Budgeted Levy</b>	<b>\$6,421,953</b>

The DSSAB budgets are prepared with two primary goals: minimizing municipal levy fluctuations and maximizing Provincial:Municipal cost sharing arrangements.

Program costs include a general inflationary increase to expenses, adjustments for collective agreement obligations and an inflationary increase for non union staff for The year.

Ontario Works financial assistance costs have been budgeted at the same level as in 2020. It should be noted that the Province is planning to change the definition of disability for the Ontario Disability Support Program (ODSP) to align it with the definition used in federal government benefit programs. This change has the potential of reducing ODSP caseloads and increasing Ontario Works (OW) caseloads across the Province.

The Province is also planning to transform employment services for all job seekers. Included within this is the integration of Ontario Works social assistance employment services into Employment Ontario. At this point in time, we have no way of ascertaining what the impact of this change will be to our operations and whether or not we will be continuing to provide these supports for our clients.

***DISTRICT OF PARRY SOUND SOCIAL SERVICES ADMINISTRATION BOARD  
2021 BUDGET  
OVERVIEW and DIRECTION***

Child Care Program costs have decreased by \$113,037 from 2020 to 2021. This is predominantly the result of implementing some staffing efficiencies within our directly operated day care programs. Further to this, our parent fee revenue will be impacted by a \$2 increase to our daily child care rates. Any parent fee revenue received helps to reduce our municipal levy.

Social Housing program costs have increased by \$74,830 from 2020 to 2021. This increase is offset by \$75,000 in Investment in Affordable Housing 2014 Extension funding as we take on the direct delivery of the Housing Allowance program. Savings from staffing changes have allowed us to offset inflationary increases to operating costs within the same funding allocation as the prior year.

Community Services program costs, for our Violence Against Women and Homelessness Programs have decreased by \$207,686. These decreased costs result primarily from two items: the removal of the nurse practitioner from the Homelessness budget, and reduced one-time funding in our VAW program budget.

Corporate Services costs from 2020 to 2021 show a small increase of \$18,257. A one-time cost allocation for comprehensive strategic planning in 2021 is offset by reductions to other administration operating costs and an increased allocation of administration costs to operating programs.

Social Assistance Restructuring expenditures have been held at the same level as the prior year. We continue our practice of spending the prior year's allocation in the current year. These funds are used to support those in our communities with the most limited resources and include funding for local food banks, the emergency shelter and energy program, community based supports for children and the Transitional Support (Home for Good) program.

Further to this it should be noted that several items added to the 2020 budget have been removed and are no longer part of our budget: the operating and capital costs for a van in East Parry Sound and two employment interns.

**DISTRICT OF PARRY SOUND SOCIAL SERVICES ADMINISTRATION BOARD**  
**2021 BUDGET**  
**OVERVIEW and DIRECTION**

**OTHER ISSUES and CONCERNS:**

Homelessness and Affordable Housing continue to be recognized as a challenge for municipalities in our District, as well as across the whole Province. Our Housing department continues to work to identify opportunities to address the housing shortage through the Canada-Ontario Affordable Housing Programs. Since 2006, investment in our District under these programs has reached \$10,497,368.

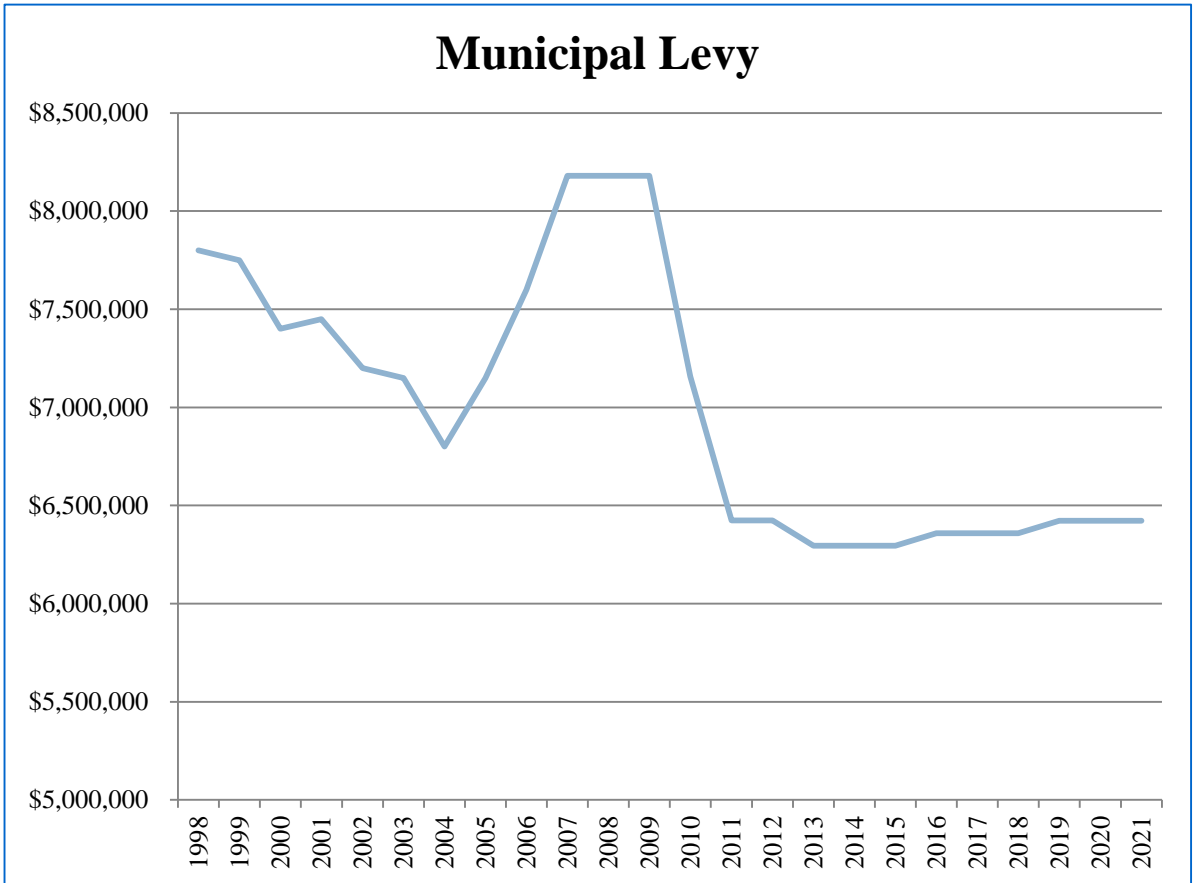
The expiration of operating agreements for our non profit housing providers is an issue of concern. As the operating agreements end, the related federal funding ends. Providers may at that point (if we are in agreement) decide to end their partnership with the DSSAB and convert their housing into market rent units – thereby reducing the social housing stock in the District. On the other hand, there may be opportunities to enter into new agreements to revitalize and expand the social housing stock.

As reported in the past, the Local Housing Corporation buildings were transferred from the Province to the DSSAB without capital reserves. One of our greatest priorities over the years has been to minimize the risk of a potential capital fund deficit for these buildings. Based on our building condition assessments and our capital planning process we have established a consistent funding approach with a yearly contribution of \$800,000 (\$700,000 from the municipal levy and \$100,000 from investment income) to minimize levy variability and formulate funding costs into the future.

**DISTRICT OF PARRY SOUND SOCIAL SERVICES ADMINISTRATION BOARD**  
**2021 BUDGET**  
**SUMMARY OF MUNICIPAL LEVY: OPERATING AND CAPITAL**  
**0.0% CHANGE TO LEVY**

	2019 ACTUAL	2020 BUDGET	2021 BUDGET	% CHANGE IN LEVY
<b>OPERATING FUND</b>				
ONTARIO WORKS	1,186,839	1,217,850	1,184,242	-0.52%
CHILD CARE	485,680	470,100	541,090	1.11%
SOCIAL HOUSING	2,309,993	2,450,000	2,450,000	0.00%
COMMUNITY SERVICES	86,682	345,306	156,940	-2.93%
CORPORATE SERVICES	586,136	651,378	724,635	1.14%
DSSAB MUNICIPAL INITIATIVES	350,000	270,000	270,000	0.00%
<b>MUNICIPAL COST</b>	<b>5,005,330</b>	<b>5,404,634</b>	<b>5,326,907</b>	<b>-1.21%</b>
TRANSFERS TO (FROM) OPERATING RESERVES/CONTINGENCY	316,623	(82,681)	(4,954)	1.21%
<b>MUNICIPAL LEVY FOR OPERATIONS</b>	<b>5,321,953</b>	<b>5,321,953</b>	<b>5,321,953</b>	<b>0.00%</b>
<b>CAPITAL FUND</b>				
DSSAB PROGRAM FACILITIES	400,000	400,000	400,000	0.00%
DSSAB HOUSING FACILITIES	700,000	700,000	700,000	0.00%
<b>MUNICIPAL COST</b>	<b>1,100,000</b>	<b>1,100,000</b>	<b>1,100,000</b>	<b>0.00%</b>
NOT YET ALLOCATED CONTRIBUTION	-	-	-	0.00%
<b>MUNICIPAL LEVY FOR CAPITAL</b>	<b>1,100,000</b>	<b>1,100,000</b>	<b>1,100,000</b>	<b>0.00%</b>
<b>TOTAL MUNICIPAL LEVY</b>	<b>6,421,953</b>	<b>6,421,953</b>	<b>6,421,953</b>	<b>0.00%</b>
<b>INCREASE(DECREASE) TO LEVY</b>		-	-	
<b>PERCENTAGE INCREASE (DECREASE)</b>		0.00%	0.00%	

**DISTRICT OF PARRY SOUND SOCIAL SERVICES ADMINISTRATION BOARD  
2021 BUDGET  
MUNICIPAL LEVY TRENDS**

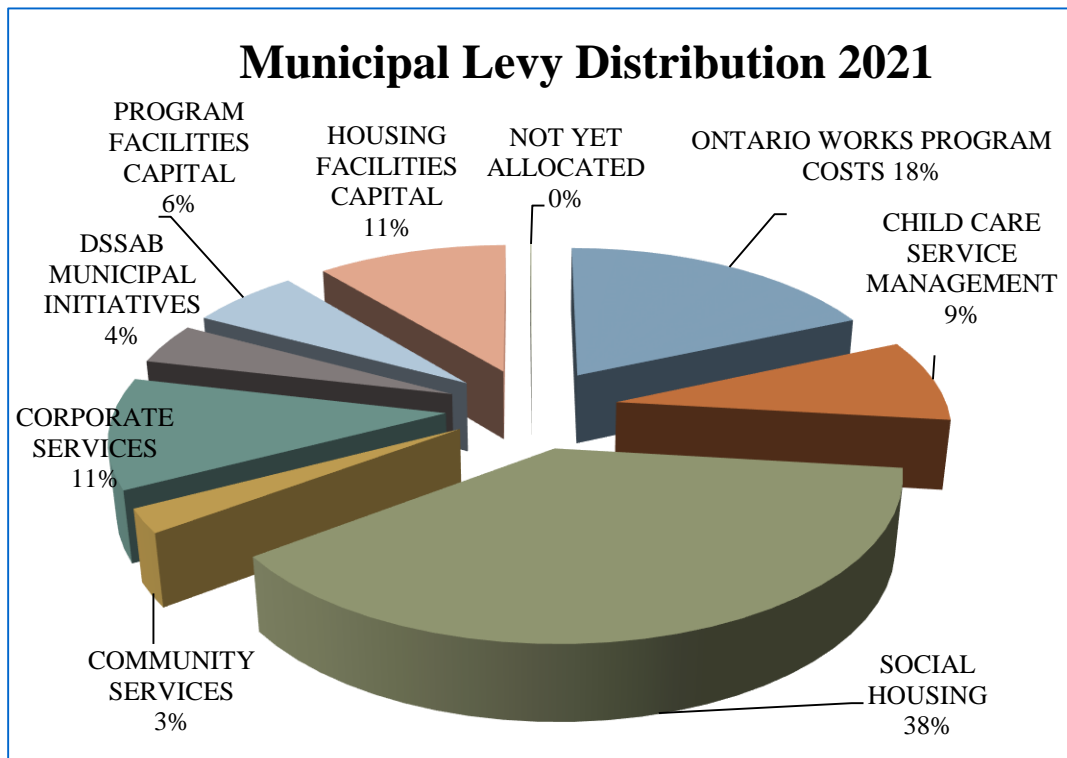
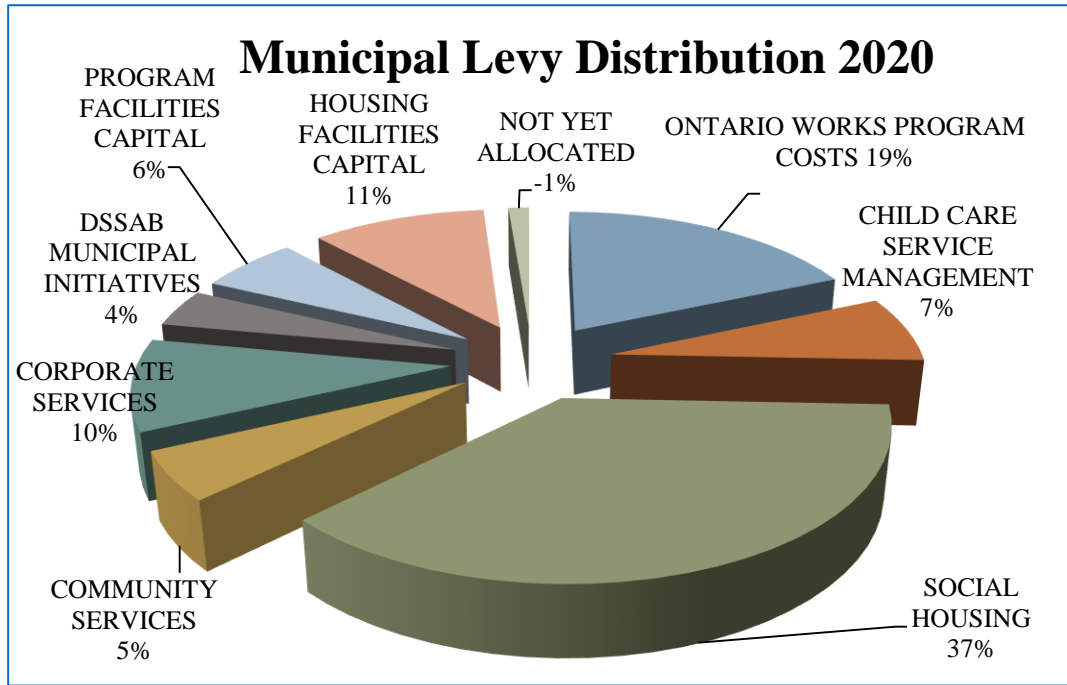


The municipal levy decreased drastically in 2011 when ODSP financial assistance costs were uploaded to the Province. Since then, the levy has hovered between \$6,295,415 and \$6,432,893 – a range of only \$128,478 or 2% of the levy.

**DISTRICT OF PARRY SOUND SOCIAL SERVICES ADMINISTRATION BOARD**  
**2021 BUDGET**  
**MUNICIPAL LEVY**  
**WITH 2020 COMPARISON**

<i>Municipality</i>	<b>2021 Apportionment Percentage</b>	<b>2020 Levy Actual</b>	<b>2021 Levy Actual</b>	<b>Increase (Decrease) to Levy</b>
<i>Armour</i>	2.53%	162,675	162,577	(98)
<i>Burks Falls</i>	0.55%	35,092	35,077	(15)
<i>Callander</i>	3.73%	239,077	239,438	361
<i>Carling</i>	6.89%	442,520	442,691	171
<i>Joly</i>	0.41%	26,228	26,237	9
<i>Kearney</i>	2.52%	162,067	161,645	(422)
<i>Machar</i>	1.75%	112,406	112,135	(271)
<i>Magnetawan</i>	4.72%	303,019	302,958	(61)
<i>McDougall</i>	5.15%	329,707	330,622	915
<i>McKellar</i>	4.45%	286,874	286,030	(844)
<i>McMurrich</i>	1.54%	98,925	99,088	163
<i>Nipissing</i>	2.61%	167,856	167,296	(560)
<i>Parry Sound</i>	4.95%	317,319	318,150	831
<i>Perry</i>	3.20%	205,282	205,573	291
<i>Powassan</i>	2.25%	144,219	144,235	16
<i>Ryerson</i>	1.27%	81,407	81,439	32
<i>Seguin</i>	23.82%	1,524,938	1,529,631	4,693
<i>South River</i>	0.48%	30,023	30,476	453
<i>Strong</i>	1.98%	127,168	127,414	246
<i>Sundridge</i>	0.70%	45,480	45,126	(354)
<i>The Archipelago</i>	14.16%	914,178	909,553	(4,625)
<i>Whitestone</i>	4.08%	262,573	262,259	(314)
	<b>93.74%</b>	<b>6,019,033</b>	<b>6,019,650</b>	<b>617</b>
<i>Unincorporated</i>	6.26%	402,920	402,303	(617)
<b>Total</b>	<b>100%</b>	<b>6,421,953</b>	<b>6,421,953</b>	<b>-</b>

**DISTRICT OF PARRY SOUND SOCIAL SERVICES ADMINISTRATION BOARD  
2021 BUDGET  
MUNICIPAL OPERATING LEVY DISTRIBUTION**

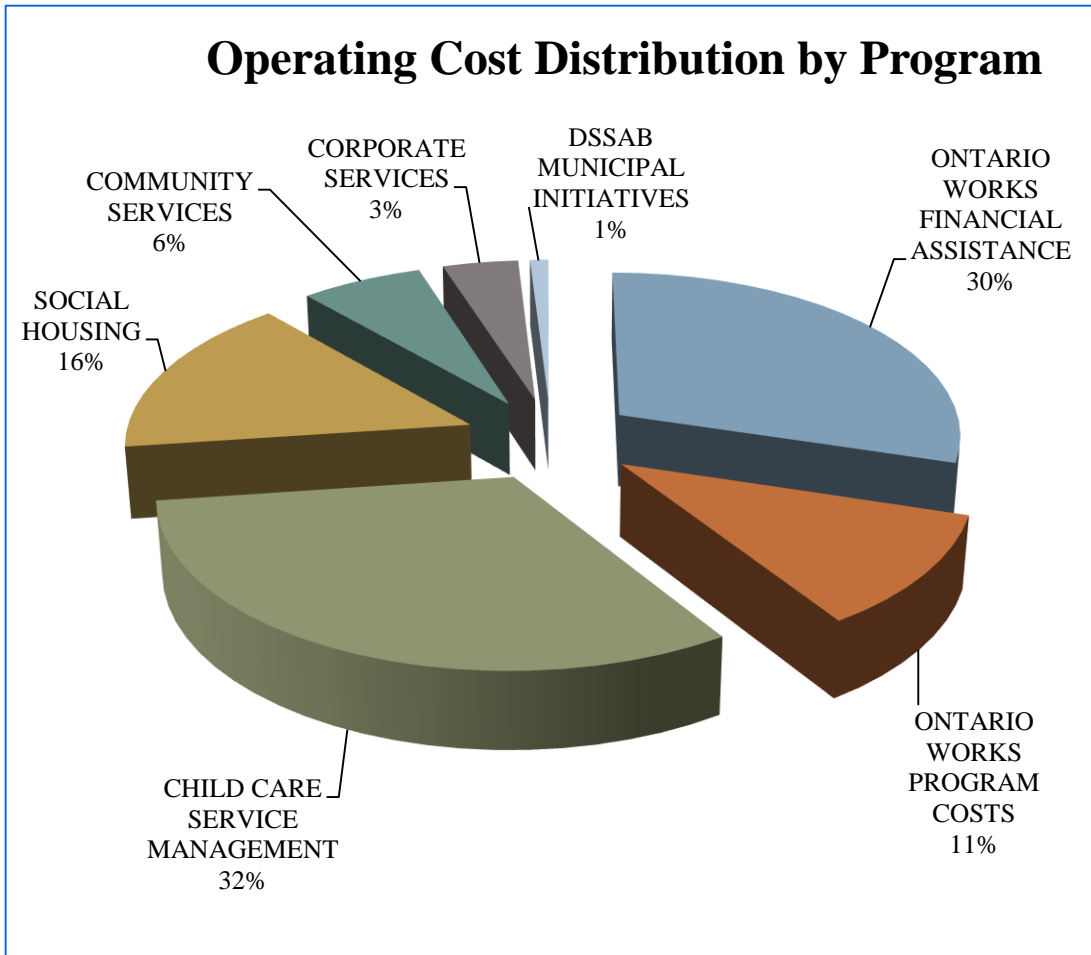




**DISTRICT OF PARRY SOUND SOCIAL SERVICES ADMINISTRATION BOARD**  
**2021 BUDGET**  
**OPERATING BUDGET**  
**TOTAL EXPENDITURES AND FUNDING**

	<b>2020 BUDGET</b>	<b>2021 BUDGET</b>	<b>CHANGE</b>
<b>ONTARIO WORKS</b>			
ONTARIO WORKS FINANCIAL ASSISTANCE	\$8,262,000	\$8,262,000	0
ONTARIO WORKS PROGRAM	<u>3,132,250</u>	<u>3,093,185</u>	<b>-39,065</b>
	<b>11,394,250</b>	<b>11,355,185</b>	<b>-39,065</b>
<b>CHILD CARE SERVICE MANAGEMENT</b>			
CHILD CARE ADMINISTRATION	432,000	400,000	<b>-32,000</b>
CHILD CARE CENTRE OPERATIONS	5,542,775	5,449,438	<b>-93,337</b>
EARLY YEARS	1,052,000	1,052,000	0
INCLUSION SUPPORT SERVICES	587,700	600,000	12,300
INTEGRATED RECEPTION	40,000	40,000	0
NON DSSAB FEE SUBSIDY	470,000	470,000	0
NON DSSAB OPERATING SUBSIDY	390,000	390,000	0
NON DSSAB OPERATING WAGE ENHANCEMENT	100,000	100,000	0
JOURNEY TOGETHER	295,364	295,364	0
PLANNING AND PROJECTS	<u>80,716</u>	<u>80,716</u>	<u>0</u>
	<b>8,990,555</b>	<b>8,877,518</b>	<b>-113,037</b>
<b>SOCIAL HOUSING</b>			
SOCIAL HOUSING ADMINISTRATION	766,112	742,912	<b>-23,200</b>
AFFORDABLE HOUSING PROGRAM COSTS	30,000	29,830	<b>-170</b>
BUILDING OPERATING COSTS	2,533,364	2,556,564	23,200
RENT SUPPLEMENT/HOUSING BENEFIT/HOUSING ALLOWANCE	149,600	224,600	75,000
NON-PROFIT HOUSING COSTS	<u>812,000</u>	<u>812,000</u>	<u>0</u>
	<b>4,291,076</b>	<b>4,365,906</b>	<b>74,830</b>
<b>COMMUNITY SERVICES</b>			
VIOLENCE AGAINST WOMEN PROGRAMS	825,000	805,680	<b>-19,320</b>
HOMELESSNESS PROGRAM	620,066	431,700	<b>-188,366</b>
EMERGENCY HEATING AND SHELTER	396,000	396,000	0
TRANSITIONAL SUPPORT (Home for Good)	61,200	61,200	0
HOMEMAKERS PROGRAM	<u>100,000</u>	<u>100,000</u>	<u>0</u>
	<b>2,002,266</b>	<b>1,794,580</b>	<b>-207,686</b>
<b>CORPORATE SERVICES</b>			
CORPORATE SERVICES	1,032,878	1,051,135	18,257
BOARD	<u>60,000</u>	<u>60,000</u>	<u>0</u>
	<b>1,092,878</b>	<b>1,111,135</b>	<b>18,257</b>
<b>SOCIAL ASSISTANCE RESTRUCTURING FUND</b>	<b>270,000</b>	<b>270,000</b>	<b>0</b>
<b>TOTAL ANNUAL OPERATING EXPENSES</b>	<b>28,041,025</b>	<b>27,774,324</b>	<b>-266,701</b>
<b>LESS FUNDING FROM OTHER SOURCES</b>			
PROVINCIAL FUNDING	19,242,115	19,084,141	<b>-157,974</b>
FEDERAL FUNDING	802,076	802,076	0
SOCIAL ASSISTANCE RESTRUCTURING FUND	121,200	121,200	0
PARENT FEE REVENUE	1,455,000	1,430,000	<b>-25,000</b>
TENANT REVENUE	910,000	910,000	0
INVESTMENT INCOME AND OTHER	<u>106,000</u>	<u>100,000</u>	<b>-6,000</b>
	<b>22,636,391</b>	<b>22,447,417</b>	<b>-188,974</b>
<b>MUNICIPAL FUNDING - OPERATING EXPENSES</b>	<b>\$5,404,634</b>	<b>\$5,326,907</b>	<b>62,048</b>
<b>TRANSFERS TO (FROM) OPERATING RESERVES</b>	<b>(\$82,681)</b>	<b>(\$4,954)</b>	<b>-62,048</b>
<b>MUNICIPAL LEVY FOR OPERATIONS</b>	<b>\$5,321,953</b>	<b>\$5,321,953</b>	<b>0</b>

**DISTRICT OF PARRY SOUND SOCIAL SERVICES ADMINISTRATION BOARD  
2021 BUDGET  
OPERATING COST DISTRIBUTION BY PROGRAM**



Total costs are based on the Total Expenditures and Funding schedule found on page 8.

**DISTRICT OF PARRY SOUND SOCIAL SERVICES ADMINISTRATION BOARD  
2021 BUDGET  
CAPITAL BUDGET AND OPERATING FUNDS OVERVIEW**

**OVERVIEW:**

**General Operating Fund:**

The DSSAB maintains operating funds for cash management purposes. As per the Board Operating Reserve Policy, operating funds of no greater than three months of annual operating expenses will be maintained by the DSSAB. This equates to \$6,848,463 at the end of 2021.

Our projected level of operating funds at December 31, 2021 is \$3,208,242 or 42 days of annual operating expenses. Coupled with our capital reserves, we believe that we have sufficient funds on hand to meet our current short-term operating requirements.

**Program Facilities Capital Fund:**

The DSSAB holds capital funds for program facilities that we own. These include our multi-use building in South River (offices, child care centre and EarlyON site), our office building in Parry Sound, Child Care Centres in Emsdale and Parry Sound, our 6 unit apartment building in Parry Sound and our women's shelter in Parry Sound. In addition we lease space for our child care centre in Powassan from the local school board and from the Sound Community Hub in Parry Sound for our EarlyOn, Integration Support Services and Home Child Care programs.

Two items were added to the budget in 2020 that are currently on hold. The planned renovations to Waubeek Day Care (64 & 66 Waubeek Street) and the workshop/garage at 118 Church Street. As part of the strategic planning process in 2021 we will be determining whether or not either of these items will be needed in the future.

We are making a \$400,000 contribution to the Program Facilities Capital Fund in 2021 to ensure that sufficient capital funds are available to meet our needs.

***DISTRICT OF PARRY SOUND SOCIAL SERVICES ADMINISTRATION BOARD  
2021 BUDGET  
CAPITAL BUDGET OVERVIEW***

**Social Housing Capital Fund:**

The DSSAB also holds capital funds for the 344 housing units owned and operated within our Social Housing programs. These include the Local Housing Corporation housing units as well as the Non Profit Housing program units that we fund, as we are responsible for any of their operating or capital shortfalls.

Our building condition assessments (BCA's), when initially prepared in 2006, indicated that our Social Housing capital fund would be fully depleted over a period of 5-10 years, and that we would need to contribute \$13,249,903 to the fund in order to maintain these buildings to December 31, 2025. This infrastructure deficit is the DSSAB's most significant financial exposure and is the result of the Provincial transfer of ownership of the Ontario Housing Stock to the Municipalities in 2000 with \$0 capital.

We updated the BCA's in 2018 and have revised the schedules to include an additional 10 years – to December 31, 2035.

Per a review of the anticipated levels of spending recommended by the building condition assessments we require an \$800,000 contribution yearly in order to maintain these reserves at needed levels into the future. In light of the investment income that we are earning on these reserves, we have been making municipal contributions to these reserves of \$700,000 (offset by the additional investment income of \$100,000 each year).

Accordingly, Social Housing Capital Fund contributions will continue at the same level in 2021 (i.e. \$700,000 per year).

**DISTRICT OF PARRY SOUND SOCIAL SERVICES ADMINISTRATION BOARD**  
**2021 BUDGET**  
**SCHEDULE OF CHANGES IN CAPITAL & OPERATING FUNDS**

	<b>GENERAL OPERATING FUND</b>	<b>PROGRAM FACILITIES CAPITAL FUND</b>	<b>SOCIAL HOUSING CAPITAL FUND</b>	<b>TOTAL</b>
<b>Balance, December 31, 2018</b>	<b>\$2,812,467</b>	<b>\$1,886,466</b>	<b>\$7,729,144</b>	<b>\$12,428,077</b>
Contribution: 2019 Municipal Levy		400,000	700,000	1,100,000
Contribution: 2019 Surplus/Adjustments	483,410	-	-	483,410
Contribution: Interest Earned		91,585	388,309	479,894
Capital Expenditures in 2019		(279,112)	(1,109,032)	(1,388,144)
One-time Funding		236,300		236,300
Non Profit Capital Expenditures in 2019	-	-	(1,341)	(1,341)
<b>Balance, December 31, 2019</b>	<b>\$3,295,877</b>	<b>\$2,335,239</b>	<b>\$7,707,080</b>	<b>\$13,338,196</b>
Contribution: 2020 Municipal Levy		400,000	700,000	1,100,000
Contribution: 2020 Surplus/Adjustments	(82,681)	-	-	(82,681)
Contribution: Interest Earned		20,000	100,000	120,000
Capital Expenditures in 2020		(60,000)	(875,414)	(935,414)
Non Profit Capital Expenditures in 2020		-	(200,000)	(200,000)
<b>Projected Balance, December 31, 2020</b>	<b>\$3,213,196</b>	<b>\$2,695,239</b>	<b>\$7,431,666</b>	<b>\$13,340,101</b>
Contribution: 2021 Municipal Levy		400,000	700,000	1,100,000
Contribution: 2021 Surplus/Adjustments	(4,954)	-	-	(4,954)
Contribution: Interest Earned		20,000	100,000	120,000
Capital Expenditures in 2021		(1,888,000)	(1,390,900)	(3,278,900)
Non Profit Capital Expenditures in 2021		-	(300,000)	(300,000)
<b>Projected Balance, December 31, 2021</b>	<b>\$3,208,242</b>	<b>\$1,227,239</b>	<b>\$6,540,766</b>	<b>\$10,976,247</b>
Daily operating cash flow requirements	\$ 76,094			
# Days operating funds on hand	42			
Maximum allowable operating fund	\$ 6,848,463			