

AGENDA
A meeting of the Council of the Corporation
of the Town of Northeastern Manitoulin and the Islands
to be held on Tuesday, June 6th, 2023

1. Call to Order

2. Approval of Agenda

Deputation – John Woodrooffe, McGregor Bay Association, Water Level Study

3. Disclosure of Pecuniary Interest & General Nature Thereof

4. Minutes of Previous Meeting

- i. Confirming By-Law 2023-14

5. New Business

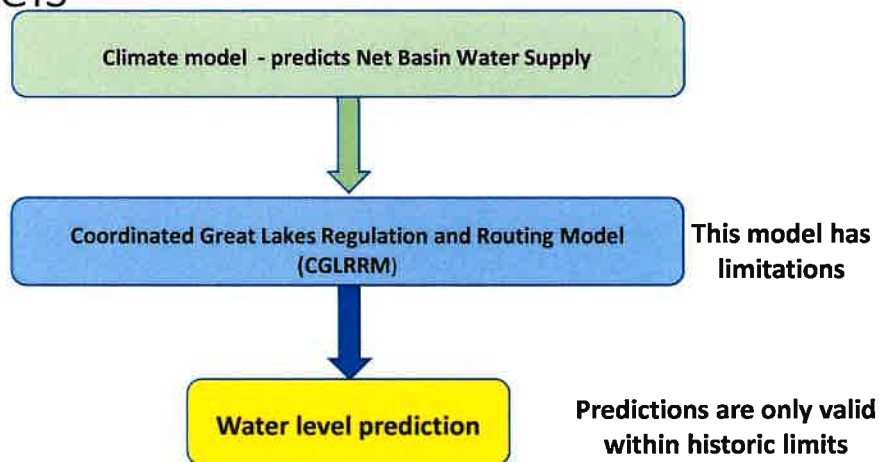
- i. By-law 2023-15, Final Tax Rates 2023
- ii. Permission to place and oversized sign on Hwy 540 – Manitoulin Snow Dusters
- iii. Appointment to Museum Committee – Joanne Wade
- iv. Request to do work – Trevor Gibbons
- v. Waterfront Garbage bins
- vi. Duke of Edinburgh's Commonwealth Study – Scott Tod
- vii. Geo Engineering – Letter from Zak Nichols

6. Minutes and Other Reports

- i. Manitoulin Centennial Manor Minutes
- ii. DSSAB – First Quarter
- iii. FONOM reports

7. Adjournment

Climate Modelling for Future Water Levels



Water Level Model

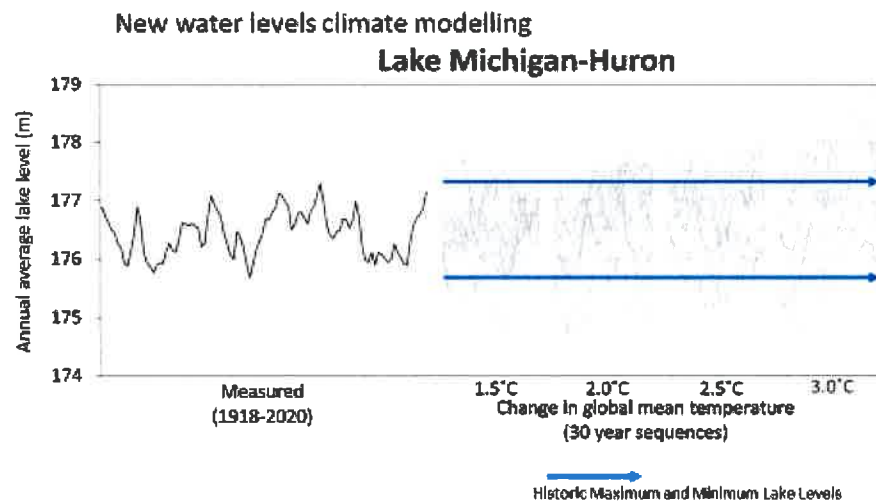
Coordinated Great Lakes Regulation and Routing Model
(CGLRRM)

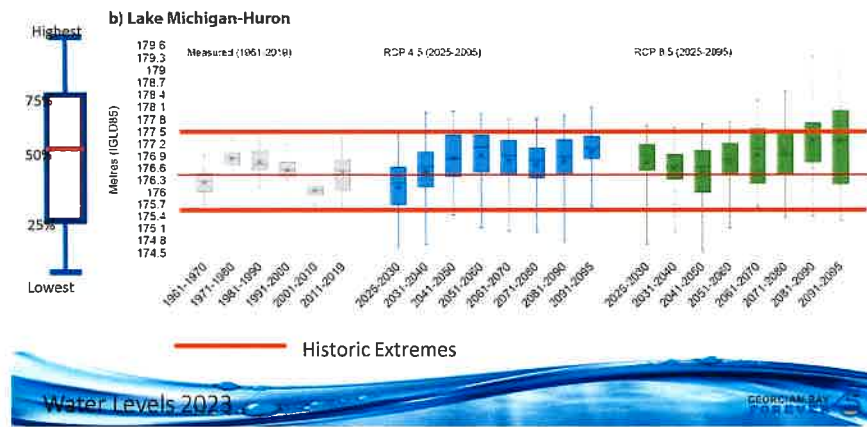
- Developed in the 90's jointly by the U.S. Army Corps of Engineers and Environment Canada
- It calculates lake levels and outflows based on continuity equations and stage-fall within the historic water level range (it does not model lake boundaries, flood planes or ground water migration)
- Any input that is outside the ranges used in the development of the regulation plans will result in unrealistic outputs
- It was not designed or validated for conditions beyond historic levels. *(E.g., It does not consider how the lake area expands and associated water runoff as levels rise)*

Coordinated Great Lakes Regulation and Routing Model Caveats

- The CGLRRM manual states users should be aware that extreme climate change scenarios beyond historical range may result in impractical output values.
- ECCC study states: “It is also very important not to focus on the extreme water levels that were found for a small number of the simulations of this study.”

Frank Seglenieks, André Temgoua, "Future water levels of the Great Lakes under 1.5 °C to 3 °C warmer climates", *Journal of Great Lakes Research*, Volume 48, Issue 4, 2022, pp 865-875
(<https://www.sciencedirect.com/science/article/pii/S0380133022001381>)





GBF 12 Foot Plus Rise Predications Incorrect

- The GBF predictions of extreme water level rise beyond historic limits are invalid.
- ECCC author Frank Seglenieks and IJC Engineering Advisor Erika Klyszejko agree that the GBF extreme predictions are incorrect.
- Georgian Bay Forever's statement that Little Current business section will be underwater in the coming decades is not supported by these studies.

June 1, 2023

SUDBURY MNRF COOPERATOR'S FOREST FIRE INFORMATION

Fire Synopsis: One new fire yesterday.



HEAT WARNING



Today	Sunny this morning and early this afternoon then a mix of sun and cloud with 40 percent chance of showers this afternoon. Risk of a thunderstorm this afternoon. Wind southwest 20 km/h becoming light late this morning. High 31. Humidex 34. UV index 9 or very high.
Tonight	Partly cloudy with 40 percent chance of showers this evening then clear. Risk of a thunderstorm this evening. Low 18.
Fri, 2 Jun	A mix of sun and cloud. 40 percent chance of showers in the afternoon with risk of a thunderstorm. High 29. Humidex 32. UV index 9 or very high.
Night	Clearing. Low 15.
Sat, 3 Jun	Sunny. High 29.
Night	Clear. Low 11.
Sun, 4 Jun	Sunny. High 28.
Night	Cloudy periods. Low 13.
Mon, 5 Jun	A mix of sun and cloud. High 27.
Night	Cloudy periods. Low 10.
Tue, 6 Jun	A mix of sun and cloud. High 24.
Night	Cloudy periods. Low 11.
Wed, 7 Jun	A mix of sun and cloud. High 25.

Normals Max 21°C Min 9°C Sunrise 5:35 EDT Sunset 21:09 EDT

Forecasted indices for today:

Response Sector: E02

Station	Stn Start Type	Date	Temp	RH	Dir	Speed	Rain	FFMC	DMC	DC	ISI	BUI	FWI
TRM	Official	2023/06/01	27.5	38	251	12.2	0.0	91E	43H	113L	9.3H	44H	20H
TWI	Official	2023/06/01	30.1	30	252	10.6	0.0	94E	59E	125L	13.4E	58H	29E
CRT	Official	2023/06/01	30.1	32	222	12.2	0.0	94E	85E	153M	14E	84E	36E
LBC	Official	2023/06/01	29.9	32	233	11.7	0.0	94E	65E	138L	13.4E	65E	31E
BRW	Official	2023/06/01	30.6	28	236	11.2	0.0	93E	57E	118L	12.3E	57H	27E
MTN	Official	2023/06/01	30.8	30	253	10.7	0.0	93E	51E	104L	11.1E	51H	24E
DCH	Official	2023/06/01	31.0	26	282	9.3	0.0	94E	67E	148M	12.2E	67E	30E
EGL	Official	2023/06/01	29.9	27	291	10.6	0.0	95E	57E	94L	14.5E	56H	30E
SBR	Official	2023/06/01	30.6	28	255	10.4	0.0	93E	65E	151M	11.6E	65E	28E
FLD	Official	2023/06/01	30.8	29	245	11.2	0.0	93E	51E	102L	11.6E	51H	25E
KIO	Official	2023/06/01	30.3	32	289	12.0	0.0	94E	58E	119L	13.8E	58H	30E
MAS	Official	2023/06/01	28.9	33	221	10.8	0.0	93E	56E	122L	10.7E	56H	25E
SUZ	Official	2023/06/01	31.5	27	239	12.4	0.0	94E	58E	106L	14.2E	58H	30E
BJC	Official	2023/06/01	26.6	46	212	9.5	0.0	89H	41H	114L	6.0H	43H	14H
BVL	Official	2023/06/01	30.1	32	227	11.8	0.0	93E	57E	122L	11.9E	57H	27E
LOO	Official	2023/06/01	31.2	28	273	7.6	0.0	95E	58E	119L	12.8E	58H	28E

Weather Station Legend:

EGL = Eagle Lake
FLD = Field
SUZ = Suez
TRM = Trout Mills

BJC = Blue Jay Creek (Manitoulin)
BRW = Burwash
BVL = Beaver Lake
DCH = Dunchurch

MAS = Massey
KIO = Kiosk
LNK = Link Lake
MTN = Martin River



Resources Available:

CREW LOCATIONS	HELICOPTERS	AIR TANKERS
Sudbury – 8 Crews	2	1
North Bay – 5 Crews	1	0

Comments:

INDUSTRIAL OPERATIONS PROTOCOL CODE LINE: 1-888-310-3473 (LOCAL IOP Number 705-564-6034)

SRO: Derrick Gordon (705) 564-6056

Prepared By: Lyndsey Suchiu (705)-564-6000

**THE CORPORATION OF THE TOWN OF
NORTHEASTERN MANITOULIN AND THE ISLANDS**

BY-LAW NO. 2023-14

Being a by-law of the Corporation of the Town of Northeastern Manitoulin and the Islands to adopt the minutes of Council for the term commencing November 15th, 2022 and authorizing the taking of any action authorized therein and thereby.

WHEREAS the Municipal Act, S.O. 2001, c. 25. s. 5 (3) requires a Municipal Council to exercise its powers by by-law, except where otherwise provided;

AND WHEREAS in many cases, action which is taken or authorized to be taken by a Council or a Committee of Council does not lend itself to an individual by-law;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWN OF NORTHEASTERN MANITOULIN AND THE ISLANDS ENACTS AS FOLLOWS:

1. THAT the minutes of the meetings of the Council of the Corporation of the Town of Northeastern Manitoulin and the Islands for the term commencing November 15th, 2022 and held on:

May 16th and May 18th

are hereby adopted.
2. THAT the taking of any action authorized in or by the minutes mentioned in Section 1 hereof and the exercise of any powers by the Council or Committees by the said minutes are hereby ratified, authorized and confirmed.
3. THAT, where no individual by-law has been or is passed with respect to the taking of any action authorized in or by the minutes mentioned in Section 1 hereof or with respect to the exercise of any powers by the Council or Committees in the above-mentioned minutes, then this by-law shall be deemed for all purposes to be the by-law required for approving and authorizing the taking of any action authorized therein or thereby or required for the exercise of any power therein by the Council or Committees.
4. THAT the Mayor and proper Officers of the Corporation of the Town of Northeastern Manitoulin and the Islands are hereby authorized and directed to do all things necessary to give effect to the recommendations, motions, resolutions, reports, action and other decisions of the Council or Committees as evidenced by the above-mentioned minutes in Section 1 and the Mayor and Clerk are hereby authorized and directed to execute all necessary documents in the name of the Corporation of the Town of Northeastern Manitoulin and the Islands and to affix the seal of the Corporation thereto.

READ A FIRST, SECOND AND THIRD TIME AND FINALLY PASSED THIS
6th day of June, 2023.

Al MacNevin

Mayor

Pam Myers

Clerk

The Corporation of the Town of Northeastern Manitoulin and the Islands
Minutes of a Council meeting held Thursday, May 16, 2023

PRESENT: Mayor Al MacNevin, Councillors: Patti Aelick, Al Boyd, Laurie Cook, Mike Erskine, William Koehler, George Williamson, and Bruce Wood.

ABSENT: Councillor Dawn Orr

STAFF PRESENT: David Williamson, CAO
Pam Myers, Clerk

Mayor MacNevin called the meeting to order at 7:00 p.m.

Disclosure of pecuniary interest and the general nature thereof – Councillor Aelick declared a conflict on item 5i). Planning Application – Linda and Mark Schraeder

Resolution No. 109-05-2023

Moved by: M. Erskine

Seconded by: P. Aelick

RESOLVED THAT the Council of the Corporation of the Town of Northeastern Manitoulin and the Islands approves agenda.

Carried

Deputation was done by KT Timmermans regarding a request for items for Country Fest and Rockn' the Rock events.

Deputation was done to present the findings of the study on Water Levels and Planning Document Comparison

Resolution No. 110-05-2023

Moved by: M. Erskine

Seconded by: W. Koehler

RESOLVED THAT the Council of the Corporation of the Town of Northeastern Manitoulin and the Islands now reads a first, second and third time and finally passes by-law 2023-13 being a by-law to adopt the minutes of Council for the term commencing November 15th, 2022 and authorizing the taking of any action therein and hereby.

Carried

Councillor Aelick declared a conflict and did not take part in discussions.

Resolution No. 111-05-2023

Moved by: M. Erskine

Seconded by: W. Koehler

RESOLVED THAT the Planning Authority of the Council of the Corporation of the Town of Northeastern Manitoulin and the Islands conditionally approves the application for consent as applied for by Mark and Linda Schraeder, File Number 2023-03, subject to the following conditions;

1. Transfer of land form prepared by a solicitor and a schedule to the transfer of land form on which is set out the entire legal description of the parcel,
2. The applicant must deposit a Reference Plan of Survey in the Land Registry Office clearly delineating the parcels of land approved by The Town of Northeastern Manitoulin and the Islands in this decision and provide the Town Office with a copy.
3. Prior to final approval by the Town of Northeastern Manitoulin and the Islands, the owner provide confirmation of payment of all outstanding taxes.
4. All outstanding fees associated with this application including a fee of \$100 for each transfer of land and advertising cost

Carried

**The Corporation of the Town of Northeastern Manitoulin and the Islands
Minutes of Council**

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Resolution No. 112-05-2023

Moved by: W. Koehler

Seconded by: B. Wood

RESOLVED THAT the Council of the Corporation of the Town of Northeastern Manitoulin and the Islands authorizes the owners of 400 White's Point Road to do general maintenance to the shoreline road allowance in front of their property, including the removal of dead trees, brush and boulders and to refresh the sand on the same area under the supervision of the Manager of Public Works. It is understood that no in water work is allowed as that is under the authority of the Ministry of Natural Resources or Fisheries and Oceans.

Carried

Resolution No. 113-05-2023

Moved by: M. Erskine

Seconded by: L. Cook

RESOLVED THAT the Council of the Corporation of the Town of Northeastern Manitoulin and the Islands appoints Dennis Batman to the Museum Committee.

Carried

Resolution No. 114-05-2023

Moved by: M. Erskine

Seconded by: P. Aelick

Resolved that the Council of the Corporation of the Town of Northeastern Manitoulin and the Islands supports the Sudbury and District Health Unit motion 19-23 to ask the government to implement the recommendations outlined in the Chief Medical Officer of Health 2022 Annual Report, including ensuring associated sustained funding for local public health.

Carried

Resolution No. 115-05-2023

Moved by: B. Wood

Seconded by: G. Williamson

RESOLVED THAT the Council of the Corporation of the Town of Northeastern Manitoulin and the Islands does now adjourn at 8:18 p.m.

Carried

Al MacNevin, Mayor

Pam Myers, Clerk

The Corporation of the Town of Northeastern Manitoulin and the Islands
Minutes of a Regular Council meeting held Thursday, May 18th 2023

PRESENT: Mayor Al MacNevin, Councillors: Patti Aelick, Al Boyd, Laurie Cook, Mike Erskine, William Koehler, Dawn Orr, George Williamson, and Bruce Wood.

STAFF PRESENT: David Williamson, CAO
Pam Myers, Clerk
Duane Deschamps, Fire Chief
Wayne Williamson, Manager of Public Works
Reid Taylor, Manager of Community Services
Heidi Ferguson, Economic Development Officer

Mayor MacNevin called the meeting to order at 7:00 p.m.

Disclosure of pecuniary interest and the general nature thereof

Resolution No. 116-05-2023

Moved by: P. Aelick

Seconded by: B. Woos

RESOLVED THAT the Council of the Corporation of the Town of Northeastern Manitoulin and the Islands approves agenda.

Carried

Resolution No. 117-05-2023

Moved by: M. Erskine

Seconded by: P. Aelick

Resolved that the Council of the Corporation of the Town of Northeastern Manitoulin and the Islands approves the request put forward in support of Manitoulin CountryFest and Rockin' The Rock by

1. Designating both events to be events of Municipal Significance.
2. Allowing directional signage to be put up between August 8 and 22nd
3. Allowing access to the shower facilities at the Recreation Center
4. Extending the Beer Tent curfew to 1am from Aug 17 to Aug 19th
5. Donating the fencing (if not otherwise being utilized)
6. Donating the Rendevous Pavilion on August 16th
7. Authorizing the use of the Recreation Center Parking Lot for overflow vehicles
8. Advertising the events on the Gateway sign
9. Providing 4 refuse bins from Aug 9 to Aug 22nd and provide garbage pick up during the events.

All provisions to be done free of charge to the events.

Carried

Resolution No. 118-05-2023

Moved by: B. Wood

Seconded by: W. Koehler

BE IT RESOLVED THAT the Council of the Corporation of the Town of Northeastern Manitoulin and the Islands does now adjourn at 8:09 pm.

Carried

**THE CORPORATION OF THE TOWN OF
NORTHEASTERN MANITOULIN AND THE ISLANDS**

BY-LAW NO. 2023-

**BEING A BY-LAW TO PROVIDE FOR THE ADOPTION OF TAX RATES
AND FURTHER PROVIDE FOR PENALTY AND INTEREST
IN DEFAULT OF PAYMENT THEREOF FOR 2022**

WHEREAS the Municipal Act, Chapter 25, S.O. 2001 provides that the Council of a local municipality shall after the adoption of estimates for the year, pass a by-law to levy a separate tax rate on the assessment in each property class, and

WHEREAS Section 307 of the said Act requires tax rates to be estimated in the same proportion to tax ratios, and

WHEREAS certain education rates are provided in various regulations, and commercial and industrial education amounts have been requisitioned by the Province,

NOW THEREFORE the Council of the Corporation of the Town of Northeastern Manitoulin and the Islands ENACTS AS FOLLOWS:

1. THAT the 2023 Operating and Capital Budgets be approved as Schedule "A" attached to and forming part of this by-law.
2. THAT the tax rates and ratios for 2023 for municipal and education purposes be hereby set as follows:

CLASS	TAX RATIO	MUNICIPAL RATE			EDUCATION RATE
		WARD 1	WARD 2	WARD 3 & 4	
Residential/Farm	1.000000	0.00606050	0.01231473	0.01110391	0.00153000
Multi-Residential	1.007200	0.00610414	0.01240340	0.01118386	0.00153000
New Multi-Residential	1.007200	0.00610414	0.01240340	0.01118386	0.00153000
Commercial Occupied	1.426900	0.00864773	0.01757189	0.01584417	0.00880000
Commercial Vacant	0.998830	0.00605341	0.01230032	0.01109092	0.00880000
Commercial PIL Educ retained					0.00935249
Industrial Occupied	1.780900	0.01079314	0.02193130	0.01977495	0.00880000
Industrial Vacant	1.157585	0.00701554	0.01425535	0.01285372	0.00880000
Industrial PIL Educ retained					0.00980000
Landfill	1.009448	0.00611776	0.01243108	0.01120882	0.00667984
Pipelines	0.527300	-	-	-	-
Farmlands	0.250000	0.00151513	0.00307868	0.00277598	0.00038250
Managed Forest	0.250000	0.00151513	0.00307868	0.00277598	0.00038250

3. THAT all taxes shall become due and payable as follows:

For Residential, Pipelines, Farmland and Managed Forest Tax Classes, 50% of the final levy shall become due and payable on the 31st of July 2023 and the balance shall become due and payable on the 29th of September, 2023.

For Multi-Residential, Commercial, and Industrial Tax Classes, 50% of the final levy shall become due and payable on the 31st of July, 2023 and the balance shall become due and payable on the 29th of September, 2023.

4. Non payment of the amount, as noted, on the date stated in accordance with this by-law constitutes default. On all taxes of the levy which are in default after the noted due dates shall be added a penalty of 1-1/4% per month, until December 31, 2023.
5. On all taxes unpaid as of December 31, 2023 interest shall be added at the rate of 1-1/4% per month, for each month or fraction thereof in which the arrears continue.
6. All taxes are due and payable to the Town of Northeastern Manitoulin and the Islands, at the Town's municipal office.

READ A FIRST, SECOND AND THIRD TIME AND FINALLY
PASSED THIS DAY OF , 2023.

Alan MacNevin Mayor

Pam Myers Clerk



May 12, 2023

To: Mayor and Council
Town of Northeastern Manitoulin and the Islands

As of May 10, 2023 Manitoulin Snowdusters has a new Executive.

Manitoulin Snowdusters is seeking permission to install a 4' X 8' sign (that is already installed) on the new trail at the old dump in memory of Constable Marc Hovingh.

Thank you.

Mike Skippen
President

Pam Myers

From: Dave Williamson
Sent: May 20, 2023 8:10 AM
To: Joanne
Subject: Re: Museum Board

Hi Joanne,

It is great to hear from you. I will have your appointment to the museum committee added to the next agenda (early June). I think you will be a great addition to the group.

Take care,

Dave

Sent from my Bell Samsung device over Canada's largest network.

From: Joanne <jowade77@gmail.com>
Sent: Friday, May 19, 2023 4:38:30 PM
To: Dave Williamson <DWilliamson@townofnemi.on.ca>
Subject: Museum Board

Hi Dave

I hope all is well with you and your family.

I would like to apply for a community service position on the Museum Board. I have always had a great interest in history and preservation of history and in geology and archeology. I am not certain whether there is an official form or process for applying. If there is and if I am able to apply please let me know what I must do. Thanks for your consideration into this matter of interest to me. I look forward to hearing from you.

Joanne Wade

Sent from my iPhone

Pam Myers

From: Trevor Gibbons <gibbonz_99@hotmail.com>
Sent: May 24, 2023 9:36 AM
To: Pam Myers
Cc: tiffany.francis@hotmail.com
Subject: Shoreline Modification

Good morning Council Members,

My name is Trevor Gibbons and I am the landowner of 2130 Bay Estates Road N, Sheguiandah. Please accept this email as a request/letter of intent on some work I would like to complete. I would like to excavate a 10ft wide x 25ft long area of lawn near the water to have a boat launch created. The affected area is 12ft back from the waters edge and will not contact the lake. The property is flat and has too big of a drop to install and remove our docks and launch our boat. The excavated area is marked in yellow paint and will then be backfilled and sloped with gravel leading into the current beach. I have attached pictures of the shoreline and work area. I sincerely hope for and appreciate your approval. Please feel free to contact me for more information.





Respectfully,

Trevor Gibbons
(705)688-3781

Sent from my iPhone

I am pleased to write to you with the following request for the Township of Northeastern Manitoulin and the Islands to engage with participants of the 2023 Duke of Edinburgh's Commonwealth Study Conference (CSC2023) in June. The Commonwealth Study Conference is one of the world's most dynamic leadership development experiences. More than 8,000 young people have attended the international conference and its regional programs over the past 50 years. CSC2023 is bringing together exceptional young leaders from more than 35 nations across business, government, trade unions, and community sectors for an intensive two-week program. Working together, the members—mainly young professionals—will examine this year's theme, "Engaged leadership for inclusive change", using Canada as their classroom.

The Conference will expose each member to new experiences, provoking arguments and different perspectives, to significantly enhance the quality and comprehensiveness of their decision-making as leaders. The Conference is funded by Canadian business, governments and trade unions. As part of the Conference process, study groups of 20 members will explore each of Canada's provinces and territories between June 6 and 14. I am assisting with the planning of the Ontario tour and believe it is very valuable for the tour group to learn of your organization, history, challenges and what the future may look like for rural communities like yours. I have visited the area many times and worked with past civic leaders of NEMI, and believe that it would be a great opportunity to showcase the people and the organizations that make Little Current and the surrounding area a wonderful place to live, work and play. I hope to be able to discuss this opportunity with you and arrange for the tour group to visit with you in June. More information is available at <https://csccanada.org/>

Please let me know when I can speak with you about this request.

Respectfully,

Scott Tod



What is Happening in the Skies above Manitoulin Island?

For years now, persistent lasting contrails have marked the skies above us. What is happening?

According to Oxford University, geoengineering is the deliberate large-scale intervention in the Earth's natural systems to counteract climate change. Scientists who support geoengineering work on the premise that global warming must be slowed. Examples of geoengineering (GE) include solar radiation management, cloud seeding, carbon dioxide removal, and ocean fertilization, amongst others. I would specifically like to address solar radiation management.

Solar radiation management (SRM) introduces reflective nanoparticles into the upper atmosphere to reflect some sunlight before it reaches the surface of the Earth. Sulphur dioxide, aluminum, and barium are some of the likely ingredients for SRM. Persistent lasting contrails remain in our skies for hours, slowing dissipating and creating a false cloud ceiling. What affect will these particles have on the air we breathe, the water we drink, and the Earth we live upon?

The results of SRM are unknown. It is an experiment being conducted in our skies. Geoengineering scientists admit they do not know how SRM will affect our environment, but they do acknowledge it will be messy. The treatment could very well be worse than the disease. They don't know, and they hope that you are not paying attention.

Oxford University has determined the following principles as regards geoengineering:

1. GE to be regulated as a public good.
2. Public participation in GE decision making.
3. Disclosure of GE research and open publication of results.
4. Independent assessment of results.
5. Governance before deployment.

This has not occurred, yet exactly what the GE scientists propose is appearing in our skies. Citizens of Canada have not given their informed consent.

Geoengineering policy acknowledges the practice will be uneven. Some will benefit, others will suffer. Winners and losers will be established. Compensation systems will be created. Geoengineering policy suggests GE can be pressed upon and accepted by democratic peoples in much the same way as tax collection, military conscription, and eminent domain.

Manitoulin Island just experienced its darkest winter in 80 years, according to local media. SRM will continue to remove direct sunlight, which is required for life. Solar radiation management must cease until its full implications are known, and citizens can make an informed decision about its use.

Sincerely,

Zak Nicholls, Little Current

Dear Mayor MacNevin and Council, Northeastern Manitoulin and the Islands.

I wish to address a phenomenon in our skies.

Over the years I have attempted to elicit an answer from federal and provincial governments regarding solar radiation management. I have received no responses. As a private citizen, I am being ignored.

I request that council ask our federal and provincial governments the following;

1. Is Canada/Ontario utilizing solar radiation management?
2. Are foreign/domestic entities (countries/corporations) practicing SRM with/without Canada/Ontario permission?
3. When will Canada/Ontario ask consent from their population to utilize SRM?
4. What conventions regarding geoengineering does Canada/Ontario belong?

Please consider addressing these questions to Prime Minister Justin Trudeau and Premier Doug Ford.

Thank you for your time and concern.

Sincerely,

Zak Nicholls, Little Current



**Manitoulin Centennial Manor
Board of Management Meeting
Apr 23 2023
(unapproved)**

Present:

Pat MacDonald, (Chair) Dawn Orr, Mary Jane Lenihan, Jim Cahill, Brenda Reid
Art Hayden
Don Cook, (Administrator); Sylvie Clarke, (DOC)
Keith Clement (Extendicare);
Tom Sasvari (Expositor)
With regrets –
Meeting held in Manor board room

1.0 Call to order

1.1 Meeting called to order at 10:15 a.m. by Chair, Pat MacDonald

2.0 Approval of Agenda

Adjustment to Correspondence- In Camera session added for the end of the meeting.

2.1 Motion put forward to approve the agenda

Moved by Art Hayden

Seconded by Brenda Reid

....carried

3.0 Approval of Minutes from Mar 19

3.1- Motion put forward to approve minutes as amended

Moved by M.J. Lenihan

Seconded by Jim Cahill

.....carried

4.0 New Business

4.1 There was a Facebook by a family member of a former resident, that was derogatory to residents respect.

Our policies and procedures would not allow for such and incident to happen and we have documentation to that fact.

Keith talk to with Communication on our response.

Any board members that are asked about the allocation are to refer the person to Don or Sylvie.

4.2 Covid-19 Vaccine Protocol

Extendicare is recommending that unvaccinated workers be allowed to return to work. Motion to except the new policy allowing unvaccinated workers to return to work, but the policy can be reversed if conditions change.

Moved by Brenda Reid

Seconded by Jim Cahill

.....carried

4.3 Bus Purchase.

Purpose that the Manor purchase the used Angle bus with a wheel chair lift for taking residents on outings and save on the cost of renting a bus for the outings. The cost of \$10,500, would be paid form the fundraising account using money donated for a projects different then the tree of lights projects.

Insurance policy is \$3,000 per year.

The concern is the operating cost of a used bus.

The plan is to sell advertising on the side of the bus to cover the operating cost.

With some concern and caution in regards to the operating cost of the bus the board did feel it would be beneficial for the residents, if the Manor owned their own bus to be able to more easily take the residents on out, on outings.

Motion to Purchase the Bus

Moved by M.J. Lenihan

Seconded by Dawn Orr

.....carried

5. Business Arising from Minutes

5.1 Service Accountability Agreement

Has been signed by Pat and Don and sent to the Ministry of Health.

6.0 Fundraising Update –

6.1 Courtyard work to resume once the weather is nicer around the first of June.

6.2 Dining Room Renovations;

Cupboard and counters have been purchased and a tender is out to have them installed.

Don was able to purchase them with remaining IPAC minor capital fund, to use that \$19,000 up and not return it to the government.

Don would like to use some fundraising money that was to be used for the cupboard and counter purchase for the Manor lighting program replacing the lights with LED lights.

Motion to accept fundraising report.

Moved by Art Hayden

Seconded by Brenda Reid

Motion to use fundraising money for the lighting program.

Moved by Jim Cahill

Seconded by M.J. Lenihan

Don to bring financial statement for Fundraising Fund to next board meeting.

7.0 Correspondence

7.1 To be discussed in Camera

8.0 Administrator's Report

8.1 Attached Report

Motion to accept

Moved by Art Hayden

Seconded by Jim Cahill

....carried

9.0 Extending Report

9.1 Financial Statements for Mar 23

Motion to accept financial statements presented

Moved by Brenda Reid

Seconded by M.J. Lenihan

...carried

10.0 Camera

Motion to go in Camera at 11:38

Moved by Art Hayden

Seconded by Jim Cahill

Motion to come out of in Camera at 12:08

Moved by Jim Cahill

Seconded by Brenda Reid

11.0 Adjournment

Motion to adjourn

Moved by Art Hayden



2023 First Quarter Activity Report May 18, 2023

The following is the most recent consolidated Quarterly Report that the DSB will be sending to member municipalities and posting on the public website. Expect Quarterly Reports in February, May, September, and November of each year.

The program statistics are provided separately and updated monthly. They are available on the website by clicking the following link: [Monthly Program Statistics](#)

CAO Overview

The DSB 2023 First Quarter (Unaudited) Financial Report was presented to the Board and projects a year-end municipal **surplus of \$110,146**. Ontario Works and Children's Services expenses are forecasted to be on budget. Community Housing is forecasted to be under budget by \$54,239. Paramedic Services is forecasted to be over budget by \$145,158. Interest revenue on non-reserve accounts is forecasted to be \$201,065 more than budgeted.

The DSB quarterly financial reports are available on the DSB website by clicking the following link: [Quarterly Financial Reports](#)

Paramedic Services

The following provides some insight into the major activities involving the Paramedic Services Department during the months of January, February and March of 2023.

COVID-19 Pandemic Recovery

Our recovery continues as we have experienced a significant drop in COVID-19 infections amongst our staff. Many measures imposed during the Pandemic are expected to be loosened if not rescinded in the coming months as warmer temperatures approach and other agencies commence doing the same.

Collective Bargaining - OPSEU Local 679

Both parties returned to the table for one final attempt to get to an agreement before going to interest arbitration in the spring. Fortunately, the effort on both sides proved fruitful and a tentative agreement was reached and subsequently ratified by both parties. The final version is expected to be ready for April 2023 for approval and execution.

Community Paramedicine

Our CP team had been decimated by unanticipated departures and leaves of absences however thanks to a successful winter recruitment campaign, 3 new full time employees

have been hired and are currently being onboarded. Our hope is that all education, certification and mentorships will be completed by early April and the new recruits will be ready for independent practice shortly thereafter.

Winter recruitment

We hired 3 new FTEs to fill CP vacancies. We also recruited 2 Regular Part-Time employees through the winter recruitment process. We are hopeful that our spring posting and recruitment will prove more fruitful through our current open posting that has been active since June 2022. We are also hoping that some of our staff currently on prolonged leave are approaching a return-to-work date which will definitely ease some of our staffing pressures.

Non-Urgent Patient Transportation Service

Despite staffing pressures, the service continues to be an effective resource in shedding non-urgent work from our Paramedic Services. Bargaining sessions have been scheduled in April to negotiate a new CA.

Children's Services

In the first quarter, the average enrollment in licensed child care was 561 children, 445 full fee and 116 subsidized. Compared to last quarter there has been a 6% increase and compared to last year at this time, enrollment has increased by 16%.

The waitlist for licensed childcare at the end of the first quarter is 350 children. The highest waitlist age groups are infant, toddler and preschool children. Licensed child care in the Manitoulin-Sudbury district have not historically had waitlists, workforce shortages are preventing child care providers from meeting current need in their respective communities.

The number of total visits to EarlyON Child & Family Centres by parents/caregivers and children was 2912, and the total activity kits provided was 88. Compared to last quarter the number of visits increased by 22.5%, activity kits provided decreased by 33%. Compared to last year at this time, number of visits increased by 219%, and activity kits provided decreased by 90%. During the height of the pandemic families could not attend at the EarlyON sites, however, now that Centres are back in their sites full time, EarlyON Centres are encouraging families to attend in person and participate in group activities as opposed to providing activity kits.

The Manitoulin Sudbury Network for Children and Families / Child Care Crisis

The Manitoulin-Sudbury Network for Children and Families is an integrated system of early years leaders from across the district. In response to current staff shortages and ongoing challenges in recruiting new employees to the child-care sector, the Network members agreed on the need for advocacy and that a [letter](#) would be prepared and sent to Minister Lecce and the Honourable Karina Gould.

Staffing shortages are driven by low wages which is affecting the accessibility of child care for families. Child care centres are closing rooms and limiting enrollment because they cannot retain staff in their programs. Demand is increasing for child care spaces where a workforce shortage already exists. Without meaningful investments, educators will continue to exit the workforce, without educators and child care workers there is no child care.

Access and Inclusion Framework and Notional Space Targets

In February, the Manitoulin Sudbury District Services Board approved the [Access and Inclusion Space Target Issue Report](#). The 5-year (2022-2026) space allocation for the Manitoulin Sudbury District is 183. The school-based allocation is 10 and community-based allocation is 173.

Our district has notionally planned for future years and will continue to meet with partners and communities to ensure that planned spaces meet the needs of the communities and are viable into the future.

Learn and Stay Grant

In February, the Manitoulin Sudbury District Services Board approved the [2023 Learn and Stay Grant Issue Report](#), the report provides an overview of the Learn and Stay Grant as it relates to paramedic services, and recommends that advocacy commence to expand the grant to include Early Childhood Education.

2022 Early Years and Child Care Annual Report / Licensed Child Care Data Profiles

On February 14th, the Ministry of Education released the [2022 Annual Report and Licensed Child Care Data](#). The purpose of this is to collect annual statistical information about the operations of licensed child care centres and home child care agencies in Ontario.

While the system continues to recover from the COVID-19 pandemic, there has been encouraging movement with an increase of 8,459 licensed child care spaces across Ontario between 2021- 2022. The number of licensed childcare spaces has increased by 10% since 2012-2013 and the number of spaces has grown across all age groups.

As of November 1, 2022, 92% of licensed programs in Ontario have opted in to the CWELCC system. In our district, 100% of programs have opted in. The fees in our community are significantly lower than the median range in the province of \$75.01 per day for infants to \$23.58 per day for school age before and after school care.

The survey also includes data for EarlyON. In our district, we have 4 main sites and 12 satellite sites. Virtual programming is offered for both Manitoulin and Lacloche. French language programming is offered in Sudbury North, Lacloche and Sudbury East. Indigenous programming is offered throughout the district.

Reflecting on Black History Month

In a [memo](#) from the Ministry of Education on February 23, 2023, the province reflected on February as Black History Month and the opportunity to focus on and celebrate the

achievements and contributions of black individuals and black communities across Ontario and Canada. There were celebrations of Black History Month across the province children and youth were engaged in conversations about race and difference which helped foster an environment of belonging.

Ontario Works

In the first quarter of 2023, the Ontario Works/Temporary Care Caseload average was 521. Compared to last year at this time, the caseload has decreased by 0.95%.

Centralized Intake

153 applications were received by the Manitoulin-Sudbury District Services Board (DSB) in the first quarter of 2023. Of the 153 applications received, 63 were granted by the Intake and Benefits Administration Unit (IBAU), 38 were referred by the IBAU to the Manitoulin-Sudbury DSB for processing, and 24 were transfers from another Ontario Works (OW) office. The remaining 28 applications were processed at the local office rather than being referred to Centralized Intake as certain applications, such as Emergency Assistance, are not yet being processed by the IBAU, or there were extenuating circumstances surrounding the application that warranted an expedited approach to granting assistance. Information regarding [Centralized Intake Concerns and Possible Solutions](#) was shared in the 4th quarter report for 2022. This report highlighted concerns regarding the percentage of applications being referred by the IBAU to the local office for processing. The initial goal of Centralized Intake was to have 70% of applications completed by the IBAU. During the first quarter of 2023, 60% of applications submitted through Centralized Intake were referred to the local office by the IBAU.

Ontario Works 2023 Service Plan Addendum

Historically, the Ministry of Children, Community and Social Services (MCCSS) required an OW Service Plan to be submitted every 2-years, however, given the upcoming Employment Services Transformation (EST) timeline, a 1-year service plan addendum was created which builds on the 2021 2-year OW Service Plan.

[The 2023 service plan addendum](#) speaks to the OW vision and mandate of the Manitoulin-Sudbury DSB and provides an environmental scan of our caseload and all employment programs that are offered. This environmental scan includes a breakdown of the Manitoulin-Sudbury DSB caseload by geography, family composition, and by length of time on assistance in January 2023, as well as the average OW caseload from 2003 to 2022.

The service plan also provides an overview of program management including service delivery rationale, OW intake, and an overview of family support, outcome management, employment services, training, and workshops, basic education, employment placements, community placements, LEAP, child care, and assistance available to victims of domestic violence.

Outcome strategies are also outlined along with detail on the link to our outcome measures. As part of the employment plan, various stakeholders are contracted to provide programming, these stakeholders include Cambrian College, Alpha en Partage and Canadian Mental Health Association. Employment targets were met in both 2021 and 2022.

Community Engagement to Address Food Insecurity

On February 24, 2023, a [letter](#) composed by Public Health Sudbury and Districts (PHSD), which includes a resolution from the February 16, 2023 Board of health meeting, was addressed to Premier Doug Ford. The resolution highlights the need to prioritize food security and shift the focus from food charity to income-based solutions. The resolution also outlines the health consequences of food insecurity, such as the negative effect on mental and physical health, and the detriment to an individual's ability to lead a gainful, healthy, and self-sufficient life.

The Manitoulin-Sudbury DSB has expressed support of the call on the provincial government to incorporate local food affordability findings in determining adequate levels of social assistance.

Employment Ontario

The Employment Services (ES), Youth Job Connect (YJC) and Youth Job Connect Summer (YJCS) programs continue to be advertised and delivered from the Chapleau office.

From January to March 2023

- There were 10 new registrations for Employment Services and 5 files were closed for various reasons including employment.
- There were no new registrations in the YJC program.
- There were no new registrations in the YJCS program – the program will resume in the next fiscal year. The employment consultant will be visiting the schools in late March and early April with training starting in May.
- 371 individuals and 6 employers were assisted by Employment Services.
- Through our partnership with ALPHA, the First Aid/CPR course was offered in January and the Food Handlers course was offered in March.

Community Housing

Waiting list (Applicants)

Total applications at end of quarter 1 is 812. The applicant breakdown is as follows:

1 Bedroom	637	2 Bedroom	83
3 Bedroom	52	4 bedroom	40

Direct Shelter Subsidy (DSS)

Staff continue to identify and complete the application process with eligible applicants for the DSS program. All applicants receiving the benefit are deemed housed. As of the end of this quarter there were 196 active DSS recipients. At the end of Q4 of this year there were 201 recipients and at this time last year there were 219.

Income Mixing

Per DSB Policy, every effort is being made where the waitlist allows, to mix the Community Housing Buildings with RGI, Affordable and Market Rent Tenants. As of the end of this quarter we have successfully secured 11 market rent tenants and 104 affordable rent tenants. This represents 4% and 38% of our portfolio. This represents an increase of 1 market rent tenant and 7 affordable from last quarter. Last year at this time we had 10 market rent tenants (3.6%) and 80 affordable (29%)

Smoke Free Housing – Unit Count-down

As of the end of the 1st quarter of 2023, 200/275 of the portfolio's units are designated as Smoke-free. This represents 72% of the full portfolio currently. Units are designated as turn-over occurs.

Canadian Mental Health Association – Community Mobilization

In February the Board reviewed and approved the [Canadian Mental Health Association Espanola and Area Situation Table/Sudbury East Mobilization Table 12 Month Report](#). Community Mobilization is a partnership of agencies from various community sectors including health, children's services, policing, education, mental health and addictions, housing and municipal services. There are 2 Community Mobilization Tables in the District: 1 for the LaCloche area and 1 for the Sudbury East area.

2023-24 Planned Funding Allocations for Provincially Delivered Housing and Homelessness Prevention Programs

On February 3rd we received [correspondence](#) regarding funding for the 2023-24 fiscal year for our housing and homelessness prevention programs.

The Manitoulin-Sudbury DSB has received an increase to the Canada-Ontario Community Housing Initiative (COCHI) allocation in the amount \$32,137, a decrease to the Ontario Priorities Housing Initiative (OPHI) in the amount of \$8,600, a decrease to the Canada-Ontario Housing Benefit (COHB) of \$21,200 and as of this report no change to the Homelessness Prevention Program allocation. Staff are reviewing local needs for all programs and will begin working on investment plans.

Community Housing Policy 2.3 Centralized Waiting List and Tenant Selection

The Manitoulin-Sudbury DSB has revised its [Community Housing Policy 2.3, Centralized Waiting List and Tenant Selection](#). The revision provides an update on the Market Rent

Income Limits for any new Community Housing construction or acquisitions, there are no changes for the existing portfolio.

Little Current Project – New Build

The new building construction in Little Current continues to progress well. There are 2 – 2-bedroom units and 10 – 1-bedroom units. The 2 Bedroom units are fully accessible. Staff are working on preparing for occupancy in the coming months.

Capital Projects with Housing Services Corporation

Manitoulin

The Scheduled Electrical Work for Little Current and Manitowaning is now in the planning stages with confirmation from the contractor of the arrival of all necessary components. The work is being scheduled and should be completed by the end of the next quarter pending all necessary permitting and ESA approvals. This work is partially funded using COCHI dollars.

Balcony repairs and rehabilitation in Little Current and Manitowaning required some additional work from the contractor due to poor curing of the concrete. Grinding and re-parging in Little Current was delayed due to weather and will continue into spring. The contractors will be back on the job site to complete the necessary work and additional painting in April if weather permits. This work is also partially funded using COCHI funds.

A new contractor has been sourced for the balcony reconstruction in Mindemoya and the work will commence later this Spring. The other balcony work under the prior contract is complete and inspections done on site.

Lacloche-Manitoulin

The Roof Replacement tender was awarded for both Gore Bay (3 Water St) and Espanola (60 Barber). To date, the specifications have been completed and the product is being ordered. This project is scheduled to be completed 2 weeks from the start of the project in May and will have little disruption to residents.

The Organization has also undertaken a tender to review the requirements for replacement of 3 Make up Air handling units within the portfolio. These units are original and are beginning to fail universally. The awarded vendor will determine the specifications and required drawings for the tender. Work is scheduled to be done this summer.

Work Orders

In Q1 a total of 225 Work Orders were generated: 160 for Community Housing; 10 for Administration Offices, and 55 for Paramedic Services. There was a total of 147 Work Orders closed or resolved during that time. There were 9 work orders for unit turnovers;

3 family units and 6 for apartments. Work orders are closed if the work is done in-house, or when the invoice is paid from an outside source.

Donna Stewart

Chief Administrative Officer

Manitoulin-Sudbury District Services Board

Phone: 705-222-0499

E mail: donna.stewart@msdsb.net

Website: www.msdsb.net

[illegible]

Actual to Budget		NET Municipal Variance	Explanation of Unaudited Municipal Share- AS OF March 31, 2023
Ontario Works	\$ -	-	Municipal share of administration expenses are forecasted to be on budget.
Child Care	\$ -	-	Municipal share of Child Care expenses are forecasted to be on budget.
Community Housing	\$ (54,239)	(54,239)	<p>(\$48,762) + (\$5,477) = (\$54,239) surplus</p> <p>Direct operated rev & exp and program support allocation is forecasted to be (\$48,762) under budget</p> <ul style="list-style-type: none"> - Rental Revenues are forecasted to be (\$8,644) more than budgeted. - Direct operating expenses are forecasted to be (\$19,326) under budget due to: <ul style="list-style-type: none"> utilities (\$17,276) under budget, salaries & benefits for custodians (\$26,346) under budget, maintenance expenses over budget \$42,920, other admin expenses under budget (\$18,624); - Program Support Allocation is forecasted to be (\$20,792) under budget. <p>Non-Profit, Rent Supp. and Urban Native expenses are forecasted to be (\$5,477) under budget.</p>
Paramedic Services	\$ 145,158	145,158	<p>Paramedic Services municipal share is forecasted to be \$145,158 over budget</p> <p>The MOHL TC funding is forecasted to be on budget; but is possibly expected to be a surplus once funding announcements are received.</p> <p>Medic Staffing and Benefits is forecasted to be on budget.</p> <p>Non Wages are forecasted to be over budget by \$145,158</p> <ul style="list-style-type: none"> - Transportation & Communication is forecasted to be \$30,887 over budget - Program Support is forecasted to be (\$31,547) under budget - Vehicle repairs and maintenance are forecasted to be over budget by \$15,000. - Building repairs and maintenance, grounds and utilities are forecasted to be \$50,749 over budget - Supplies are forecasted to be \$80,069 over budget.
Interest Revenue	\$ (201,065)	(201,065)	Interest Revenue is forecasted to be (\$201,065) more than budgeted which results in a municipal surplus.
	\$	(110,146)	

**MANITOULIN-SUDBURY
DISTRICT SERVICES BOARD**

Financial Statements

Year Ended December 31, 2022

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying financial statements of Manitoulin-Sudbury District Services Board ("Board") are the responsibility of the Board's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 2 to these financial statements. The preparation of the financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

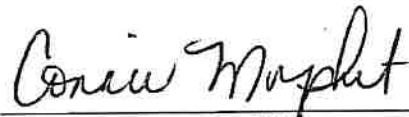
The Board's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

The Board members meets with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by Freelandt Caldwell Reilly LLP, independent external auditors appointed by the Board. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Board's financial statements.



Chief Administrator Officer



Director of Finance

May 18, 2023

Date



INDEPENDENT AUDITORS' REPORT

To the Members of Manitoulin-Sudbury District Services Board and Members of Councils, Inhabitants and Ratepayers of Municipalities listed in Note 2

Opinion

We have audited the financial statements of Manitoulin-Sudbury District Services Board, which comprise the financial position as at December 31, 2022, and the statements of operations and changes in accumulated surplus, changes in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Manitoulin-Sudbury District Services Board as at December 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

Our examination was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules 1 through 7 is presented for purposes of management analysis, budgeting and funding provider analysis and is not a required part of the basic financial statements. The supplementary schedules have not been and are not intended to be prepared in accordance with Canadian generally accepted accounting principles. The supplementary schedules have been subjected to the auditing procedures applied in the examination of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

INDEPENDENT AUDITORS' REPORT (continued)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

FREELANDT CALDWELL REILLY LLP



Chartered Professional Accountants
Licensed Public Accountants

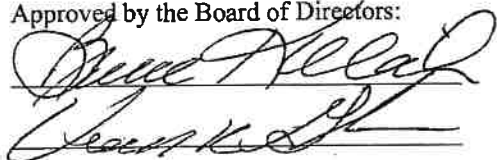
Espanola, Ontario
May 18, 2023

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD
Statement of Financial Position
Year ended December 31, 2022 with comparative figures for 2021

	2022 \$	2021 \$
Financial Assets		
Cash and cash equivalents	18,006,558	16,331,147
Accounts receivable	2,282,874	1,118,287
Mortgage receivable (note 5)	284,331	-
	20,573,763	17,449,434
Liabilities		
Accounts payable and accrued liabilities	10,338,256	8,080,299
Post-employment benefit obligation (note 6)	1,327,700	1,163,400
Deferred contributions (note 7)	2,160,068	1,302,692
Capital lease obligation (note 9)	458,850	721,264
	14,284,874	11,267,655
Net assets (note 10)	6,288,889	6,181,779
Non-financial Assets (note 11)		
Tangible capital assets (note 12)	14,520,462	14,205,851
Prepaid expenses	552,597	445,108
Prepaid assistance	356,490	379,624
	15,429,549	15,030,583
Accumulated Surplus	21,718,438	21,212,362

Contingent liabilities (note 13)

Approved by the Board of Directors:



The accompanying notes are an integral part of the financial statements

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD
Statement of Operations and Changes in Accumulated Surplus
Year ended December 31, 2022 with comparative figures for 2021

	2022 Budget \$	2022 Actual \$	2021 Actual \$
Revenue			
Ontario Works Administration Programs	7,899,308	7,455,030	7,314,155
Paramedic Services	20,122,202	19,947,303	19,678,458
Community Housing	5,066,231	5,286,739	5,507,766
Child Care Programs	10,026,568	11,302,248	9,955,310
Homelessness Programs	766,183	2,879,337	3,546,569
Other revenue	222,695	601,402	244,341
Total revenue	44,103,187	47,472,059	46,246,599
Expenditures			
Ontario Works Administration Programs	7,889,308	7,435,283	7,301,094
Paramedic Services	19,254,562	19,678,241	19,566,004
Community Housing	4,600,976	5,438,887	5,026,188
Child Care Programs	10,026,568	11,302,248	9,955,310
Homelessness Programs	766,183	2,879,337	3,546,569
Other expenditures	315,279	231,987	242,988
Total expenditures (note 15)	42,852,876	46,965,983	45,638,153
Annual surplus before undernoted item	1,250,311	506,076	608,446
Refund of prior years' Municipal Apportionment	-	-	-
Annual surplus	1,250,311	506,076	608,446
Accumulated surplus, beginning of year	21,212,362	21,212,362	20,603,916
Accumulated surplus, end of year	22,462,673	21,718,438	21,212,362

The accompanying notes are an integral part of the financial statements

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD
Statement of Changes in Net Assets
Year ended December 31, 2022 with comparative figures for 2021

	2022 Budget \$	2022 Actual \$	2021 Actual \$
Annual surplus	1,250,311	506,076	608,446
Acquisition of tangible capital assets	-	(2,069,293)	(1,219,971)
Amortization of tangible capital assets	-	1,721,202	1,676,890
Gain on disposal of tangible capital assets	-	(66,520)	(130,000)
Proceeds on disposal of tangible capital assets	-	100,000	148,481
Change in prepaid expenses	-	(107,489)	(225,870)
Change in prepaid assistance	-	23,134	(19,934)
Change in net assets	1,250,311	107,110	838,042
Net assets, beginning of year	6,181,779	6,181,779	5,343,737
Net assets, end of year	7,432,090	6,288,889	6,181,779

The accompanying notes are an integral part of the financial statements

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD
Statement of Cash Flows
Year ended December 31, 2022 with comparative figures for 2021

	2022	2021
	\$	\$
Cash flows from operations		
Annual surplus	506,076	608,446
Non-cash items including amortization		
Amortization of tangible capital assets	1,721,202	1,676,890
Gain on disposal of tangible capital assets	(66,520)	(130,000)
	2,160,758	2,155,336
Changes in non-cash assets and liabilities		
Accounts receivable	(1,164,587)	(629,626)
Mortgage receivable	(284,331)	-
Accounts payable and accrued liabilities	2,257,957	(718,557)
Post-employment benefit obligation	164,300	9,300
Deferred contributions	857,376	(969,202)
Prepaid expenses	(107,489)	(225,870)
Prepaid assistance	23,134	(19,934)
	3,907,118	(398,553)
Capital transactions		
Proceeds on disposal of tangible capital assets	100,000	148,481
Cash used to acquire tangible capital assets	(2,069,293)	(608,171)
	(1,969,293)	(459,690)
Financing transactions		
Repayment of capital lease obligation	(262,414)	(170,645)
Increase (decrease) in cash and cash equivalents	1,675,411	(1,028,888)
Cash and cash equivalents, beginning of year	16,331,147	17,360,035
Cash and cash equivalents, end of year	18,006,558	16,331,147

The accompanying notes are an integral part of the financial statements

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD

Notes to the Financial Statements

Year ended December 31, 2022

1. NATURE OF ORGANIZATION

The Manitoulin-Sudbury District Service Board (The Board) is located in Espanola, Ontario and is a municipal service management organization created by the provincial government to oversee the local planning, coordination and delivery of a range of services and programs divested to the municipal order of government.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board are the representation of management. The financial statements are prepared using Canadian public sector accounting standards as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

a) Basis of accounting

The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

b) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances held by major financial institutions and short-term investments which are readily convertible into a known amount of cash and are subject to an insignificant risk to changes in fair value.

c) Leases

Leases are classified as either capital or operating leases. Leases that transfer substantially all of the benefits and inherent risks of ownership of property to the company are accounted for as capital leases. At the time a capital lease is entered into, an asset is recorded together with its related long-term obligation to reflect the acquisition and financing. Equipment recorded under capital leases is amortized on the same basis as described below. Payments under operating leases are expensed as incurred.

d) Tangible capital assets

Tangible capital assets are recorded at cost. The Board provides for the amortization using the straight-line method designed to amortize the cost, less any residual value, of the tangible capital asset over the estimated useful life of the asset. The annual amortization rates are follows:

Assets	Basis	Rate %
Buildings	Straight-line	4
Computer equipment	Straight-line	30
Vehicles, machinery and equipment	Straight-line	30
Furniture, fixtures, and other equipment	Straight-line	20
Software	Straight-line	100

Additions are amortized at the full annual rate in the year of acquisition. No amortization is recorded in the year of disposal.

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD

Notes to the Financial Statements

Year ended December 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Revenue recognition and deferred contributions

Revenue from government grants and contributions are recognized in the period that the events giving rise to the government transfer have occurred as long as: the transfer is authorized; the eligibility criteria, if any, have been met; and the amount can reasonably be estimated. Government contributions received before these criteria have been met are recorded in the accounts as deferred contributions in the year of receipt and are recognized as revenue in the period in which all the recognition criteria have been met.

Other revenues including certain user fees, rents and interest are recorded on the accrual basis, when earned, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Provincial Ministries subsidize the operations of the Manitoulin-Sudbury District Services Board. Since the operations are reviewed by the Ministries in the subsequent fiscal period, subsidy adjustments, if any, are recorded in the year in which the adjustments are determined.

f) Forgivable loans

Forgivable loans issued under the Investment in Affordable Housing (IAH) program are treated initially as a grant and expensed when issued. If the recipient meets all the conditions under the IAH program this loan is forgiven and no amount is recovered. If they fail to meet the conditions, the loan is recovered and recorded as a gain which is offset against the current year expense.

g) Retirement and Post-Employment Benefits

The Board provides retirement and post-employment benefits to Land Ambulance employees. These benefits are payable at death, termination, lay-off or retirement. The Board has adopted the following policies with respect to accounting for these employee benefits:

- i) The costs of post-employment benefits are determined using management's best estimate of health care costs, employee turnover rates and discount rates. Adjustments to these costs arising from plan amendments and changes in estimates are accounted for in the period of the amendment or change.
- ii) The expense related to the defined benefit pension plan are the employer's contributions to the plan in the year.
- iii) The discount rate used in the determination of post-employment benefits is 2.40%.

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD

Notes to the Financial Statements

Year ended December 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Financial instruments

Measurement of financial instruments

The Board initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Board subsequently measures its financial assets and financial liabilities at amortized cost, except for investments in equity securities that are quoted in an active market, which are subsequently measured at fair value. Changes in fair value are recognized in annual surplus in the period they occur.

Financial assets measured at amortized cost include cash and cash equivalents, accounts receivable and mortgage receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and capital lease obligation.

Impairment

Financial assets measured at other than fair value are tested for impairment when there are indicators of possible impairments. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in the annual surplus.

When events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in the annual surplus, in the period it is identified and measurable up to the amount of the previously recognized impairment.

i) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities at the date of the financial statements and reported amounts of certain revenues and expenditures during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant. Estimates used in the preparation of the accompanying financial statements include certain accounts receivable, allowances for accounts receivable, certain deferred contributions, amounts repayable to certain funders and the estimated useful lives of tangible capital assets.

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD
Notes to the Financial Statements
Year ended December 31, 2022

3. MUNICIPAL APPORTIONMENT

Municipal apportionment is allocated to programs as follows:

	2022	2021
	\$	\$
Paramedic Services	6,957,538	6,793,382
Community Housing	2,298,776	2,254,678
Ontario Works	1,043,031	1,047,426
Child Care	668,038	668,038
Administration	(99,163)	(99,163)
	10,868,220	10,664,361

	2022	2021
	%	%
Municipal Percentage Share		
Municipality of French River	11.160	11.170
Town of Espanola	11.150	11.270
Town of Northeastern Manitoulin and the Islands	10.080	10.070
Municipality of Central Manitoulin	7.520	7.530
Township of Sables-Spanish Rivers	6.330	6.310
Municipality of Killarney	6.180	6.190
Municipality of Markstay - Warren	5.450	5.450
Municipality of St. Charles	3.690	3.680
Township of Assiginack	3.560	3.560
Township of Billings	3.370	3.360
Township of Gordon and Barrie Island	2.740	2.720
Town of Chapleau	1.850	1.850
Township of Tehkummah	1.470	1.470
Township of Nairn and Hyman	1.440	1.440
Township of Burpee and Mills	1.420	1.400
Town of Gore Bay	1.330	1.310
Township of Baldwin	1.160	1.160
Township of Cockburn Island	0.210	0.220
Other unorganized areas within the Manitoulin-Sudbury Districts	19.900	19.900

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD**Notes to the Financial Statements****Year ended December 31, 2022**

4. PENSION AGREEMENTS

The Board makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of the members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

The amount contributed to OMERS for 2022 was \$1,072,534 (2021 - \$1,110,588) for current service and is included on the statement of operations and changes in accumulated surplus.

At December 31, 2022, the OMERS pension plan had total assets of \$155.8 billion (2021 - \$137.8 billion) and an accumulated deficit of \$6.678 billion (2021 - \$3.131 billion deficit).

5. MORTGAGE RECEIVABLE

Receivable from Little Current Place Non-Profit Housing and Elderly Citizens Centre Corporation, monthly payments of \$6,536 bearing interest of 3% per annum compounded semi-annually, not in advance, maturing November 2026, secured by 48 Meredith Street West, Little Current property.

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD
Notes to the Financial Statements
Year ended December 31, 2022

6. LIABILITY FOR POST-EMPLOYMENT BENEFITS PLANS

The Board provides a severance benefit plan for the Land Ambulance employees. The plan includes one week of pay per year of services to a maximum of 26 weeks. The benefit is payable at death, termination, lay-off or retirement. To be eligible, the employee must have completed five years of services. In addition, eligibility for retirement is at age 55, and eligibility for termination is if age plus service is greater than 80.

The Board measures its accrued obligations and the fair value of plan assets for accounting purposes as of December 31, each year. The most recent actuarial valuation of the benefit plan for funding purposes was as of December 31, 2022. Information about the Board's severance benefit plan is as follows:

	2022	2021
Current service cost	103,200	101,200
Interest on obligation	38,900	37,400
Amortize (gains)/losses	26,400	27,700
Benefit Expense	\$ 168,500	\$ 166,300
Financial position - December 31		
Benefit obligation	1,255,100	1,519,200
Fair value of plan assets	-	-
Funded status - surplus (deficit)	(1,255,100)	(1,519,200)
Unamortized amounts - December 31		
Unamortized actuarial gains/(losses)	72,600	(355,800)
Prior service costs	-	-
Accrued Benefit Liability	\$ (1,327,700)	\$ (1,163,400)

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD
Notes to the Financial Statements
Year ended December 31, 2022

6. LIABILITY FOR POST-EMPLOYMENT BENEFITS PLANS (continued)

Similar to most post-employment benefit plans in Canada, the Board's plan is not pre-funded, resulting in a plan deficit equal to the accrued benefit obligation offset by any actuarial gains/losses.

The main assumptions employed for the valuations are as follows:

Interest (discount) rate	2.40%
Salary increase rate	2.00%
Retirement age – later of age 62 and the valuation date	
Mortality – Canadian Pensioners' Mortality Table Public Sector Projected on a generational basis use CPM Improvement Scale B	

7. DEFERRED CONTRIBUTIONS

Deferred contributions consist of unspent provincial subsidies for the following programs:

	2022	2021
	\$	\$
Paramedic Services	1,383,826	466,570
Community Housing	560,166	514,202
Child Care	189,908	231,054
Ontario Works	21,318	51,497
Homelessness	4,850	39,369
	2,160,068	1,302,692

8. COMMITMENTS

The Board rents office and Paramedic Services space under leases with terms as follows:

	Annual Rent	Expiry date
	\$	
Noelville - OW	2,220	2026
Noelville - Paramedic Services	46,319	2029
Killarney - Paramedic Services	38,731	2029

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD
Notes to the Financial Statements
Year ended December 31, 2022

9. CAPITAL LEASE OBLIGATION

	\$	\$
Stryker Canada LP		
Repayable in blended monthly instalments \$11,323 including imputed interest at 3.6% per annum, secured by specified equipment with a carrying value of \$458,850 maturing April 2026	458,850	581,210
Stryker Canada LP		
Repayable in blended monthly instalments \$11,671 including imputed interest at 2% per annum, secured by specified equipment with a carrying value of \$Nil matured during the year	-	140,054
	458,850	721,264

Capital leases are recorded at an amount equal to the lease payments using the lower of the company's incremental borrowing rate and the interest rate implicit in the lease. The interest rates on these obligations are 2% and 3.6%. The following is a schedule of the lease payments under capital leases:

	\$
2023	122,358
2024	122,358
2025	122,358
2026	91,776
	458,850

Interest charges to the accounts of the organization on the lease during the year amounted to \$21,159 (2021 - \$22,407).

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD
Notes to the Financial Statements
Year ended December 31, 2022

10. NET ASSETS

The balance on the statement of financial position of net assets at the end of the year is comprised of the following:

	2022	2021
	\$	\$
To be used:		
for the general increase in (reduction of) annual operations	(1,557,833)	(701,220)
for reserves and reserve funds (schedule 7)	7,846,722	6,882,979
Total net assets	6,288,889	6,181,759

11. NON-FINANCIAL ASSETS

Tangible capital assets, prepaid expenses and prepaid assistance are accounted for as assets by the Board, because they can be used to provide services in future periods. These assets do not normally provide resources to discharge liabilities of the Board unless they are sold.

Age (years)	27.5	5.2	25	25	18-45	0.15	2.10
Gender (Male/Female)	15/15	0	15	15	15-15	0.00	0.00
Education (High School/University)	10/5	0	10	10	10-15	0.00	0.00
Occupation (Student/Teacher/Other)	10/5/0	0	10	10	10-15	0.00	0.00
Marital Status (Single/Married)	15/0	0	15	15	15-15	0.00	0.00
Religious Belief (Islam/Christianity/Other)	15/0/0	0	15	15	15-15	0.00	0.00
Health Status (Healthy/Unhealthy)	15/0	0	15	15	15-15	0.00	0.00
Family Size (1-5/6-10/More than 10)	10/5/0	0	10	10	10-15	0.00	0.00
Income Level (Low/Medium/High)	10/5/0	0	10	10	10-15	0.00	0.00
Living Conditions (Urban/Rural)	10/5	0	10	10	10-15	0.00	0.00
Employment Status (Employed/Unemployed)	10/5	0	10	10	10-15	0.00	0.00
Health Insurance (Yes/No)	15/0	0	15	15	15-15	0.00	0.00
Physical Activity (Regular/Irregular/None)	10/5/0	0	10	10	10-15	0.00	0.00
Dietary Habits (Balanced/Unbalanced)	10/5	0	10	10	10-15	0.00	0.00
Stress Levels (Low/Medium/High)	10/5/0	0	10	10	10-15	0.00	0.00
Sleep Patterns (Regular/Irregular)	10/5	0	10	10	10-15	0.00	0.00
Substance Use (Alcohol/Drugs)	0/15	0	0	0	0-15	0.00	0.00
Genetic Predisposition (None/Mild/Severe)	10/5/0	0	10	10	10-15	0.00	0.00
Environmental Factors (Clean/Dirty)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Access (Good/Poor)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Costs (Low/High)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Quality (Good/Poor)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Satisfaction (Satisfied/Unsatisfied)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Accessibility (Easy/Difficult)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Affordability (Affordable/Unaffordable)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Effectiveness (Effective/Ineffective)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Safety (Safe/Unsafe)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Transparency (Transparent/Not Transparent)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Accountability (Accountable/Not Accountable)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Ethics (Ethical/Unethical)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Innovation (Innovative/Not Innovative)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Research (Research/No Research)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Education (Educational/Not Educational)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Training (Trained/Not Trained)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Certification (Certified/Not Certified)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Licensure (Licensed/Not Licensed)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Regulation (Regulated/Not Regulated)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Monitoring (Monitored/Not Monitored)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Evaluation (Evaluated/Not Evaluated)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Improvement (Improved/Not Improved)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Innovation (Innovative/Not Innovative)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Research (Research/No Research)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Education (Educational/Not Educational)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Training (Trained/Not Trained)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Certification (Certified/Not Certified)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Licensure (Licensed/Not Licensed)	10/5	0	10	10	10-15	0.00	0.00
Healthcare Regulation (Regulated/Not Regulated)	10/5	0	10	10	10-15	0.00	0.00

12. TANGIBLE CAPITAL ASSETS (continued)

In the current year, equipment valued at \$NIL (2021 - \$611,800) was acquired and acquisition was financed by a capital lease obligation.

Included in furniture, fixtures and other equipment are assets under capital lease with cost and accumulated amortization of \$611,800 (2021 - \$1,592,181) and \$152,950 (2021 - \$962,687), respectively.

During the year, amortization of assets financed by capital lease amounted to \$262,414 (2021 - \$262,414).

13. CONTINGENT LIABILITIES

The Board is contingently liable for accumulated sick leave in the amount of \$194,364 (2021 - \$192,832) for Paramedic Services employees. Accumulated sick leave is only payable to cover illness related absences and there is no liability to pay any amounts to employees on change or termination of employment.

No liability is reflected in these financial statements for the accumulated sick leave to Paramedic Services employees.

Provincial Ministries subsidize the operations of the Manitoulin-Sudbury District Services Board. Since the operations are reviewed by the Ministries in the subsequent fiscal period, subsidy adjustments, if any, are recorded in the year in which the adjustments are determined.

The Board is a defendant in a paramedic negligence claim. The claimant is claiming damages of \$2,500,000. At the present time, neither the outcome nor the possible settlement, if any, can be determined. Therefore, no provision regarding any payable with respect to this matter has been recorded in the accompanying financial statements.

14. FORGIVABLE LOANS

Included in the Community Housing Program expenditures is \$NIL (2021 - \$NIL) in grants with forgivable conditions. These grants are issued to low income home owners as forgivable loans. The loans are to be written off over 10 years. However, if the house is sold before the 10-year forgiveness period, the home owner must repay a pro-rated amount back to the Board. If the Board receives funds because of a homeowner selling their property, the amount is used by the Board to grant a new loan to another low income home owner.

During the year, funds received back from homeowners under this program amounted to \$54,226 (2021 - \$90,344) which have been offset with the current year expense.

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD
Notes to the Financial Statements
Year ended December 31, 2022

15. EXPENDITURES BY OBJECT

As required by Section 1201.086 of the Public Sector Accounting Board reporting requirements, these financial statements report on the Board's expenditures by function. The Board's expenditures by object are as follows:

	2022	2021
	\$	\$
Salaries, wages and benefits	17,596,307	17,176,425
Contracted services	14,727,935	13,103,970
External transfers	8,489,890	9,169,041
Materials	4,138,075	4,142,567
Rents and financial items	292,574	369,260
Amortization of tangible capital assets	1,721,202	1,676,890
	46,965,983	45,638,153

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD
Notes to the Financial Statements
Year ended December 31, 2022

16. BUDGET AND OPERATING RESULTS

The Budget adopted by the Board was not prepared on a basis consistent with that used to report actual results in the financial statements. The budget was prepared on a modified accrual basis while public sector accounting standards require the full accrual basis. The budget figures expense all tangible capital acquisitions and does not include a provision for amortization expense. As a result, the budget figures presented in the statements of operations and changes in net assets represent the budget adopted by the Board adjusted as follows:

	2022
	\$
Budget surplus approved by the Board	1,250,311
Add: Net budgeted transfers (to)/from reserves and reserve funds	(1,250,311)
	-

Similarly, the actual operating results for the year are presented using public sector accounting standards which require the full accrual basis. Thus, the actual operating results presented in the statements of operations and changes in net assets represent actual results adjusted as follows:

	2022
	\$
Excess (deficiency) of revenue over expenditures before undernoted items per schedules/programs:	
Ontario Works Administration Programs - Schedule 1	39,692
Paramedic Services - Schedule 2	(214,248)
Community Housing Programs - Schedule 3	25,821
Child Care Programs - Schedule 4	-
Homelessness Programs - Schedule 5	-
Other Revenue and Expenditures - Schedule 6	319,192
	170,457
Add: Net transfers (to)/from reserves and reserve funds - prior	847,771
Municipal surplus before adjustments below	1,018,228
Adjustment to Canadian Public Sector Accounting Standards:	
Add: Net transfers (to)/from reserves and reserve funds - current	115,973
Less: Net tangible capital acquisitions, disposition proceeds, gains, and losses, amortization, and capital lease transactions	(628,125)
Annual deficit before refund of prior year Municipal Apportionment	506,076

17. FINANCIAL INSTRUMENTS

Transactions in financial instruments may result in an entity assuming or transferring financial instruments to or from another party. The Board is exposed to the following risks associated with financial instruments and transactions it is a party to:

(a) Credit risk

Credit risk is the risk that one party to a financial transaction will fail to discharge a financial obligation and cause the other party to incur a financial loss. The Board is exposed to this risk relating to its cash and cash equivalents, accounts receivable and mortgage receivable.

The Board minimizes risk associated with cash and cash equivalents by ensuring these financial assets are placed with large reputable financial institutions with high credit ratings.

The Board incurs receivable transactions, in the normal course of operations, and is exposed to credit risk associated with its accounts receivable balances of \$2,282,874 (2021 - \$1,118,287). The Board minimizes this risk through management's on-going monitoring of amounts due to the organization and collections. Valuations of amounts due to the organization, including the mortgage receivable, are performed on a regular basis and adjustments for amounts determined to be uncollectable are recorded when applicable. Also, refer to note 2(h), impairment regarding the organizations policies for assessing impairment of amounts due to the organization.

(b) Concentration risk

Concentration risk is the risk that an entity's balance due to the Board has a value of more than ten percent of the total accounts receivable and thus there is a higher risk to the Board in the event of a default by one of these entities. At December 31, 2022 receivables from two organization comprised approximately 79% (2021 – 56%) of the total outstanding receivables. The Board reduces this risk by regularly assessing the credit risk associated with these accounts and closely monitors any overdue balances.

(c) Liquidity risk

Liquidity risk is the risk that an organization cannot repay its obligations when they become due to its creditors. The Board is exposed to this risk associated with its accounts payable and accrued liabilities balances and post employment benefits obligation of \$11,665,956 (2021 - \$9,243,699). The Board reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due, and maintains adequate cash resources to repay creditors, mortgage interest and principal and capital lease obligation principal and interest as those liabilities become due.

17. FINANCIAL INSTRUMENTS (continued)

(d) Interest rate risk

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates. The Board is exposed to this risk through its interest-bearing cash balances, the interest rates of which change over time due to a variety of financial market factors and may cause changes in interest earnings in future periods.

SCHEDULE 1

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD
ONTARIO WORKS ADMINISTRATION PROGRAMS
Schedule of Revenue and Expenditures
Year ended December 31, 2022 with comparative figures for 2021

	2022	2022	2021
	Budget	Actual	Actual
	\$	\$	\$
Provincial Subsidy			
OW General	5,074,053	4,680,077	4,460,564
OW Administration and Employment programs	1,414,200	1,414,200	1,414,203
Employment Ontario	191,124	190,492	174,002
Youth Job Connection	176,900	113,285	196,787
Other subsidy	-	13,945	4,670
Municipal apportionment	1,043,031	1,043,031	1,047,426
Total revenue	7,899,308	7,455,030	7,297,652
Expenditures			
OW General	5,074,053	4,680,075	4,460,564
Administration and Employment Expenses			
(Schedule 1A)	2,326,831	2,323,700	2,317,532
Employment Ontario	368,024	190,492	174,002
Youth Job Connection	-	113,285	196,787
National Child Benefit	120,400	78,512	120,400
Other subsidy expense	-	13,945	4,670
Total expenditures	7,889,308	7,400,009	7,273,955
Excess of revenue over expenditures before net transfers from (to) reserves	10,000	55,021	23,697
Transfer to reserves - current	(10,000)	(41,002)	(23,696)
Transfer to reserves - prior	-	25,673	230,697
Net transfer From (to) reserves	(10,000)	(15,329)	207,001
Excess of revenue over expenditures before undernoted items	-	39,692	230,698
Capital assets included in expenditures	-	-	47,848
Proceeds on disposition included in expenditures	-	-	(34,984)
Gain on disposition of capital assets	-	-	16,503
Amortization of capital assets	-	(35,274)	(40,003)
Excess of revenue over expenditures	-	4,418	220,062

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD
Analysis of Ontario Works Administration Expenditures
Year ended December 31, 2022 with comparative figures for 2021

	2022	2022	2021
	Budget	Actual	Actual
	\$	\$	\$
Administration and Employment Expenses			
Salaries and benefits	1,333,346	1,329,371	1,577,429
Employment funded expenses - CPE and ERE training	651,508	668,932	114,541
Travel and training	87,253	85,357	43,462
Computer software and hardware	86,370	79,423	76,962
Accommodation costs	78,357	67,443	62,419
Office supplies and postage	28,025	27,756	24,781
Insurance	22,313	19,263	17,063
Telephone and communications	11,423	16,577	16,170
Board travel, meetings	19,282	16,004	16,984
Audit and accounting fee	7,250	8,518	6,500
Legal and consulting fee	1,136	4,440	5,286
Advertising	568	616	760
Purchased services	-	-	355,175
	2,326,831	2,323,700	2,317,532

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD
PARAMEDIC SERVICES
Schedule of Revenue and Expenditures
Year ended December 31, 2022 with comparative figures for 2021

	2022 Budget \$	2022 Actual \$	2021 Actual \$
Revenue			
Provincial Subsidy			
Operating	8,876,740	8,923,724	8,461,195
Wikwemikong (Schedule 2A)	2,947,922	2,425,021	2,675,399
Community Paramedicine	1,000,000	954,178	1,169,467
Patient Transfer Service	460,000	484,298	429,214
COVID-19 subsidy	-	135,592	148,780
Other	-	432	1,021
Municipal apportionment	6,837,540	6,957,538	6,793,382
Total revenue	20,122,202	19,880,783	19,678,458
Expenditures			
Salaries and benefits	12,957,848	12,233,560	11,911,012
Wikwemikong expenses (Schedule 2A)	2,947,922	2,425,021	2,675,399
Capital expenditures	-	1,068,732	650,468
Community Paramedicine expenses	1,000,000	954,178	1,169,467
Vehicle expenses	585,791	747,835	619,231
Patient transfer services	460,000	504,298	549,214
Building expenses	408,717	465,348	299,552
Transportation and communication	325,623	380,087	565,606
Administrative expenses	297,781	332,702	275,041
Medical supplies and equipment	160,649	263,935	244,127
COVID-19 expense	-	135,592	148,780
Mal practice insurance	35,783	35,018	31,347
Other supplies and equipment	30,317	94,334	139,423
Interest expense	44,131	44,131	47,319
Total expenditures	19,254,562	19,684,771	19,325,986
Excess of revenue over expenditures before net transfers (to) from reserves	867,640	196,012	352,472
Transfer from reserves - current	-	1,141,454	760,516
Transfer to reserves - current	(867,640)	(1,402,211)	(963,485)
Transfer from reserves - prior	-	(149,503)	(224,117)
Net transfer to reserves	(867,640)	(410,260)	(427,086)
Deficiency of revenue over expenditures before undernoted items			
Capital assets included in expenditures	-	(214,248)	(74,614)
Capital lease expenditures	-	864,141	560,323
Proceeds on disposition included in expenditures	-	262,414	170,644
Gain on disposition of capital assets	-	(100,000)	-
Amortization of capital assets	-	66,520	-
	-	(1,020,025)	(970,985)
Deficiency of revenue over expenditures	-	(141,198)	(314,632)

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD
Analysis of Wikwemikong Paramedic Services Expenditures
Year ended December 31, 2022 with comparative figures for 2021

	2022 Budget	January to March (3 months)	April to December (9 months)	2022 Total	2021 Total
	\$	\$	\$	\$	\$
Revenue					
Provincial subsidy	2,947,922	726,690	1,698,331	2,425,021	2,552,855
COVID-19 subsidy	-	-	-	-	120,773
Pandemic subsidy	-	-	-	-	1,771
Total revenue	2,947,922	726,690	1,698,331	2,425,021	2,675,399
Expenditures					
Salaries and benefits	2,052,895	605,727	1,296,266	1,901,993	1,838,778
Vehicle expenses	136,429	34,124	134,978	169,102	97,795
Administration costs	132,902	34,412	103,951	138,363	200,284
Building expenses	38,620	4,581	75,997	80,578	56,250
Medical supplies and equipment	43,019	20,176	36,856	57,032	59,500
Transportation and communication	44,479	19,671	31,916	51,587	45,562
Other services	23,440	18,347	18,124	36,471	26,171
One time expenses	455,484	3,597	-	3,597	172,195
COVID-19 expense	-	6,453	(10,991)	(4,538)	120,773
Other supplies	20,654	(20,398)	11,234	(9,164)	56,320
Pandemic pay expense	-	-	-	-	1,771
Total expenditures	2,947,922	726,690	1,698,331	2,425,021	2,675,399

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD
COMMUNITY HOUSING PROGRAMS
Schedule of Revenue and Expenditures
Year ended December 31, 2022 with comparative figures for 2021

	2022 Budget \$	2022 Actual \$	2021 Actual \$
Revenue			
Rental income	1,505,670	1,682,699	1,538,703
Federal subsidy	656,169	656,169	806,600
Provincial Subsidy			
OPHI Subsidy	345,058	380,556	483,844
COCHI Subsidy	-	194,364	273,384
SIF program	126,375	126,233	126,234
IAH program	134,183	(52,058)	(89,174)
Municipal apportionment	2,298,776	2,298,776	2,254,678
Total revenue	5,066,231	5,286,739	5,394,269
Expenditures			
Capital expenditures	-	771,449	90,827
Wages and benefits	1,023,662	689,585	601,473
Maintenance materials and services	485,633	655,538	593,303
Utilities	619,228	621,759	595,545
OPHI Subsidy	-	380,555	483,844
Urban native rent supplement	319,776	322,378	345,671
Transfer to Non-Profit Housing	265,706	215,145	323,825
Municipal taxes	209,230	210,913	206,177
COCHI Subsidy	345,058	194,364	273,384
Rent allowance agreement	588,171	182,833	195,731
Housing mortgage costs	155,636	155,636	236,060
SIF expenses	126,375	126,234	126,234
Insurance	98,205	99,577	92,668
Administration	102,658	86,036	101,166
Bad debts - rental and maintenance	-	73,914	35,134
Transportation and equipment	61,577	42,286	31,184
Housing rent supplement	29,472	20,120	27,085
Professional fees	9,841	19,014	11,786
Office rent	26,565	17,495	24,654
IAH program	134,183	(52,058)	(89,174)
Total expenditures	4,600,976	4,832,773	4,306,577
Excess of revenue over expenditures before net transfers (to) from reserves	465,255	453,966	1,087,692
Transfer from reserves - current		771,449	204,324
Transfer to reserves - current	(465,255)	(475,653)	(568,075)
Transfer to reserves - prior		(723,941)	(347,375)
Net transfer to reserves	(465,255)	(428,145)	(711,126)
Excess revenue over expenditures before undernoted items	-	25,821	376,566
Amortization of capital assets	-	(606,114)	(606,114)
Proceeds on disposition included in expenditures	-	-	(113,497)
Gain(loss) on disposition of capital assets	-	-	113,497
Deficiency of revenue over expenditures	-	(580,293)	(229,548)

SCHEDULE 4

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD
CHILD CARE PROGRAMS
Schedule of Revenue and Expenditures
Year ended December 31, 2022 with comparative figures for 2021

	2022 Budget \$	2022 Actual \$	2021 Actual \$
Revenue			
Provincial Subsidy			
MEDU operating subsidy	7,386,749	7,761,544	7,038,518
Early On	1,373,858	1,475,326	1,373,858
Canada Wide Early Learning	-	436,665	-
Workforce Cap & Innovation	-	386,583	-
Indigenous Led Child and Family Programs	320,650	320,650	320,650
Administration	171,297	114,741	245,629
Data Analysis Coordinator	75,876	83,703	75,876
Planning subsidy	30,100	30,100	30,100
Emergency Child Care	-	24,898	92,812
Provincial Reinvestment	-	-	335,788
Safe Restart	-	-	(225,959)
Municipal apportionment	668,038	668,038	668,038
Total revenue	10,026,568	11,302,248	9,955,310
Expenditures			
Child care			
Operating grant expenses	2,809,085	3,553,599	2,942,097
Expansion expenses	2,476,453	2,128,267	2,393,483
Special needs resources	665,000	591,245	481,664
ELCC expenses	-	530,028	420,859
Canada Wide Early Learning	-	436,665	-
Salaries and benefits	415,320	418,765	404,766
Wage enhancement	432,832	404,085	383,217
Workforce Cap & Innovation	-	386,583	-
Capacity building	381,075	376,077	344,376
Indigenous Led Child and Family Programs	320,650	320,650	320,650
Purchase of service	655,362	127,145	184,753
Ontario works	121,424	121,424	121,424
Administration costs	99,533	96,089	75,970
Repairs and maintenance	85,000	85,000	86,977
Play based materials and equipment	85,000	84,999	84,999
Home child care expenses	-	27,600	27,600
Emergency Child Care	-	24,898	92,812
Provincial Reinvestment	-	-	335,788
Safe Restart	-	-	(225,959)
	8,546,734	9,713,119	8,475,476
Family support program			
Early On	1,373,858	1,475,326	1,373,858
Data analysis coordinator	75,876	83,703	75,876
Planning expenses	30,100	30,100	30,100
	1,479,834	1,589,129	1,479,834
Total expenditures	10,026,568	11,302,248	9,955,310
Excess (deficiency) of revenue over expenditures before net transfers to reserves			
Transfer to reserves - current	-	-	-
Transfer to reserves - prior	-	-	-
Net transfer to reserves	-	-	-
Excess (deficiency) of revenue over expenditures	-	-	-

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD
HOMELESSNESS PROGRAMS
Schedule of Revenue and Expenditures
Year ended December 31, 2022 with comparative figures for 2021

	2022 Budget \$	January to March (3 months) \$	April to December (9 months) \$	2022 Total \$	2021 Total \$
Revenue					
Provincial subsidy - SSRF	-	9,997	2,051,530	2,061,527	1,865,769
Provincial subsidy - HPP	766,183	255,089	562,561	817,650	1,174,372
Provincial subsidy - OESP	-	50	110	160	1,481
CMHC subsidy	-	-	-	-	504,947
	766,183	265,136	2,614,201	2,879,337	3,546,569
Expenditures					
Program expense					
- Social Services Relief	-	9,997	2,051,530	2,061,527	1,865,769
Program expense					
- Homelessness Prevention	118,848	25,760	295,167	320,927	96,754
Program expense					
- Emergency Shelter Solutions	175,893	108,628	205,434	314,062	534,797
Program expense					
- Housing with Related Supports	464,442	82,433	28,141	110,574	420,750
Program expense					
- HPP Administration Expenses	-	38,141	24,583	62,724	114,995
Program expense					
- Other Services and Support	7,000	177	9,186	9,363	7,075
Program expense					
- OESP Expenses	-	-	160	160	1,482
Program expense					
- CMHC mental health & additions	-	-	-	-	504,947
Total expenditures	766,183	265,136	2,614,201	2,879,337	3,546,569
Excess (deficiency) of revenue over expenditures	-	-	-	-	-

SCHEDULE 6

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD
OTHER REVENUE AND EXPENDITURES
Schedule of Revenue and Expenditures
Year ended December 31, 2022 with comparative figures for 2021

	2022 Budget \$	2022 Actual \$	2021 Actual \$
Revenue			
Interest income	99,163	463,656	120,809
TWOMO subsidy	-	14,214	-
Other	123,532	123,532	123,532
Total revenue	222,695	601,402	244,341
Expenditures			
Municipal apportionment	99,163	99,163	99,163
IT expenses	216,116	57,653	84,038
TWOMO expense	-	14,214	-
NOSDA expenses	-	1,170	-
Total expenditures	315,279	172,200	183,201
Excess (deficiency) of revenue over expenditures before net transfers (to) from reserves	(92,584)	429,202	61,140
Transfer from reserves - current	216,116	57,653	84,038
Transfer to reserves - current	(123,532)	(167,663)	(170,851)
Net transfer (to) from reserves	92,584	(110,010)	(86,813)
Excess (deficiency) of revenue over expenditures before undernoted item	-	319,192	(25,673)
Amortization of capital assets	-	(59,787)	(59,787)
Excess (deficiency) of revenue over expenditures	-	259,405	(85,460)

MANITOULIN-SUDBURY DISTRICT SERVICES BOARD
OTHER REVENUE AND EXPENDITURES
Schedule of Continuity of Reserves
Year ended December 31, 2022

SCHEDULE 7

	Working Funds	Tech	Benefits	Vehicle and	Building	Total
	\$	Refresh	Reserve	Equipment	Capital Funds	\$
	\$	\$	\$	Replacement	\$	\$
	\$	\$	\$	Reserve	\$	\$
RESERVES						
Balance, beginning of year	1,765,785	306,076	736,841	677,878	3,396,399	6,882,979
Transfers from (to) operations	(84,311)	60,879	427,173	(368,516)	928,518	963,743
Balance, end of year	1,681,474	366,955	1,164,014	309,362	4,324,917	7,846,722



Conseil des Services du District de
Manitoulin-Sudbury
District Services Board

Annual Report on Reserves

May 18, 2023

The purpose of this report is to annually summarize the various reserves whether they are working or committed reserve accounts held by this Board. The first portion of the report speaks to the need and value of reserves in general terms. There are two types of reserve accounts. Working reserves have no specific committed purpose although they may be needed to cover various outstanding obligations. Committed reserves are amounts which, although held by the Board, must be spent on activities approved by the appropriate ministry, legislation, collective agreements, Board resolutions or decisions reached as part of the Board budget process. The report will also discuss significant accounts within accrued liabilities and deferred revenue as these do have implications for the level of committed reserves, the operating budget, and the working reserve.

The report which follows sets out all reserve accounts. First is a discussion of the working reserve. Then the report describes each committed reserve and provides the rationale for that reserve. The actual amount of each reserve as of December 31, 2022 is included and is consistent with the amounts recorded in the final 2022 audit. Any annual transfer of operating funds into a committed reserve from the operating budget is noted.

There is a restriction in the District Social Services Administration Board Act (DSSAB) on the level of working reserves which the Board may have. The Board has a policy which provides for a maximum working reserve which is below the limits set in the legislation.

Through our discussions with this Board's auditor there appears to be no restriction on the level of committed reserves which the Board may hold. However, for each committed reserve there should be a sound rationale for the creation of the reserve, the amount of the reserve and any decision to add to that committed reserve. Funds should be withdrawn from a committed reserve only to meet those obligations or purposes for which the reserve was originally created. If the obligation or purpose for which the reserve was created is reduced this should be reflected in the amount of the reserve. If the obligation no longer exists or if the original purpose is no longer valid, then that committed reserve should be eliminated.

As part of the completion of this document we are providing specific recommendations related to the working reserve and each committed reserve. These recommendations attempt to take into consideration several factors.

These factors include:

- Recommendations in the report on [Housing Affordability and Needs Study](#).
- Results of the [Ten Year Capital Management Plan](#) completed on all DSB owned buildings by Housing Services Corporation will be used to develop long term capital plans for all Board properties.
- The development of the [10-Year Housing and Homelessness Plan](#) that is required by the Ministry of Municipal Affairs and Housing.
- The [End of Operating Agreements](#) for the Community Housing properties.
- The Community Housing responsibilities under [Duty to Accommodate](#).
- [Post-Traumatic Stress Disorder – Prevention Plan](#)

The recommendations are based on several principles including:

- Committed reserves established for a program should be kept within that program area since they often include provincial payments.
- Each committed reserve must have a rationale for its existence, its amount, and the appropriateness of any additional transfer from the operating budget.
- Where possible similar reserve accounts have been combined.
- If delays in adjusting the reserve are appropriate a future review date has been established.
- All committed reserves which include the annual revolving of funds must be reviewed annually through the creation of five year or greater estimated expenditure plans.
- Any specific expenses that fluctuate significantly from year to year that may cause significant increases to annual budget should be considered when creating revolving reserves.

Accrued Liabilities

Within the accrued liabilities section of the 2022 audit there is an amount of \$1,327,700. This amount represents monies set aside specifically for the payment of severance to Paramedic Services employees under a collective agreement. This severance obligation must be shown as a liability to the Board and be provided for.

Manitoulin-Sudbury DSB retained Mondelis Actuarial Services Corporation to perform a valuation of the severance benefit. In December 2022, the [Actuarial Report](#) states that the severance accrual should be \$1,327,700 as of December 31, 2022. At the end of 2022, the DSB ensured the severance accrual was \$1,327,700. The Actuarial Report forecast for the 2023 year-end is \$1,279,500.

Reasons for Reserves

The Board requires reserves for a variety of reasons.

Specific Liabilities:

Reserves are needed to cover specific liabilities. These liabilities include unpaid bills, legal proceedings, subsidy adjustments, etc.

Prevention of Borrowing:

The Board has several programs in which it expends reserves and then must wait for the retroactive payment of subsidies. The Board has developed a levy system in which it waits for the retroactive payment of municipal and unincorporated levies. If the Board has no reserve it must borrow, at significant cost, to cover these expenditures. The need for working reserves in the Ontario Works Program is somewhat mitigated by the upfront provincial funding of the allowances portion of this program.

Reduction/Elimination of Bank Charges:

Because the Board has reserves, it has been able, through a competitive tendering process, to negotiate very reasonable terms with a bank. Those terms provide for an interest payment at Royal Bank Prime (RBP) -1.90% and a set service fee of \$850 per month which covers all transactions. If reserves are not adequate the Board would pay high interest costs and bank charges.

Ability to Respond to Long Term Capital Needs:

The presence of committed working reserves allows the Board to respond to capital requirements. An example of this is the construction of the Little Current and Foleyet Paramedic Services bases. The purchase of Mindemoya and Massey Paramedic Services bases and the Chapleau Integrated Social Services Office were also funded in this manner.

In the Paramedic Services program, there is the need for ongoing capital repairs for the bases which the Board either owns outright or leases. Ambulances also need replacement, as they age. The presence of reserves allows these two significant areas of Paramedic Services expenditure to occur without creating huge year to year shifts in the municipal levy.

In the Community Housing program, reserves are needed as the building components and fixtures move through their life cycle. The reserves allow us to deal with exceptional and recurring capital requirements. The Community Housing program requires reserves for future potential affordable projects in the district.

Ability to Respond to Significant Program Changes:

The Board operates several programs which have been subject to huge cost shifts. Paramedic Services costs can and have dramatically changed by adjustments in the availability of local health care or as a result of unilateral provincial decisions. Since this Board delivers provincially mandated programs, significant increases in costs can occur as a result of changes in provincial legislation.

Ability to Respond to Significant Grant or Cost Sharing Changes:

The Board is subject to the unilateral decisions of the Province and the Federal government to reduce grants or change cost sharing. This has been and will continue to be a reality with all four program areas under this Board's jurisdiction. Reserves provide some ability, at least in the short term, to offset these sudden unilateral decisions. In almost all the downloaded programs, open ended cost sharing has been replaced by unilaterally set grants.

Working Reserve

The total amount of the working reserve which the Board may retain is 15% of the Board's current year's estimates as set out in the District Social Services Administration Board Act and Regulations. The legislation does not speak to committed reserves.

The following excerpt from the regulations notes that the working reserve may be up to 15% of the total estimates of the Board for the year. The Board estimates are not simply the amount required by the Board for the municipal levy. The estimates include the amounts which the Board requires from senior levels of government to have a balanced budget.

District Social Services Administration Board Act - Ontario Regulation 278/98 ESTIMATES AND RESERVES

7. (1) *Each board shall in each year apportion among the jurisdictions in its district, in accordance with section 6, the amounts that it estimates will be required to defray the expenditures for social services for that year and shall on or before March 31 of that year notify,*
 - (a) *the clerk of each municipality of the amount to be provided by that municipality; and*
 - (b) *the Minister responsible for each social service of the amount to be provided by the Minister with respect to that social service under section 8 of the Act. O. Reg. 37/99, s. 5 (1).*
- (2) *If a board that has given notice of its estimated expenditures incurs additional costs for social services that were not anticipated at the time the notice was given, the additional costs shall be apportioned, and notification given in accordance with subsection (1). O. Reg. 278/98, s. 7 (2); O. Reg. 37/99, s. 5 (2).*
- (3) *In preparing the estimates, the board may provide for a reserve for working reserves in a year not to exceed 15 per cent of the total estimates of the board for the year. O. Reg. 278/98, s. 7 (3).*
- (4) *If the actual expenditures of a board for a year are greater or less than the estimated expenditures for that year, the board shall, in preparing the estimates of the amount required to defray its expenditures for the following year,*
 - (a) *make due allowance for any surplus that will be available from the preceding*
 - (b) *provide for any deficit of the preceding year. O. Reg. 278/98, s. 7 (4).*

This report completed in May 2023 uses the 2023 gross estimated operating costs from the approved budget. The gross estimated costs are used to be consistent with legislation and because the Board expends gross funds prior to receiving any offsets of provincial grants, cost sharing or the receipt of municipal levies.

The working reserve should not exceed 15% of the total estimated 2023 expenditures.
 2023 total estimated expenditures \$45,078,872.
 15% Working Fund Reserve amount is \$ 6,761,831.

Board - Working Reserves

The Manitoulin-Sudbury District Services Board by [Resolution #22-57](#) has adopted a policy to have working reserves set at 15% of the annualized gross expenditures of the DSB's current operating budget.

Specifically, the policy is:

- *Maintaining a Working Reserve in accordance with the DSSAB Act and Regulations set at a maximum of 15% of the annualized gross expenditures.*
- *See any interest earned on the Working Fund Reserve first applied to maintaining the Working Reserve at its maximum of 15% level; and*
- *See any year end operating surpluses first applied to the Working Fund Reserve at its maximum of 15% level; and*
- *See all remaining Working Reserve Fund interest or annual operating surpluses returned to the municipalities as per the apportionment formula of the previous year.*

The working reserve should not exceed 15% of the total estimated 2023 expenditures.
 2023 total estimated expenditures \$45,078,872.
 15% Working Fund Reserve amount is \$ 6,761,831.

Summary of Working Funds Reserve		
Reserve Balance as of December 31, 2021	\$ 1,765,785	
	Amount	Board Resolution
Transfer to Capital reserve per 2021 report	\$ 135,552	
Total Withdrawals	\$ 135,552	
Deposits		
Repayment to Reserve for all buildings	\$ 51,241	
Total Deposits	\$ 51,241	
Balance of Reserve on December 31, 2022	\$1,681,474	

Based on the 2022 audit, the Board has Working Funding Reserves of \$1,681,474.
 Based on DSSAB Act Gross expenditures, the working reserves is underfunded by \$5,080,357

#1 Recommendation:

Transfer the 2022 surplus of \$1,018,228 to the Capital Building Reserve for future DSB Capital needs instead of the Working Reserve.

Committed Reserves

In addition to the Board's working reserve, there are a number of committed reserves. These have been established by legislation, Board resolutions or as a result of decisions reached as part of the budget process. These funds are set aside for a specific purpose/obligation and are used to meet those specific purposes/obligations.

Each year, in some of these committed reserves, funds are flowed into the reserve and flowed out to meet the specific expenditure requirements. An example of this is the Vehicle and Equipment reserve. In that case, \$757,938 goes into the account annually and the number of required ambulances based on a 6- or 7-year renewal plan is purchased from that account each year, as well as any needed equipment. As a result, this committed reserve balance may change significantly from audit to audit. To identify those types of committed reserves we have added the title "Revolving" after the reserve title.

The existence of these committed reserves reduces the likelihood that the municipal share will vary significantly from year to year. An example of this is the ambulance replacement reserve allows us to levy a consistent amount each year, even though the number of ambulances purchased may fluctuate dramatically from year to year.

Information Technology Refresh (IT) Committed Reserve (Revolving) **Balance end of 2022 is \$366,955.**

Due to the rapid evolution of technology, and new hardware requirements as a result of provincially mandated systems, there is a need for a committed reserve to avoid significant year to year fluctuations. All the programs rely on the continuous functioning of a DSB wide IT system. Accordingly, funds must be available to immediately replace IT components that may fail.

In 2022 this reserve was augmented by a transfer of **\$118,532** from the operating budget.

DSB Building Capital Reserve (Revolving) **Balance end of 2022 is \$4,324,917.**

The Ministry has passed regulations requiring each Consolidated Municipal Service Manager or DSSAB to expend a prescribed amount each year for capital repairs for its directly operated public housing portfolio. In this jurisdiction, the public housing portfolio ownership is registered to the Board. Prior to devolution, the capital needs for the public housing portfolio were met by the Province from general revenues and from Federal subsidies.

As a result of Provincial regulations, the amount for the Board to expend each year for capital repairs of the public housing portfolio is \$803 per unit per year. For the transferred public housing units, the amount is $281 \times \$803 = \$225,657$. In the 2022 Budget the Board contribution was \$239,455 bringing the total amount to \$465,255 being levied each year as part of the Housing Services Budget. With the additional contribution to this reserve, it was decided that this reserve would become a "Revolving" reserve with the requirement that at

minimum the \$225,657 in Federal Funding must be utilized on an annual basis. These funds are used each year to fund the capital repairs approved for that year.

In June 2013, staff prepared a report for the Board on the effect of End of Operating Agreements (EOA). The federal funding for the Community Housing buildings will decrease by \$56,053 by 2024.

Additionally, the [Ten Year Capital Management Plan](#) (BCA) that was prepared for Manitoulin-Sudbury DSB by Housing Services Corporation in 2020 s has allowed for the creation of a multi-year consolidated capital repair plan which indicates a high demand for capital in the future for all buildings.

In the June 26, 2013 [End of Operating - Issue Report](#), staff recommended that the Finance Committee consider increasing the capital repairs budget on an annual basis to eliminate the \$135,933 shortfall over the next 11 years. That would require an additional \$12,358 annually from 2014 to 2024 to eliminate the shortfall.

The approved 2023 Budget increased the contribution to the Capital Building Reserve by \$12,358 plus the reserve allocation for the new building. In 2023, the reserve contribution will be \$494,662 for the Housing Budget reserve allocation, and the Paramedic Services and Program Support allocation is \$282,421.

In 2022 this reserve was augmented by a transfer of **\$707,928** from the operating budgets. In 2022 this reserve was also augmented by a transfer of **\$992,039**; the 2021 surplus, and the 2021 working reserve surplus.

**DSB Vehicle and Equipment Replacement Committed Reserve (Revolving)
Balance end of 2022 is \$ 309,361.**

The DSB requires vehicles in all departments in order to operate. The two vehicle reserves and the equipment reserve have been consolidated into one reserve to ensure funding is available to replace vehicles on an annual basis without creating large budget fluctuations from year to year.

The ambulance replacement policy will remain on a cycle of 6 or 7 years. The other vehicles are replaced on an as needed cycle based on use and wear. However, the other vehicles are budgeted for replacement on a 5-year cycle.

The need for medical equipment can change from year to year due to Ministry requirements, disease outbreaks and product replacement cycles. To avoid significant fluctuations in the budget process year to year, an amount is being transferred by the budget process into this committed reserve.

The DSB 2023 budget includes \$67,575 for Paramedic uniforms, jackets, and helmets in the Equipment Reserve. In the latest OPSEU Collective Agreement, the mandatory annual allocation for uniforms and personal protective equipment has been eliminated. This has allowed for some efficiencies by moving dollars from the operational budget to a reserve to allow for annualized fluctuations.

Funds are flowed into this committed reserve and are flowed out to meet the specific expenditure requirements each year. In 2022 this reserve was augmented by a transfer of **\$772,938** from the operating budget.

Benefits Reserve (Revolving)
Balance end of 2022 is \$1,164,014

Prior to July 1, 2011, the DSB purchased insurance to cover the cost of prescribed drug benefits provided to employees in accordance with collective agreement commitments. Purchasing insurance to cover the cost of prescribed drugs meant that the DSB was billed an annual premium based on usage over the past years.

As of July 1, 2011, the DSB has moved away from insurance-based coverage to a self-funded benefits program which includes stop loss insurance in instances where one individual's claims exceed a threshold of \$10,000 annually. Many organizations have moved to self-funded drug benefit programs. What they have found is the creation of a reserve for this purpose does alleviate the need for significant changes in year-to-year budgets as actual costs vary annually.

This reserve is augmented when there is a year-end surplus in the benefits budget for any year. In 2022 this reserve was augmented by \$427,173 which includes the WSIB rebate of \$238,210. The Benefits Reserve balance as of December 2022 is \$1,164,014.

Summary

This report, once approved, will be added to the Finance section of the Board website as an ongoing reference document and be updated annually based on the prior years' audit and the current year estimates. See the summary chart in Appendix A.

Appendix A			
Working Funds Reserve Balances			
Title of Reserve	2022	2021	2020
Working Reserve	\$1,681,474	\$1,765,785	\$1,856,165
DSB Capital Repair Reserve	\$4,324,917	\$3,396,399	\$2,335,878
DSB Vehicle and Equipment Reserve	\$309,362	\$677,878	\$ 694,607
Information Technology (IT) Reserve	\$366,955	\$306,076	\$271,582
Benefits Reserve	\$1,164,014	\$736,841	\$706,722
Total Reserves per Audited Financial Statements	\$7,846,722	\$6,882,979	\$5,864,954

[illegible]

Actual to Budget	NET Municipal Variance	Explanation of Audited Municipal Share- AS OF Dec 31, 2022
Ontario Works	\$ (14,019)	Municipal share of administration expenses are overspent by \$27,896. SAR is underspent by (\$41,915.)
Child Care	\$ -	Municipal share of Child Care expenses are on budget.
Community Housing	\$ (749,762)	<p>(\$287,112) + (\$405,338) + (\$57,312) = (\$749,762) surplus</p> <p>Direct operated rev & exp and program support allocation is (\$287,112) under budget</p> <ul style="list-style-type: none"> - Rental Revenues are (\$177,029) more than budgeted. - Direct operating expenses are (\$100,083) under budget due to: <ul style="list-style-type: none"> utilities \$2,531 over budget, salaries & benefits for custodians (\$1,271) under budget, maintenance expenses over budget \$132,905, other admin expenses over budget \$3,072; bad debts expense due to tenant maintenance chargebacks is \$73,913 over budget. - Program Support Allocation is (\$321,233) under budget. - Direct Shelter Subsidy is (\$405,338) under budget due to expenses reallocated to 100% funding. <p>Non-Profit, Rent Supp, and Urban Native expenses are (\$57,312) under budget.</p> <p>Paramedic Services municipal share is \$164,743 over budget.</p>
Paramedic Services	\$ 64,744	<p>The MOHLTC funding is (\$46,985) over budget.</p> <p>Medic Staffing and Benefits is (\$50,591) under budget.</p> <p>Administration Wages and Benefits are (\$183,845) under budget.</p> <p>Gain on Sale is (\$100,000)</p> <p>Non Wages are over budget by \$446,164.</p> <ul style="list-style-type: none"> - Transportation & Communication is \$54,466 over budget - Program Support is (\$36,331) under budget - Other revenues are (\$432) more than budget - Vehicle repairs and maintenance are over budget by \$162,043. - Building repairs and maintenance, grounds and utilities are \$171,838 over budget - Supplies are \$94,580 over budget.
Interest Revenue	\$ (319,192)	Interest Revenue is (\$319,192) more than budgeted which results in a municipal surplus.
	\$ (1,018,228)	



RESOLUTION 23-51

DATE: May 18, 2023

Moved by: Al MacNevin

Seconded by: Roger Landry

WHEREAS the Manitoulin-Sudbury DSB Board has reviewed the 2022 Annual Report on Reserves.

THEREFORE BE IT RESOLVED that the Manitoulin-Sudbury DSB approves the [2022 Annual Report on Reserves](#) and directs staff to action the recommendations contained within the report.

BRUCE KILLAH

CHAIR

MEMBER	YEAS	NAYS	MEMBER	YEAS	NAYS
BIGNUCOLO, RYAN			KELLY, ANGELA		
BURKE, KEVIN			KILLAH, BRUCE		
CAHILL, JIM			LANDRY, ROGER		
CAMPBELL, ROB			MACNEVIN, AL		
DEFORGE, JOHN			PORTELANCE-GODIN, DENISE		
DUPLESSIS, KEN			SANTI, DAVID		
GORHAM, VERN			WHYNOTT, NED		



RESOLUTION 23-52

DATE: May 18, 2023

Moved by: Rob Campbell

Seconded by: Jim Cahill

WHEREAS the Board has reviewed the Revised Audited Fourth Quarter Financial Report and the 2022 Audited Financial Statements which recorded a surplus of \$1,018,228; and

WHEREAS the DSSAB legislation allows 15% of gross estimated costs to determine the maximum working funds reserve in consideration of the fact that the Board expends gross funds prior to receiving any offsets from provincial grants, cost sharing and municipal levies. According to legislation and based on the 2023 operating budget of \$45,078,872, the working reserve should not exceed 15% or \$6,761,831.

THEREFORE BE IT RESOLVED THAT the Board approves the Revised Audited Fourth Quarter Financial Report; and

FURTHER BE IT RESOLVED THAT the Recommendation from the Reserves Report is to transfer the surplus into the DSB Capital Reserve.

FURTHER BE IT RESOLVED THAT 2022 the Municipal Surplus in the amount of \$1,018,228 be transferred to the DSB Building Capital Reserve.

BRUCE KILLAH

CHAIR

MEMBER	YEAS	NAYS	MEMBER	YEAS	NAYS
BIGNUCOLO, RYAN			KELLY, ANGELA		
BURKE, KEVIN			KILLAH, BRUCE		
CAHILL, JIM			LANDRY, ROGER		
CAMPBELL, ROB			MACNEVIN, AL		
DEFORGE, JOHN			PORTELANCE-GODIN, DENISE		
DUPLESSIS, KEN			SANTI, DAVID		
GORHAM, VERN			WHYNOTT, NED		