

District of Nipissing
Social Services
Administration Board



Conseil d'administration
des services sociaux
du district de Nipissing

The District of Nipissing Social Services Administration Board

FA12-21 2022 Proposed Budget

December 15th, 2021 Board Meeting

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1. Purpose

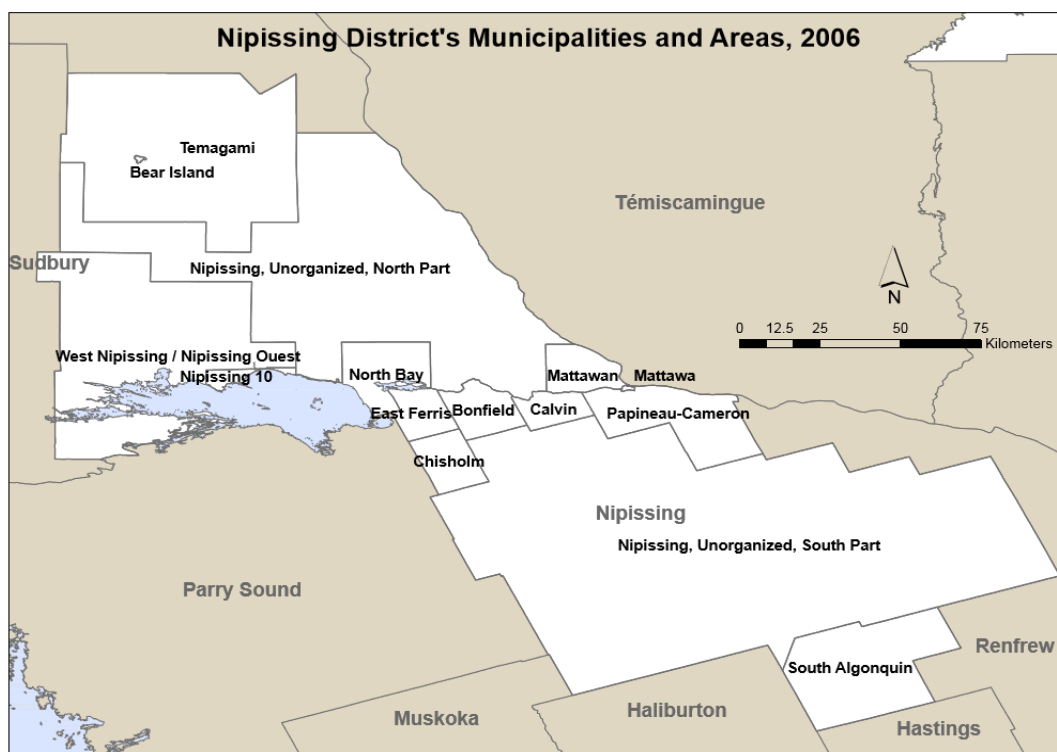
The District of Nipissing Social Services Administration Board (DNSSAB) 2022 proposed budget has been developed with an emphasis on stable financial planning and maximizing service delivery. This is a prudent financial plan, which promotes continued excellence in client service with a continued desire to find efficiencies in service delivery and program planning.

2. Background

The DNSSAB administers and delivers provincially mandated services on behalf of the citizens of the District of Nipissing in an equitable and cost-effective manner. These services include delivery of Ontario Works (OW) programs and administration and service system management for Paramedic Services, Child Care and EarlyON programs and Social Housing and Homelessness programs.

The DNSSAB's service area includes:

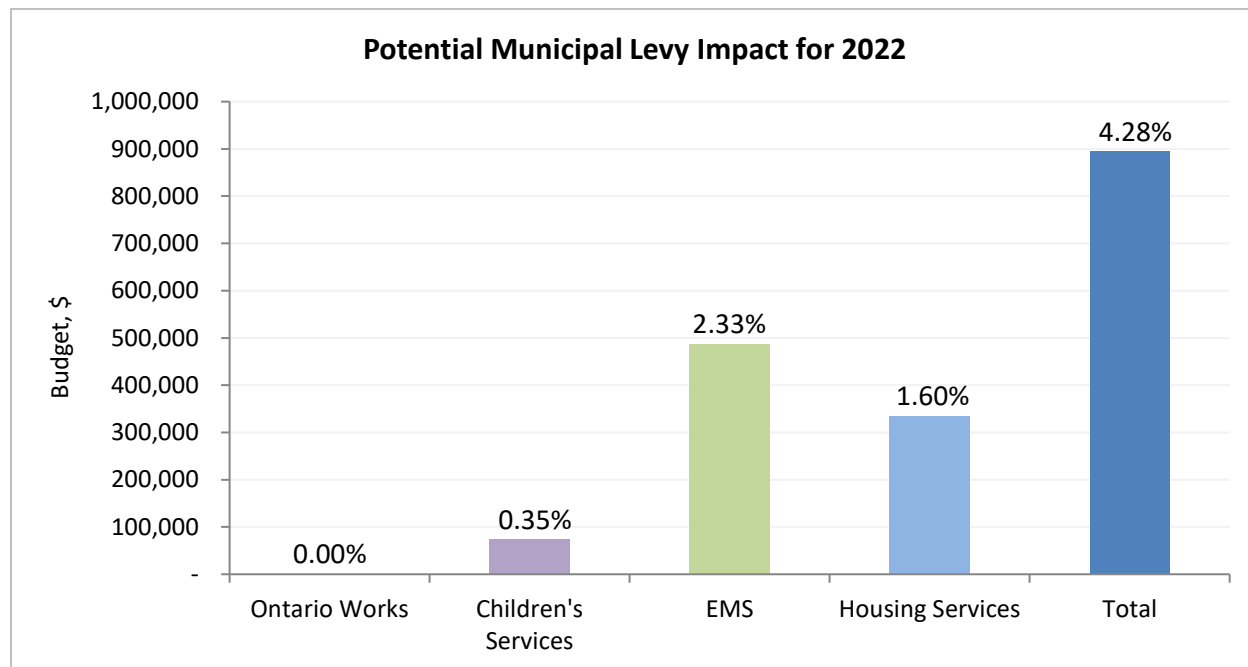
- The City of North Bay
- Municipality of West Nipissing
- Municipality of East Ferris
- Municipality of Temagami
- Township of South Algonquin
- Township of Bonfield
- Municipality of Calvin
- Township of Papineau-Cameron
- Town of Mattawa
- Township of Chisholm
- Township of Mattawan
- Territories without municipal organization (TWOMO)
- Nipissing and Temagami First Nations





2.1 Cost Pressures

In September, the 2022 Budget Issues Report was presented to the Board and it detailed the impacts of the provincial funding changes and other budget pressures. Within the Budget Issues Report, a potential municipal levy increase of approximately 4.28% was presented per the chart below.



In addition to the provincial funding changes, the DNSSAB continues to have other budget pressures, which include the following:

- Service level changes such as the Gateway House transitional housing and bringing Paramedic Services in-house.
- Inflationary increase to most goods and services. Ontario's inflation rate is expected to be 2.6% for 2022.¹
- Payroll increases.
 - Collective bargaining increases. Annual payroll increases are typically in the range of 2.5% to 3% when combining the annual cost of living increase rate of 1.5% with step movements within the salary scales.
- Pandemic related costs such as additional cleaning, personal protective equipment (PPE), and new technology solutions to support remote work arrangements.

Specific departmental cost pressures and provincial funding changes will be examined further in each respective department section.

¹ 2021 Ontario Economic Outlook and Fiscal Review, p.95
<https://budget.ontario.ca/2021/fallstatement/pdf/2021-fall-statement-en.pdf>



3. Report

3.1 Budget Overview

The 2022 proposed budget presents a municipal levy increase of \$802,620 (3.84%) with an overall increase in the budget of \$5,545,479 from \$76,529,102 in 2021 to \$82,074,581 in 2022.

DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD 2022 BUDGET SUMMARY

	2021 Forecast to Year End	2021 Budget	2022 Budget	Increase (Decrease)	2021 Municipal Share of Budget	2022 Municipal Share of Budget	Increase (Decrease)	%							
Employment and Social Services	14,604,973	19,454,625	19,671,456	216,831	267,444	249,064	(18,380)	(6.87%)							
Housing Services	20,549,797	18,390,109	21,026,148	2,636,039	8,315,291	8,674,039	358,748	4.31%							
Children's Services	14,118,598	15,338,279	16,142,477	804,198	1,493,189	1,493,189	-	0.00%							
Paramedic Services	11,655,168	11,603,004	12,155,392	552,388	5,893,104	6,149,040	255,936	4.34%							
Community Paramedicine	1,011,454	-	999,963	999,963	-	-	-	0.00%							
Program Delivery & Corporate Services	10,946,772	11,423,085	11,759,145	336,060	4,619,028	4,825,344	206,316	4.47%							
Healthy Communities Fund	300,000	300,000	300,000	-	300,000	300,000	-	0.00%							
Gateway Hub	-	20,000	20,000	-	20,000	20,000	-	0.00%							
Total	73,186,762	76,529,102	82,074,581	5,545,479	20,908,056	21,710,676	802,620								
<table><tr><td colspan="3">% Increase (Decrease)</td><td>7.25%</td><td colspan="2">% Increase</td><td>3.84%</td></tr></table>									% Increase (Decrease)			7.25%	% Increase		3.84%
% Increase (Decrease)			7.25%	% Increase		3.84%									
2022 Provincial/Federal Share	56,232,767		68.51%												
2022 Municipal Share	21,710,676		26.45%												
2022 Repayments & Other Income	3,131,175		3.82%												
2021 Apportionment	20,908,056		27.32%												

The budget maintains services at the 2021 level with the addition of service enhancements that the Board approved in 2021. Here are some highlights of the significant changes from the 2021 budget:

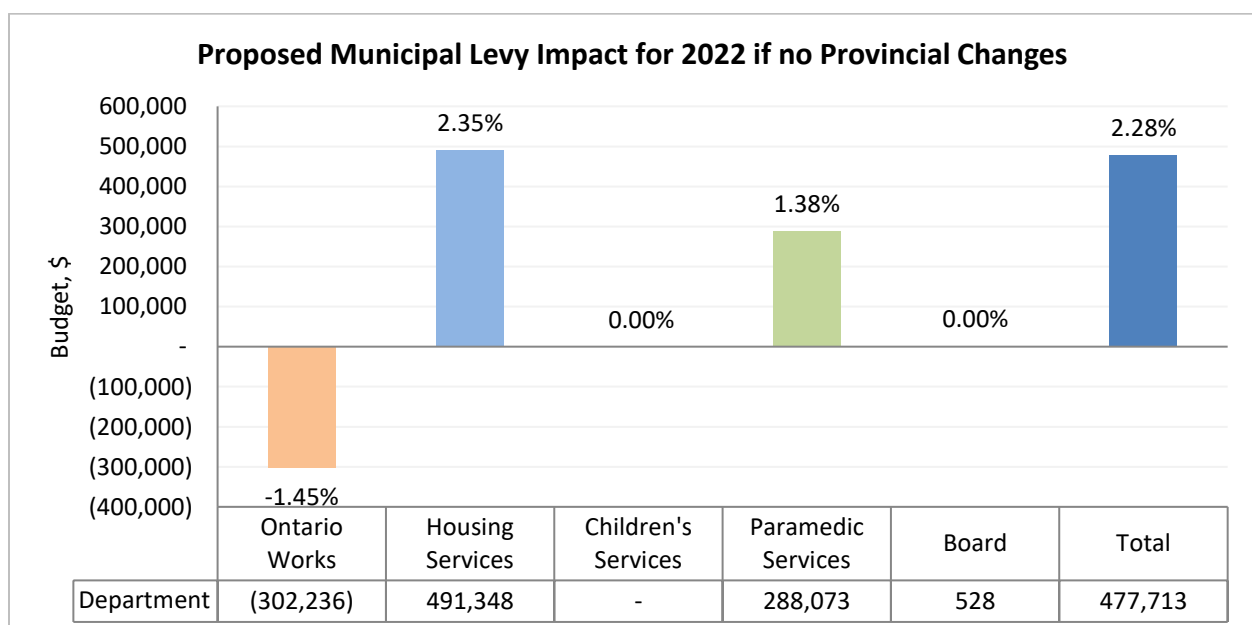
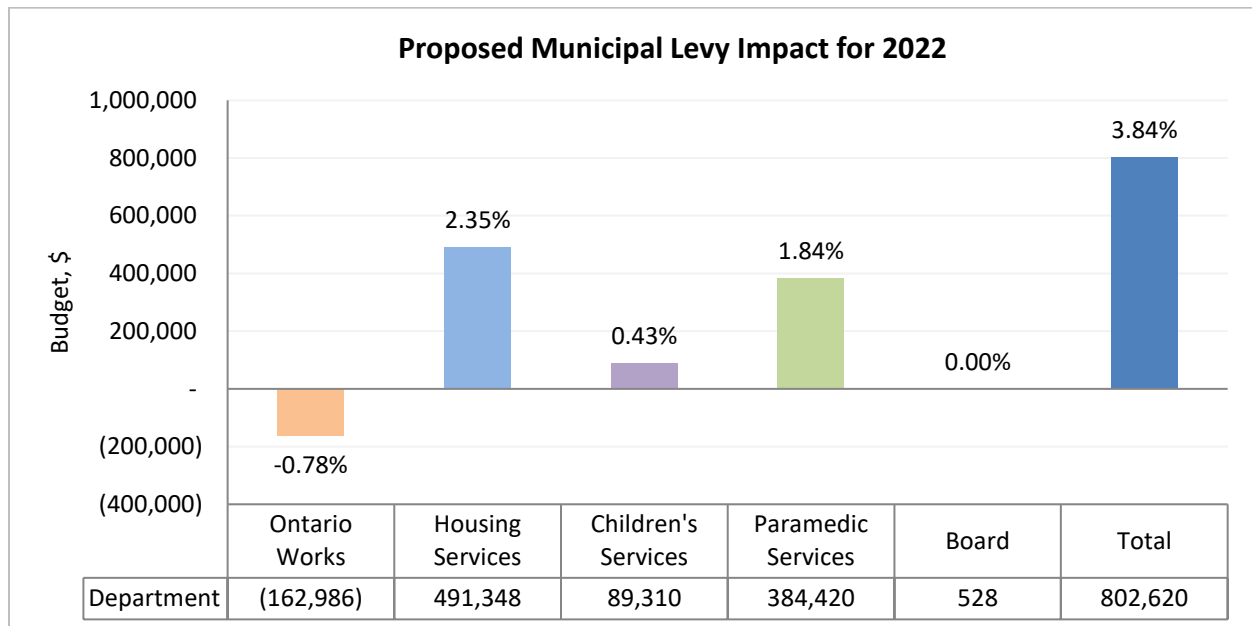
- Expansion of Gateway House and approval of bringing Paramedic Services in-house.
- 100% provincial/federal funding for Community Paramedicine and other programs.
- Increase in Children's Services levy due to cost sharing formula changes.
- Savings in Ontario Works (OW) program delivery and employment related expenses.

Additional details will be reviewed in further detail throughout the report.



3.2 Overall Impact of Provincial Funding Changes

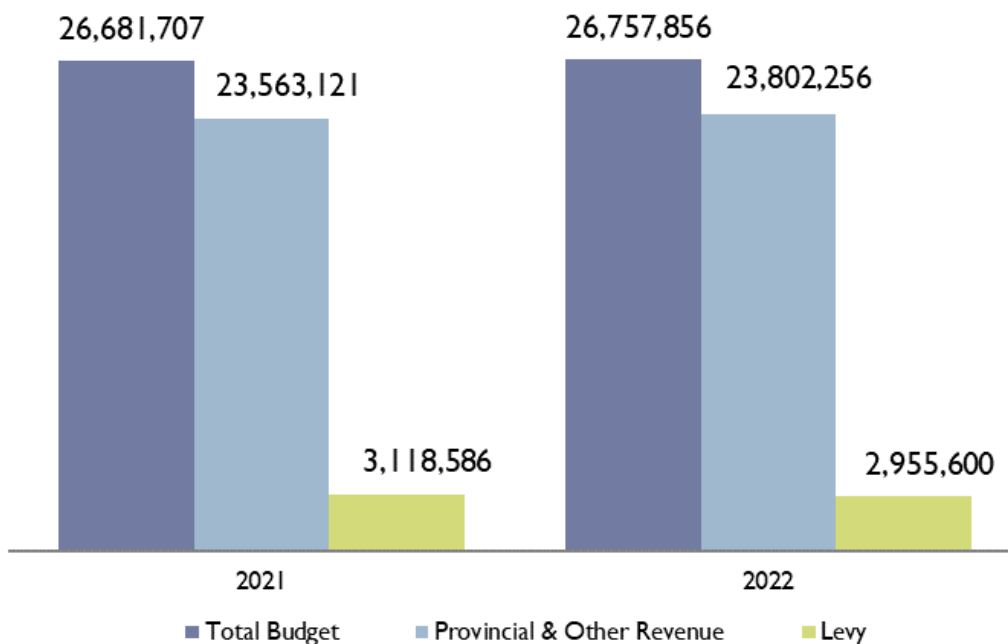
The following two charts demonstrate the impact of provincial funding changes on the municipal levy. Although the funding changes were first announced in 2019, the province has phased in some of the changes over several years. Some of these funding changes will have an ongoing negative impact on the levy. The first chart shows the current budget levy impact per department including the impact of the provincial funding changes. The second chart indicates the increase to the municipal levy had there been no provincial funding changes. Based on these estimates, the provincial funding changes are resulting in an additional municipal levy increase of approximately \$324,907 or 1.56%.





3.3 Employment and Social Services (Ontario Works)

Employment and Social Services Budget by Source of Funds



Employment and Social Services Total Budget by Program and Municipal Share 2021 and 2022

Employment and Social Services	2021 Forecast to YE	2021 Budget	2022 Budget	Increase (Decrease)	2021 Municipal Share	2022 Municipal Share	Increase (Decrease)	%
OW Financial Assistance	\$13,251,477	\$17,391,121	\$17,620,256	\$ 229,135	\$ -	\$ -	\$ -	0.00%
Discretionary Benefits	690,181	835,000	835,000	-	-	-	-	0.00%
Mandatory Benefits	335,982	575,000	575,000	-	-	-	-	0.00%
Funerals - Type B	95,812	115,000	120,000	5,000	55,000	50,000	(5,000)	-9.09%
Employment Assistance	231,521	538,504	521,200	(17,304)	212,444	199,064	(13,380)	-6.30%
Program Delivery	6,913,829	7,227,082	7,086,400	(140,682)	2,851,142	2,706,536	(144,606)	-5.07%
Total	\$21,518,802	\$26,681,707	\$26,757,856	\$ 76,149	\$ 3,118,586	\$ 2,955,600	\$ (162,986)	-5.23%

- In 2022, the Ontario Works budget has increased year over year by \$76,149 or 0.29% with a \$162,986 decrease in the municipal share.



3.3.1 OW Provincial Funding Impact

- On August 12, 2021, the Ministry of Children, Community and Social Services (MCCSS) announced that the 2022 Ontario Works program delivery and employment funding allocations will be maintained at the 2021 levels. This is to maintain stability while the ministry and municipalities work together to develop a new funding approach to reflect the broader social assistance system transformation (i.e. employment services transformation, centralized intake, etc.).
- This will now be the fourth year (2019, 2020, 2021 and 2022) that funding has been frozen at 2018's actual expenditures.
- The freezing of provincial funding shifts the inflationary budget pressure solely on to the municipalities. Costs of inflation were previously cost shared 50/50 with the Province before funding was frozen in 2019.
- The estimated impact of the funding freeze on the municipal levy for 2022 is estimated at \$139,250 or 0.67%.

3.3.2 OW Programs

- OW financial assistance and mandatory benefits have been 100% funded by the Province since 2018. Discretionary benefits are also provincially funded, but are capped at \$10 per average caseload with any costs exceeding the cap being 100% municipally funded.
- Type B municipal funerals/burials for non-social assistance recipients are 100% municipally funded (not mandated by the DSSAB Act).
- In 2022, the only costs that remain cost shared are program delivery and employment services.
- OW financial benefits costs are expected to increase in 2022 from budgeted expenditures for 2021 by \$229,135 or 1.32%. Federal benefits such as the Canada Recovery Benefit (CRB) have helped to lower the caseload and cost per case in 2021. With the expiration of the CRB on October 23, 2021, the OW caseload is expected to return to pre-pandemic levels. As mentioned previously, these costs are fully uploaded to the Province and therefore have no impact on the municipal levy.



- The average monthly caseload in 2022 is expected to be 2,085, which represents a 0.05% increase from the budgeted average monthly caseload of 2,074 for 2021.² The 2021 year-to-date (YTD) actual average monthly caseload was 1,610 as of October 31, 2021.
- The annual average cost per case in 2022 is budgeted to be \$704.27 compared to \$698.56, the annual average budgeted in 2021.
- Mandatory benefits are budgeted at the same level as 2021. 2021 YTD costs have been significantly lower than budgeted, however as mentioned previously, with the expiration of federal financial assistance programs, OW benefits are expected to return to pre-pandemic levels.
- Discretionary benefits are budgeted based on the estimated provincial funding cap of \$10 per average caseload.
- In the 2022 budget, employment assistance expenditures are decreasing \$17,304 (3.21%). Due to the pandemic, employment opportunities were limited in 2021 and these programs required minimal spending. These programs now have unspent balances carried forward from 2021 to support their 2022 operations.

3.3.3 OW Program Delivery

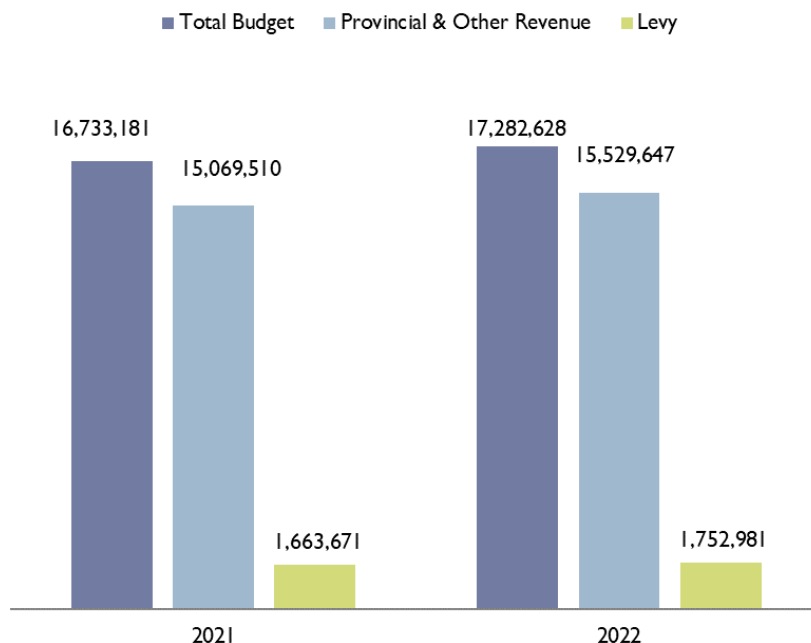
- The \$140,682 decrease in program delivery costs is primarily due to one-time costs to implement Electronic Document Management (EDM) per MCCSS direction that were included in the 2021 budget. Only the ongoing EDM costs are included in the 2022 budget, not the one-time implementation costs that were incurred in 2021.

² These estimates are based on data available as of October 31, 2021 and are subject to change based on various factors such as legislation, emerging trends, labour market changes, etc.



3.4 Children's Services

Children's Services Budget by Source of Funds



Children's Services Total Budget by Program and Municipal Share 2021 and 2022

Children's Services Programs	2021 Forecast to YE	2021 Budget	2022 Budget	Increase (Decrease)	2021 Municipal Share	2022 Municipal Share	Increase (Decrease)	%
Fee Subsidy	\$ 3,996,410	\$ 5,621,476	\$ 5,204,284	\$ (417,192)	\$ 1,493,189	\$ 1,493,189	\$ -	0.00%
Fee Subsidy - OW Formal	766,830	1,654,554	1,595,472	(59,082)	-	-	-	0.00%
Fee Subsidy - OW Informal	1,600	25,000	25,000	-	-	-	-	0.00%
Fee Subsidy - School Age Recreation	-	58,000	60,000	2,000	-	-	-	0.00%
Special Needs	988,304	988,304	988,304	-	-	-	-	0.00%
General Operating	3,485,038	2,095,556	2,335,604	240,048	-	-	-	0.00%
Pay Equity	171,122	171,122	171,122	-	-	-	-	0.00%
Wage Enhancement	1,017,467	1,444,375	1,444,375	-	-	-	-	0.00%
Repair and Maintenance	35,000	35,000	75,000	40,000	-	-	-	0.00%
Play-Based Material & Equipment	500,000	-	175,000	175,000	-	-	-	0.00%
Capital Retrofits	-	-	-	-	-	-	-	0.00%
Capacity Building	129,644	164,798	170,612	5,814	-	-	-	0.00%
Transformation	-	-	275,000	275,000	-	-	-	0.00%
Indigenous Led - Childcare	541,978	541,978	541,978	-	-	-	-	0.00%
Indigenous Led - EarlyON	428,727	428,727	428,727	-	-	-	-	0.00%
EarlyON Programs	1,777,699	1,862,824	1,862,825	1	-	-	-	0.00%
Safe Restart Funding	278,779	246,565	-	(246,565)	-	-	-	0.00%
Child Care and Early Years Workforce	-	-	789,174	789,174	-	-	-	0.00%
Program Delivery	1,145,206	1,394,902	1,140,151	(254,751)	170,482	259,792	89,310	52.39%
Total	\$15,263,804	\$16,733,181	\$17,282,628	\$ 549,447	\$ 1,663,671	\$ 1,752,981	\$ 89,310	5.37%

- In 2022, the Children's Services budget has increased year over year by \$549,447 or 3.60%. This is due to the 100% federal/provincial Child Care and Early Years Workforce Funding to support the retention and recruitment of a high-quality child care and early years workforce.



3.4.1 Children's Services Provincial Funding Impact

The Ministry of Education (EDU) has announced the following funding changes over the three-year period of 2020 to 2022:

- On January 1, 2020, Consolidated Municipal Service Managers (CMSMs) and District Social Services Administration Boards (DSSABs) were asked to cost-share Expansion Plan operating funding at a rate of 80/20 provincial/municipal.
- On January 1, 2021, CMSMs/DSSABs were asked to continue cost-sharing Expansion Plan operating funding at a rate of 80/20 and are required to cost share most administrative funding at a rate of 50/50; and
- On January 1, 2022, the threshold for allowable administrative funding that CMSMs/DSSABs can spend on child care will be reduced from 10% to 5% in addition to the ongoing cost sharing requirements previously introduced.

DNSSAB has not received the 2022 Children's Services funding agreement at this time and therefore the budgeted figures are estimates based on the 2021 funding allocations.

In regards to the announced changes above, the 2022 increase to the municipal levy is estimated at \$89,310 (0.43%).

The Ontario government is continuing to negotiate with the Federal government regarding the National Early Learning and Child Care Plan. Nine other provinces and territories have already signed on to this deal that would reduce child care fees by half in 2022 and work towards \$10/day fees by 2026. When/if this program moves forward in Ontario, it is expected to be 100% federally/provincially funded and therefore should not affect the levy.



3.4.2 Children's Services Programs

- The two major changes to the Children's Services programs in 2022 are the Safe Restart Funding and the Child Care and Early Years Workforce Funding. Safe Restart Funding was one-time pandemic related funding received in 2020 to support the reopening of licensed child care and EarlyON centres. The Child Care and Early Years Workforce Funding will be provided in 2022 and 2023 to support the retention and recruitment of a high-quality child care and early years workforce.
- The demand for fee subsidy is expected to be lower than pre-pandemic levels for at least the beginning of 2022. Due to the pandemic, many families are choosing to not utilize child care services or do not have access to licensed child care at this time. The biggest challenge that the sector is facing is a lack of staff. This was a significant issue prior to COVID-19 and has only worsened since the pandemic began with agencies operating between 48% and 100% of their licensed capacity. In many instances, the lack of staffing continues to cause reduced program capacity or classroom closures.
- Based on historical expenditures, a portion of the fee subsidy budget has been reallocated to further support sustainable and quality licensed child care centres through other programs such as general operating grants and funding for repairs, play-based materials, and transformation.
- The municipal levy allocation is the estimated minimum cost share requirement based on the 2021 transfer payment agreement. The DNSSAB has not received the 2022 transfer payment agreement at the time of preparing this report.

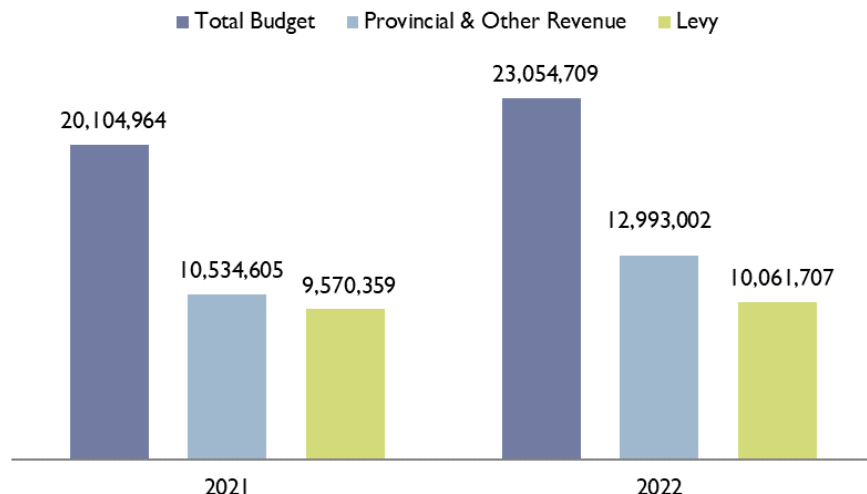
3.4.3 Children's Services Program Delivery

- Similar to Children's Services programs, the amounts allocated to program delivery are set out within the 2021 transfer payment agreement with the EDU and adjusted for the previously announced funding changes for 2022.



3.5 Housing Services

Housing Services Budget by Source of Funds



Housing Services Total Budget by Program and Municipal Share 2021 and 2022

Housing Services	2021 Forecast to YE	2021 Budget	2022 Budget	Increase (Decrease)	2021 Municipal Share	2022 Municipal Share	Increase (Decrease)	%
Provincially Reformed non-profit	\$ 5,856,835	\$ 5,804,220	\$ 6,021,660	\$ 217,440	\$ 4,424,982	\$ 4,642,422	\$ 217,440	4.91%
Municipal non-profit	114,271	316,600	-	(316,600)	187,110	-	(187,110)	-100.00%
Federal non-profit	81,031	75,674	-	(75,674)	34,409	-	(34,409)	-100.00%
Urban Native	955,640	1,020,537	883,450	(137,087)	-	5,525	5,525	0.00%
Nipissing District Housing Corp	3,023,897	3,023,897	3,043,613	19,716	2,402,598	2,610,756	208,158	8.66%
Commercial Rent Supplement	489,832	537,540	623,700	86,160	404,666	490,826	86,160	21.29%
Portable Housing Benefit	27,470	60,000	63,750	3,750	60,000	63,750	3,750	6.25%
Strong Communities Rent Supp	281,536	327,972	342,672	14,700	-	-	-	0.00%
Northern Remote - Build	120,482	127,872	114,288	(13,584)	127,872	114,288	(13,584)	-10.62%
CHPI	7,381,779	4,623,079	4,661,530	38,451	-	-	-	0.00%
Reaching Home	844,494	154,252	674,056	519,804	-	-	-	0.00%
Community Capacity and Innovation	107,338	52,003	49,134	(2,869)	-	-	-	0.00%
IAH	145,343	211,812	-	(211,812)	-	-	-	0.00%
SIF	90,377	196,128	78,000	(118,128)	-	-	-	0.00%
COCHI	650,194	652,020	1,033,330	381,310	-	-	-	0.00%
OPHI	237,252	532,849	549,493	16,644	-	-	-	0.00%
Gateway House Phase 1	142,026	673,654	462,348	(211,306)	673,654	462,348	(211,306)	-31.37%
Gateway House Phase 2	-	-	284,124	284,124	-	284,124	284,124	0.00%
Gateway House Phase 3	-	-	2,000,000	2,000,000	-	-	-	0.00%
Revolving Loan Fund	-	-	141,000	141,000	-	-	-	0.00%
Affordable Housing Reserve	-	-	-	-	-	-	-	0.00%
Program Delivery	1,857,858	1,714,855	2,028,561	313,706	1,255,068	1,387,668	132,600	10.57%
Total	\$22,407,655	\$20,104,964	\$23,054,709	\$ 2,665,621	\$ 9,570,359	\$10,061,707	\$ 491,348	5.13%

- In 2022, the Housing Services budget has increased year over year by \$2,665,621 or 13.26%. This is primarily due to the last phase (phase 4) of COVID-19 related Social Service Relief Funding (SSRF)(funded through CHPI), an increase to the federally funded Reaching Home allocation as a result of the pandemic, and new transitional housing development (Gateway House Phase III).



3.5.1 Housing Services Programs

- Provincial and federal funding for social housing will see a year over year reduction of \$501,809 or 15.26%. This is a direct result of four social housing projects reaching the end of their operating agreements throughout 2021. COCHI funding is being utilized where available in order to help transition expired projects to a more sustainable operational model and mitigate municipal levy increases.
- Funding for social housing programs is generally determined by adjusting previous year expenses by provincially legislated cost indices. There is base federal/provincial funding that is tied to operating agreements, but the municipal levy funds the difference between the expenses and federal/provincial funding. The provincial/federal funding does not change year over year (except decreasing with the expiration of operating agreements), therefore the proportion of municipal funding required to support social housing providers gradually increases over time. The percentage of municipal levy funding for social housing has increased from 69.22% in 2021 to 73.27% in 2022.
- Budgeted subsidies to social housing providers through the Provincially Reformed Non-Profit program increased \$217,440 (3.7%) due to significant increases to provincially legislated cost indices.
- End of operating agreements for several projects has resulted in decreased social housing subsidies under other programs including Municipal Non-Profit, Federal Non-Profit, Urban Native, and Northern Remote.
- Subsidy requirements for Nipissing District Housing Corporation's (NDHC) Phase III have increased by \$19,716. Despite the small increase in costs, the municipal levy share for this program has increased by \$208,158 due to a decrease of \$188,442 in provincial/federal funding for 2022.
- Legislation outlines the DNSSAB's service level standards (SLS) which details the specific number of Rent Geared-to-Income (RGI) units that are required to be funded. DNSSAB is currently not meeting this obligation and are short approximately 247 RGI housing units. The SLS Action Plan sees the DNSSAB making gradual investments over a 10 year period to address the SLS shortfall. This is the reasoning for the increase to the Commercial Rent Supplement and Portable Housing Benefit budgets. Both of these programs provide rent subsidies to clients, which count towards the SLS. Increases to rent subsidies are funded through the municipal levy.



- Base annual CHPI funding is \$1,771,340, however, the CHPI budget remains significantly higher than the base funding at \$4,661,530 in 2022 due to the last phase of SSRF funding (phase 4). SSRF Phase 4 operating funding is required to be spent by March 31, 2022 and capital funding by March 31, 2023. The base CHPI funding remains the same as the 2021 allocation. The SSRF 4 funding will be used to fund the low barrier emergency shelter, overflow, construction of additional transitional housing units and day programming during the winter months throughout 2022.
- The Reaching Home and Community Capacity and Innovation programs are 100% federally funded for homelessness initiatives. The 2021 federal budget proposed to maintain the 2021-22 Reaching Home funding levels for an additional two years. DNSSAB received an additional Reaching Home allocation of \$603,702 for 2021-22 in response to COVID-19. It is expected that the DNSSAB will receive this additional allocation through 2022-23, however details are still pending.
- The Ontario Priorities Housing Initiative (OPHI) and Canada-Ontario Community Housing Initiative (COCHI) are fully funded by the provincial and federal governments to address local housing priorities that include affordability, repair and new construction.
- In 2020, the Board approved the construction and operation of 36 transitional housing units, naming the project the Gateway House. DNSSAB received a total of \$3,313,250 (\$1,200,000 for initial 16 units (Phase 1) and \$2,113,250 for additional 20 units (Phase 2) in capital funding for this project; however, there is no provincial or federal operating funding. DNSSAB has reallocated \$250,000 from the provincially funded CHPI program and there will also be tenant rental income to help offset some of the Gateway House costs. The remaining budget is funded through the municipal levy.
- In October 2021, the Board approved the construction of an additional 24 transitional housing units (Gateway House Phase 3) to be completed by March 31, 2023, using a combination of SSRF 4 funding and reserves. The final cost of construction has not been determined at this time, so the budget is including the usage of up to \$2 million in reserves.

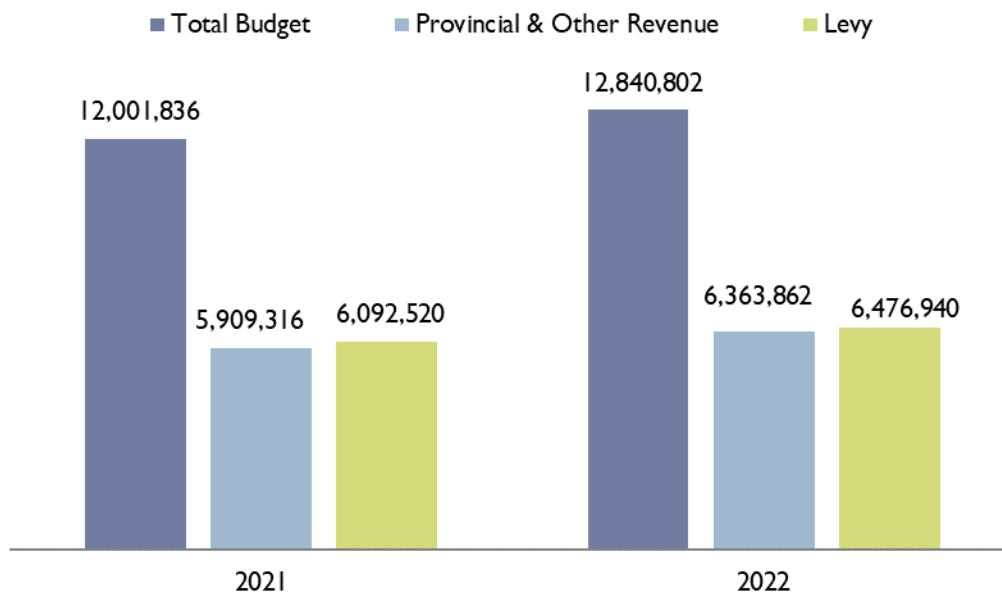
3.5.2 Housing Services Program Delivery

- The Housing Services program delivery budget has increased year over year by \$313,706 or 18.29%. This is primarily due to increases in 100% provincial/federal pandemic related funding. Another factor is an increase in the central administrative allocation. The Housing department was previously located at the Main Street office and therefore was not charged City Hall accommodation related expenses. With the sale of the Main Street office in 2021, Housing is now located in City Hall and is charged a proportional share of City Hall related costs.



3.6 Paramedic Services

Paramedic Services Program Budget by Source of Funds



3.6.1 Paramedic Services Provincial Funding Impact

In previous years, the Ministry of Health (MOH) has confirmed that the Land Ambulance Service Grant would be increasing year over year; however, there has been no confirmation of an increase to funding for 2022 as of the time of preparing this report. Despite the lack of an announcement on increased funding, given the fact that the pandemic is ongoing and that 2022 will be a provincial election year, it is anticipated that the funding formula will remain the same for 2022 as it was for 2021, 2020, and 2019. In 2019, the funding formula stayed the same as previous years with the exception of the incremental increase which was eliminated.

The method in which the Land Ambulance Service Grant (LASG) is calculated (in a simplified way) is that the DNSSAB receives 50% of its previous year's approved budget plus a 100% portion to cover territories without municipal organization (TWOMO) and First Nations funding. Therefore, the 2022 50/50 provincial funding will be based on the 2021 budget as opposed to the 2022 budget. The issue with this is that the provincial funding is then a year behind on budget increases from call volume changes, service enhancements and inflationary increases. The MOH had previously addressed this timing difference by including an incremental (inflationary) increase to the previous year budget. In 2018, this incremental increase was 1.7%. If DNSSAB received a 1.7% incremental increase in 2022, this would result in estimated additional funding of \$96,347.



3.6.2 Paramedic Services Program

Paramedic Services Proposed Budget for 2022					
	Forecast to YE	Budget 2021	Budget 2022	Variance in Budgets	% Change
Revenues:					
Municipal levy	\$ 6,092,520	\$ 6,092,520	\$ 6,476,940	\$ 384,420	6.31%
Provincial Funding	6,011,360	5,909,316	6,334,252	424,936	7.19%
Lease & Fee, Other Revenue	-	-	29,610	29,610	0.00%
Total Revenues	\$12,103,880	\$ 12,001,836	\$ 12,840,802	\$ 838,966	6.99%
Expenditures:					
Consulting Fees	\$ -	\$ 600	\$ -	\$ (600)	-100.00%
Rent	315,585	315,588	292,716	(22,872)	-7.25%
Utilities	44,974	37,674	47,639	9,965	26.45%
Internet	11,973	12,264	26,376	14,112	115.07%
Water	6,799	8,184	7,008	(1,176)	-14.37%
Insurance	101,797	110,232	124,800	14,568	13.22%
Postage & Courier	1,240	1,536	1,272	(264)	-17.19%
Catering	915	-	1,200	1,200	0.00%
Property Taxes	63,539	65,508	65,052	(456)	-0.70%
Janitorial Services	7,937	8,172	8,472	300	3.67%
Furniture and Fixtures	-	-	2,400	2,400	0.00%
Maintenance & Repairs	90,009	69,240	77,460	8,220	11.87%
Computer/Information Technology	83,504	62,352	186,777	124,425	199.55%
Ambulance Purchases	369,318	369,318	397,600	28,282	7.66%
Emergency First Responders	8,305	9,000	32,004	23,004	255.60%
Uniforms and Laundry	70,555	37,800	51,804	14,004	37.05%
Water taxi	-	8,000	8,000	-	0.00%
Medical Equipment	162,244	167,032	163,389	(3,643)	-2.18%
Vehicle Expense	187,594	192,000	296,864	104,864	54.62%
Medications & Drugs	22,376	-	24,000	24,000	0.00%
Transfer to service providers	10,098,504	10,128,504	10,340,559	212,055	2.09%
Program Delivery	395,646	398,832	685,410	286,578	71.85%
Total Expenditures	\$12,042,813	\$ 12,001,836	\$ 12,840,802	\$ 838,966	6.99%
Surplus (Deficit)	\$ 61,067	\$ -	\$ -	\$ -	0.00%

- In November 2021, the Board approved, in principle, a transition to a direct delivery model for paramedic services effective prior to January 1, 2023.
- The above budget maintains services at the same level of 2021 and includes the one-time transition costs required to move to a direct delivery model.
- The Paramedic Services budget has increased year over year by \$838,966 or 6.99%.



- As part of the direct delivery report EMS11-21, presented in November 2021, one-time transition costs were estimated in the range of \$380,421 to \$544,121. The upper range of one-time transition costs has been included in the 2022 Paramedic Services budget.
- Explanations for the significant variances year over year are as follows:
 - A portion of rent has been reallocated to the 100% provincially funded Community Paramedicine program resulting in the decrease of approximately \$23,000.
 - Internet and vehicle costs have increased to include bidirectional data transfer capabilities in ambulances. The benefits of this technology was documented in detail in the direct delivery report EMS11-21.
 - Insurance premiums continue to increase significantly due to a hard market.³
 - Computer/IT cost have increased primarily due to direct delivery transition items. A new logistics fleet and asset/inventory management system is also included in the budget.
 - Ambulance costs have increased due to supply chain issues caused by the pandemic.
 - Cost of uniforms is increasing as a result of collective bargaining changes.
 - Annual increases to service provider budgets are expected due to collective bargaining and inflationary increases.

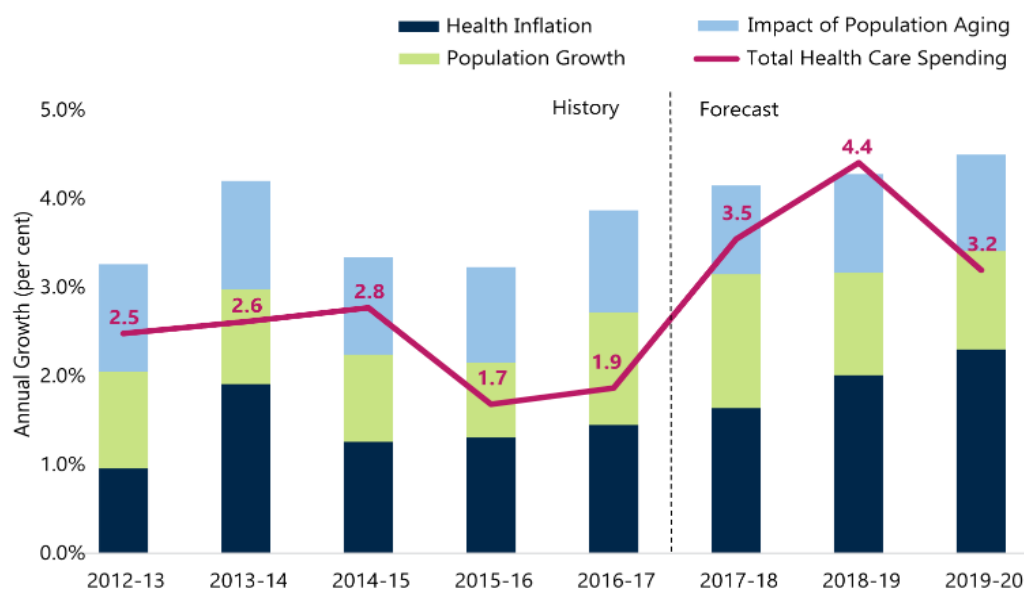
EMS Land Ambulance Provider Budgets for 2022 Compared to 2021				
Service Area (Service Provider)	Budget 2021	Budget 2022	Variance Year over Year	% Change
North Bay, West Nipissing and South Algonquin (North Bay Regional Health Centre)	8,663,287.00	8,835,879.00	172,592.00	1.99%
Mattawa (Mattawa General Hospital)	744,313.00	755,060.00	10,747.00	1.44%
Temagami (Municipality of Temagami)	720,900.00	749,612.00	28,712.00	3.98%
	10,128,500.00	10,340,551.00	212,051.00	2.09%

³ A hard market is a period of time when there is a high demand for insurance, but a lower supply of coverage available, which drives up premiums.



- General cost drivers:
 - Ontario's population is aging with the number of people over age 65 projected to double by 2036. Seniors typically make a disproportionate number of 911 calls, so as the population continues to age, increases to both the overall number of calls as well as the severity of calls is expected.⁴
 - The Financial Accountability Office of Ontario forecasted for inflation in the health industry to be approximately 4.5% in 2019-20.⁵ While this is not specific to EMS and the data is now slightly outdated, it still demonstrates the impact that the aging population is having on health related costs.

Health spending is growing slower than its core cost drivers every year except 2018-19



- DNSSAB has only received funding for COVID-19 expenses up until January 31, 2021. Expenses for the period of February through June 2021 have been submitted, but no confirmation of funding for this period has been received. The MOH has not made any commitments to continue funding COVID-19 related costs. There will be additional budget pressure if the MOH does not continue to fund pandemic related expenses in 2022 as enhanced infection protocols will be required for the foreseeable future.

⁴ OAPC Recommendations from the Provincial Municipal Land Ambulance Dispatch Working Group: Submission to the Minister of Health and Long-Term Care, May 28, 2015, p. 9,

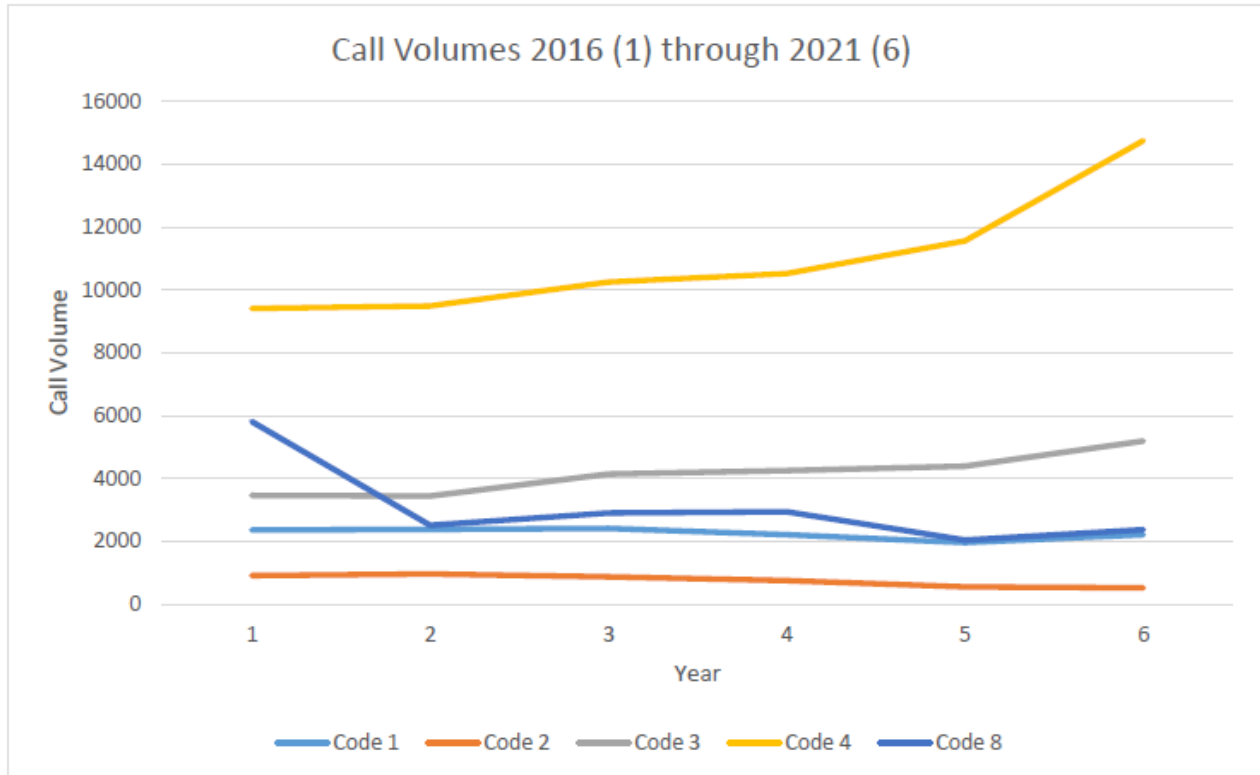
<https://www.oapc.ca/wp-content/uploads/2016/11/Land-Ambulance-Working-Group.pdf>

⁵ Ontario Health Sector - An Updated Assessment of Ontario Health Spending, FAO, p. 2,

<https://www.fao-on.org/en/Blog/Publications/health-sector-march-18>



- Paramedic service call volume continues to grow. In 2021, districtwide volumes are expected to exceed 24,000 calls. The single largest area of growth is urgent and emergent on-scene assignments (codes 3 and 4), while global non-urgent activities have steadily decreased.



3.6.3 Paramedic Services Program Delivery

Increase of \$286,578 or 71.85% for Paramedic Services program delivery costs is due to the one-time direct delivery transition costs.



3.7 Community Paramedicine

On March 1, 2021, DNSSAB was approved by the Ministry of Long-Term Care (MLTC) to operate a community paramedicine program for a three-year period from January 1, 2021 to March 31, 2024. This program is 100% provincially funded and provides up to \$1 million per year. The program is designed to support seniors on the provincial long-term care waitlist, or soon to be eligible for long-term care, with community paramedicine services in the comfort of their own homes.

Community Paramedicine Proposed Budget for 2022					
	Forecast to YE	Budget 2021	Budget 2022	Variance in Budgets	% Change
Revenues:					
Provincial Funding	\$ 1,011,454	\$ -	\$ 999,963	\$ 999,963	0.00%
Total Revenues	\$ 1,011,454	\$ -	\$ 999,963	\$ 999,963	0.00%
Expenditures:					
Salaries & Benefits	\$ 873	\$ -	\$ 76,152	\$ 76,152	0.00%
Medical Delegation Fees	24,563	-	35,750	35,750	0.00%
Rent	18,000	-	24,000	24,000	0.00%
Telephone	2,915	-	2,400	2,400	0.00%
Internet	-	-	4,800	4,800	0.00%
Office Supplies & Postage	2,625	-	2,500	2,500	0.00%
Furniture and Fixtures	4,032	-	-	-	0.00%
Maintenance & Repairs	42,578	-	-	-	0.00%
Computer/Information Technology	43,350	-	50,600	50,600	0.00%
Ambulance Purchases	111,395	-	-	-	0.00%
Paramedic Training	6,106	-	4,500	4,500	0.00%
Uniforms and Laundry	4,500	-	6,000	6,000	0.00%
Medical Equipment	103,558	-	35,000	35,000	0.00%
Vehicle Expense	22,901	-	18,000	18,000	0.00%
Central Admin Costs	50,000	-	50,000	50,000	0.00%
Transfers to service providers	574,058	-	690,261	690,261	0.00%
Total Expenditures	\$ 1,011,454	\$ -	\$ 999,963	\$ 999,963	0.00%
Surplus (Deficit)	\$ -	\$ -	\$ -	\$ -	0.00%



3.8 Healthy Communities Fund

The Healthy Communities Fund (HCF) is administered by the DNSSAB on behalf of the District's municipalities. Currently, the fund is focused on poverty reduction in Nipissing District. Previously, HCF was allocated to various organizations and their projects/programs through an annual application process. Per briefing note B25-21, that was approved by the Board in November 2021, funding will be annualized to several organizations based on previous funding allocations and results from a Community Advisory Board survey. The table below shows the distribution of funds by organization and their respective programs/ services.

Table 1.

Allocation Method	Organization	Program / Service	HCF, \$
Application/ pandemic priority	Crisis Centre North Bay	ID Clinic	30,000
		Food Security (Futures)	25,000
	The Gathering Place	Souper Suppers	20,000
		Food Outreach	30,000
	True Self Debwewendizwin	Rural Outreach	55,000
	Salvation Army	Household Setup	10,000
	Sub Total		170,000
Annualized	LIPi		130,000
	Total		300,000

The total annual HCF budget of \$300,000 remains unchanged from the previous year.

3.9 Gateway Hub

The Gateway Hub was established in the Nipissing district in 2013 and is now one of 50 situation tables in Ontario. A situation table is a strategic alliance of human service providers, guided by common principles and processes, who review situations of acutely elevated risk (AER) to determine if an individual or family is at imminent risk of harm and victimization. In cases that are determined to have AER, utilizing a strict four filter process, interventions are coordinated and lead agencies are identified. Privacy is essential to the success of the Gateway Hub table and only de-identified data for each situation is captured for data analysis and decision making purposes.

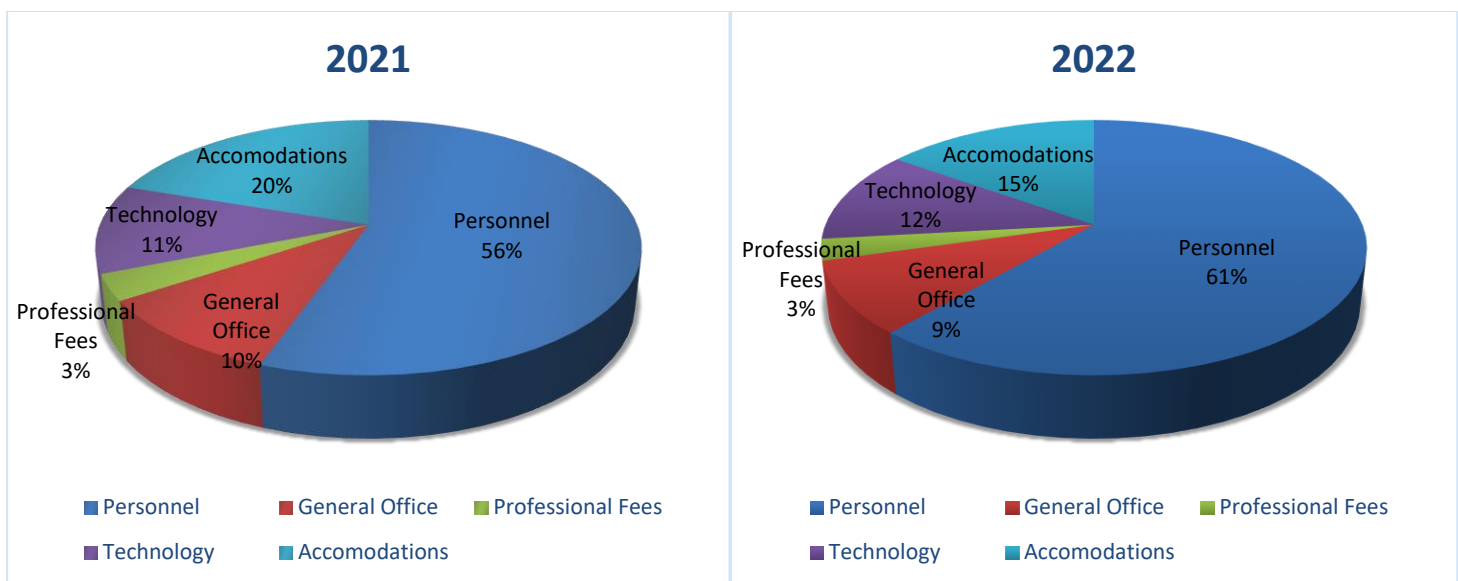
The North Bay and District Health Unit has assumed management responsibilities for the Gateway Hub in 2020. The Health Unit previously oversaw this program, but oversight was then transferred to the DNSSAB in 2018. The DNSSAB's annual contribution is \$20,000 and is funded through the municipal levy.



3.10 Corporate Services

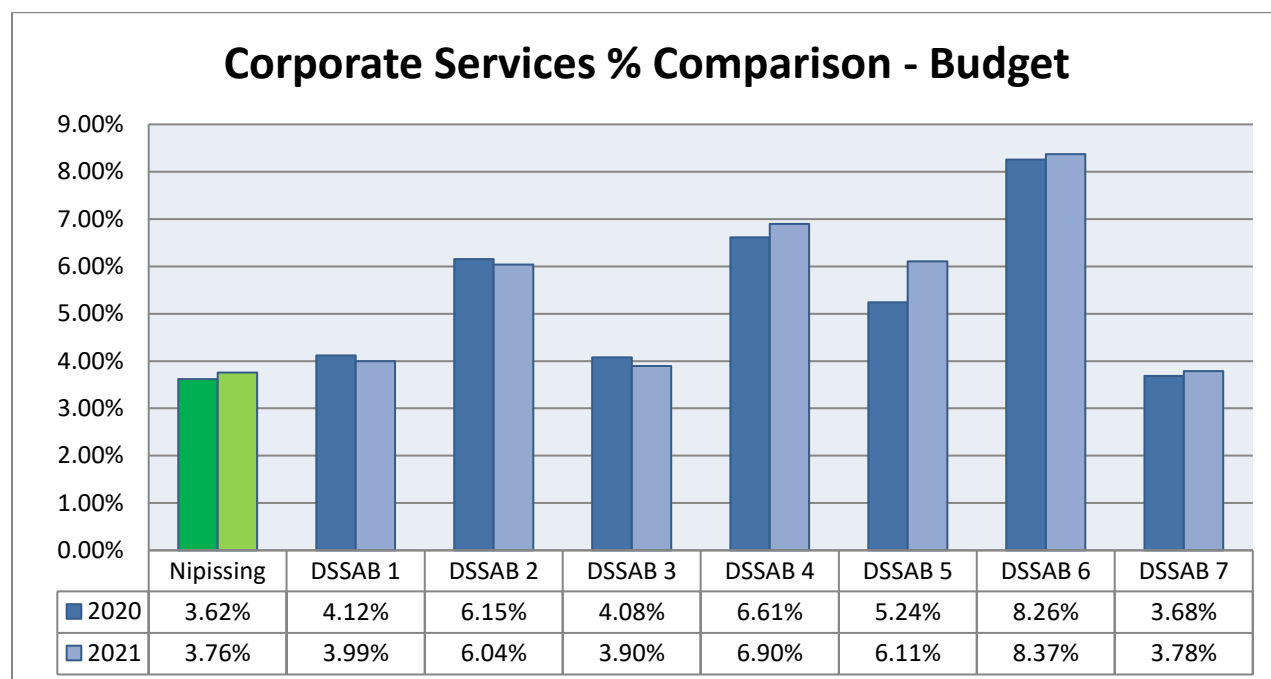
The Corporate Services Division supports the organization through the CAO, Finance, Human Resources, Project Management, Purchasing, Planning & Analytics, Information Services and Maintenance (contracted), and more. The proposed 2022 budgeted expenses for Corporate Services totals \$3,235,390, an increase of \$360,558 (12.54%) over the 2021 approved budgeted expenses of \$2,874,832.

The Corporate Services budget includes various corporate-wide costs, for example, staffing for the above departments, rent, utilities, telephone, insurance premiums, audit & legal fees, computer software and more. These costs are allocated across the portfolio of programs. The general mix of expenses has not changed significantly year over year.





The proposed 2022 Corporate Services budget represents 3.94% of the total DNSSAB recommended budget compared to 3.76% in 2021. Per the chart below, DNSSAB continues to have the lowest corporate services costs relative to the total budget amongst all the DSSABs.⁶



Staff continue to search for cost savings throughout the organization; however, the pandemic has led to increased costs in certain areas. Explanations for the significant variances year over year are as follows:

- Increase in salaries and benefits due to the annual cost of living increase and new positions added to support the direct delivery of Paramedic Services.
- Insurance premiums continue to increase significantly due to a hard market. DNSSAB is also planning to add cyber insurance coverage.
- Increase in janitorial costs due to a higher level of cleaning required as a result of the pandemic.
- Additional information technology related expenses to modernize operations and support remote work arrangements.
- Various expenses have been centralized to Corporate Services.

⁶ Chart is organized by DNSSAB's closest comparators, left to right, based on size of organization and services provided. Seven other DSSABs had their budgets available on their website.



3.11 Board

Board Proposed Budget for 2022					
	Forecast to YE	Budget 2021	Budget 2022	Variance to Budget	% Change
Revenues:					
Municipal levy	\$ 142,920	\$ 142,920	\$ 143,448	\$ 528	0.37%
Interest revenue	30,000	30,000	30,000	-	0.00%
Total Revenues	\$ 172,920	\$ 172,920	\$ 173,448	\$ 528	0.31%
Expenditures:					
Honorariums	\$ 65,610	\$ 72,440	\$ 71,170	\$ (1,270)	-1.75%
Training	1,526	12,708	16,422	3,714	29.23%
Travel	-	2,740	2,740	-	0.00%
Technology	13,584	13,584	13,581	(3)	-0.02%
Professional fees	8,747	-	-	-	0.00%
General office	698	895	1,250	355	39.66%
Allocated administration costs	70,553	70,553	68,285	(2,268)	-3.21%
Total Expenditures	\$ 160,718	\$ 172,920	\$ 173,448	\$ 528	0.31%
Surplus (Deficit)	\$ 12,202	\$ -	\$ -	\$ -	0.00%

In 2022, the Board budget has increased year over year by \$528 or 0.31%. There are no significant changes year over year. Honorariums are adjusted to reflect actual attendance levels and annual rate increases. Annual honoraria rate increases continue to be tied to the consumer price index for a fair and transparent process. Honorariums are also based on attendance to reflect the respective contributions of Board members.



3.12 Summary

The 2022 proposed budget presents a municipal levy increase of \$802,620 (3.84%) with an overall increase in the budget from \$76,529,102 in 2021 to \$82,074,581 in 2022.

DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD 2022 BUDGET SUMMARY

	2021 Forecast to Year End	2021 Budget	2022 Budget	Increase (Decrease)	2021 Municipal Share of Budget	2022 Municipal Share of Budget	Increase (Decrease)	%
Employment and Social Services	14,604,973	19,454,625	19,671,456	216,831	267,444	249,064	(18,380)	(6.87%)
Housing Services	20,549,797	18,390,109	21,026,148	2,636,039	8,315,291	8,674,039	358,748	4.31%
Children's Services	14,118,598	15,338,279	16,142,477	804,198	1,493,189	1,493,189	-	0.00%
Paramedic Services	11,655,168	11,603,004	12,155,392	552,388	5,893,104	6,149,040	255,936	4.34%
Community Paramedicine	1,011,454	-	999,963	999,963	-	-	-	0.00%
Program Delivery & Corporate Services	10,946,772	11,423,085	11,759,145	336,060	4,619,028	4,825,344	206,316	4.47%
Healthy Communities Fund	300,000	300,000	300,000	-	300,000	300,000	-	0.00%
Gateway Hub	-	20,000	20,000	-	20,000	20,000	-	0.00%
Total	73,186,762	76,529,102	82,074,581	5,545,479	20,908,056	21,710,676	802,620	
% Increase (Decrease)				7.25%	% Increase	3.84%		
2022 Provincial/Federal Share	56,232,767		68.51%					
2022 Municipal Share	21,710,676		26.45%					
2022 Repayments & Other Income	3,131,175		3.82%					
2021 Apportionment	20,908,056		27.32%					

The budget maintains services at the 2021 level with the addition of service enhancements that the Board approved in 2021 including expansion of the Gateway House and direct delivery of Paramedic Services.



4 2023 Outlook

4.1 Ontario Works Program Delivery and Employment Assistance Funding

Details are limited for 2023, but MCCSS is moving forward with modernization changes to OW, including centralized intake and employment services transformation. In September of 2019, MCCSS communicated to OW offices that they should expect reductions to their 2021 funding allocations as a result of modernization changes. This reduction was rumored to be 22%, but this has not been confirmed. Modernization initiatives have been slowed due to the pandemic, delaying the expected funding reduction until 2023. It is too early to provide an estimate on this impact as there will be programming changes attached to this funding reduction.

4.2 Children's Services

After 2022, the phased in funding changes that the EDU announced in 2019 will be complete. There is no further announced changes to the Children's Services funding formula. Therefore, no significant changes are expected to the base provincial funding.

The Ontario and Federal governments continue to negotiate the National Early Learning and Child Care Plan. Nine other provinces and territories have already signed this deal that would reduce child care fees by half in 2022 and work towards \$10/day fees by 2026. When/if this program moves forward in Ontario, it is expected to be 100% federally/provincially funded and therefore should not affect the levy.

4.3 Housing Services

Housing Services will see reductions in funding associated with social housing legacy programs in 2023. Provincial and federal funding for social housing will see a year over year reduction of \$99,677 or 3.57%. This is a direct result of four social housing projects reaching the end of their operating agreements throughout 2022. COCHI funding will be utilized where necessary to transition expired projects to a more sustainable operational model and mitigate municipal levy increases. Although COCHI was originally announced to be funded over 10 years, allocations have only been confirmed to March 31, 2023 to date. Other than the legacy social housing funding allocations that are known until they end in 2029, no other funding allocations beyond March 31, 2023 have been confirmed.

In October 2021, the Board approved the construction of an additional 25 transitional housing units (Gateway House Phase 3) to be completed by March 31, 2023, that will be staffed 24/7. The goal of this project is to be a high support alternative to the temporary low barrier emergency shelter that is currently located in portables on the Gateway House site. There is currently no provincial or federal operating funding available to fund this project. Therefore, without any new funding announcements, this project would need to be funded by the levy. This could result in an estimated municipal levy increase of approximately 11.51% in 2023.

4.4 Paramedic Services

The MOH continues to announce growth rates to funding on a one-year basis. At this time, it is unknown what to expect for funding for 2023, but there is potential for further funding changes.