



	REPORT No.: 2020-15
MEETING DATE: APRIL 16, 2020	DATE PREPARED: MARCH 15, 2020
SUBJECT: 2019 FOURTH QUARTER FINANCIAL REPORT AND PROGRAM LEVY OPERATING SURPLUS DISPOSITION	

RECOMMENDATION

THAT with respect to Report No. 2020-15 (Corporate Services Division), we, The District of Thunder Bay Social Services Administration Board, approve Option 1 – Return the full \$206,004 levy surplus.

REPORT SUMMARY

To provide The District of Thunder Bay Social Services Administration Board (TBDSSAB or the Board) with the 2019 Fourth Quarter Financial Report, and a recommendation regarding disposition of the 2019 program levy operating surplus.

BACKGROUND

In accordance with Budget Policy No. CS-02:83, a Financial Report is prepared and reported to the Board quarterly. This report provides a comparison of year-to-date and forecast revenues and expenditures to the approved Budget, and includes an explanation of significant variances to the approved Budget, by program area.

The year-to-date and forecast information is provided on the same basis that Federal/ Provincial funding is provided, where certain accruals for potential future employee entitlements are not considered, and are only funded when paid, and purchases of capital assets are reported as expenditures in the year purchased.

COMMENTS

Overall, total spending on TBDSSAB delivered programs, for the period ended December 31, 2019, was \$3,048,572 (3.0%) less than Budget, with a program levy operating surplus of \$206,004 (0.9% of the 2019 levy).

A summary of net cost variances, by program, is presented below:

Variances	
Ontario Works (OW)	\$ 212,964
Child Care and Early Years	(6,960)
Community Housing	-
2018 Program Levy Operating Surplus	\$ 206,004

This result is consistent with the 2019 Third Quarter Financial Report projection (Surplus: \$161,200). The additional surplus, compared to the third quarter, is due, mainly to staff vacancies related to Ontario Works and Corporate Management and Support.

Highlights for the 2019 year, and detailed variance explanations, are provided in Attachment #1: 2019 Fourth Quarter Financial Report.

2019 PROGRAM LEVY OPERATING SURPLUS DISPOSITION

The 2019 TBDSSAB Program Levy Operating Surplus is \$206,004. The following options concerning the surplus disposition are presented:

- Option 1 – Return the full \$206,004 levy surplus. This option would return the entire surplus to municipalities and territories without municipal organization (TWOMO) using the 2019 cost apportionment.
- Option 2 – Transfer the full \$206,004 levy surplus to the Levy Stabilization Reserve Fund. The Levy Stabilization Reserve Fund was established to mitigate unusual and/or excessive levy changes across the TBDSSAB programming. This option would transfer \$206,004 to the Levy Stabilization Reserve Fund to be utilized in subsequent years.

FINANCIAL LEGISLATIVE COMPLIANCE

TBDSSAB is required to file, and remit payment for certain Federal, Provincial and other payroll remittances and contributions, including Canada Pension Plan, Employment Insurance, Employee Income Tax, Employer Health Tax, Harmonized Sales Tax, and the Ontario Municipal Employee Retirement Savings plan.

Attachment #2: Fiduciary Responsibility Checklist, certified by the Director – Corporate Services Division, and the Chief Administrative Officer, indicates that all filings and remittances were made in accordance with the established requirements and timelines, and that TBDSSAB is compliant with all applicable labour laws.

TBDSSAB is also required to file and submit certain financial and program reports to the Province, in accordance with its various funding agreements. All reports were filed in accordance with the established requirements and timelines.

FINANCIAL IMPLICATIONS

This Report provides the financial results for the 2019 year, on the same basis as the approved Budget.

The financial implications relate to the disposition of the 2019 program levy operating surplus of \$206,004. Administration is recommending returning the full program operating levy surplus to municipalities and TWOMO using the 2019 cost apportionment formula. The financial impact for each municipality, is presented in Attachment #3.



CONCLUSION

It is concluded that the 2019 Fourth Quarter Financial Report indicates a program levy operating surplus for the year of \$206,004, or 0.9% of the 2019 levy.

It is further concluded that the full program levy operating surplus should be returned to municipalities and TWOMO using the 2019 cost apportionment formula.

REFERENCE MATERIALS ATTACHED

- Attachment #1 [2019 Fourth Quarter Financial Report](#)
- Attachment #2 [Fiduciary Responsibility Checklist](#)
- Attachment #3 [Distribution of the 2019 Program Levy Operating Surplus by Municipality](#)

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SUBMITTED / SIGNATURE:	
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**THE DISTRICT OF THUNDER BAY
SOCIAL SERVICES ADMINISTRATION BOARD**

**2019 FOURTH QUARTER
FINANCIAL REPORT**

Operating Budget



INTRODUCTION

A financial report is prepared and reported to The District of Thunder Bay Social Services Administration Board (TBDSSAB or the Board) quarterly to provide a comparison of year-to-date and forecast revenues and expenses to the approved budget, and includes an explanation of significant variances to the approved budget by program area.

This report is provided on the same basis that provincial funding is provided, and matches the annual budget format, where certain accruals for potential future employee entitlements are not considered and are only funded when paid, and purchases of capital assets are reported as expenditures in the year purchased. This report will identify any program levy operating surplus, or deficit, for the year.

EXECUTIVE SUMMARY

Reflecting results for the 12-month period ending December 31, 2019, this report provides TBDSSAB's financial status for the year and identifies significant variances from the 2019 Board approved Operating Budget.

Table 1 shows the 2019 Operating Budget revenue and expenditures, and actual results for the year.

Table 1:

Description	Year 2019			
	Budget (\$000s)	Actuals (\$000s)	Variance	
			(\$000s)	(%)
Financing				
Levy to municipalities & TWOMO	22,281.5	22,281.5	-	0.0%
Federal grants	9,852.5	9,438.2	(414.3)	-4.2%
Provincial grants	57,761.8	56,250.5	(1,511.3)	-2.6%
Rents and other revenue	11,433.6	11,227.6	(206.0)	-1.8%
Interest on unrestricted funds	175.0	175.0	-	0.0%
From (to) reserve funds	(1,454.0)	(2,158.3)	(704.3)	48.4%
Total Financing	100,050.4	97,214.5	(2,835.9)	-2.8%
Expenses				
Personnel services	14,777.1	13,851.2	925.9	6.3%
Interest on long-term debt	480.5	457.9	22.6	4.7%
Materials	17,390.9	17,097.6	293.4	1.7%
Contract services	291.0	270.0	21.0	7.2%
Rents and financial expenses	175.3	14.4	160.9	91.8%
External transfers	64,296.0	62,675.5	1,620.5	2.5%
Loan principal repayment	2,639.6	2,642.0	(2.4)	-0.1%
Total Expenses	100,050.4	97,008.5	3,041.9	3.0%
Excess (Deficiency) of Revenues over Expenses	-	206.0	206.0	n/a



Highlights for the 2019 year include:

Federal and Provincial Grants	\$1,925,600 (2.8%) unfavourable
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Federal and Provincial Grants were \$1,925,600 less than budget in 2019. Federal and Provincial Grants are determined by applying the various cost-sharing formulae to actual expenses. Expense variances are discussed in the report below.

Personnel Services	\$925,900 (6.3%) favourable
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Personnel Services were \$925,900 under budget in 2019 due to temporarily vacant positions. As well, Administration intentionally held certain staff positions vacant during the year to manage within program-delivery funding allocations.

External Transfers	\$1,620,500 (2.5%) favourable
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External Transfers to funded agencies, individuals and families were lower than budget in 2019 mainly due to recoveries related to year-end financial settlements with housing providers, lower rent supplement payments to landlords, and underspending in the Investment in Affordable Housing (IAH) Rental Housing program.

Overall, TBDSSAB incurred a favourable program levy operating surplus of \$206,004 for the 2019 year. Table 2 provides a breakdown of the year-end surplus, by program.

Table 2:

2019 Program Levy Operating Surplus/(Deficit)	
Ontario Works	\$ 212,964
Child Care and Early Years	(6,960)
Community Housing	-
Program Levy Operating Surplus	\$ 206,004



2019 FOURTH QUARTER OPERATING BUDGET RESULTS

The Fourth Quarter Financial Report provides TBDSSAB's financial status for the year ending December 31, 2019 and identifies any significant variances from the 2019 Operating Budget. Overall, TBDSSAB recorded a net surplus of \$206,004 for the 2019 year. The financial detail for each program area is provided below.

A. Corporate Management and Program Support

Corporate Management and Program Support consists of Board, Office of the Chief Administrative Officer, Corporate Services, certain other senior management costs, and headquarters' operating costs.

Table 3:

Description	Year 2019			
	Budget (\$000s)	Actuals (\$000s)	Variance	
			(\$000s)	(%)
Allocation				
Ontario Works	4,250.2	4,059.2	(191.0)	-4.5%
Addiction services initiative	58.0	39.8	(18.2)	-31.3%
Child care programs	579.9	516.8	(63.1)	-10.9%
Housing programs	1,432.1	1,341.3	(90.8)	-6.3%
Total Allocation	6,320.2	5,957.2	(363.0)	-5.7%
Financing				
Levy to municipalities & TWOMO	(175.0)	(175.0)	-	0.0%
Other revenue	23.5	30.2	6.7	28.4%
Interest on unrestricted funds	175.0	175.0	-	0.0%
Total Financing	23.5	30.2	6.7	28.4%
Expenses				
Personnel services	3,795.9	3,479.0	316.9	8.3%
Interest on long-term debt	124.0	112.7	11.3	9.1%
Materials	1,919.6	1,898.6	21.0	1.1%
Contract services	190.0	177.9	12.1	6.3%
Rents and financial expenses	16.7	18.8	(2.1)	-12.7%
Loan principal repayment	271.0	271.0	-	0.0%
Internal administrative expense	158.5	158.5	-	0.0%
Total Expenses	6,475.7	6,116.6	359.1	5.5%
Recoveries				
From housing programs	8.4	7.4	1.0	12.2%
From homelessness programs	30.9	29.1	1.8	5.7%
From child care programs	92.7	92.7	-	0.0%
Total Expenses Less Recoveries	6,343.7	5,987.3	356.4	5.6%
Excess (Deficiency) of Revenues over Expenses	-	-	-	n/a



Table 3, above, shows the 2019 Operating Budget revenues and expenditures, and results for the 2019 year for Corporate Management and Program Support. Overall, Corporate Management and Program Support expenses were under budget by \$359,100 in 2019. Expenses related to Corporate Management and Program Support are allocated to programs as Internal Administration Allocation, based on a pre-determined weighting approved through the annual Operating Budget. Expense highlights for 2019 include:

Personnel Services	\$316,900 (8.3%) favourable
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Personnel Services expenses were under budget by \$316,900 in 2019 due to temporarily vacant positions during the year. Also, Administration intentionally held certain staff positions vacant during the year to manage within program-delivery funding allocations.

B. Integrated Client Intake Services

Integrated Client Intake Services includes costs associated with the shared intake and reception area located at the TBDSSAB headquarters.

Table 4, below, shows the 2019 Operating Budget revenues and expenditures, and results for the year ending December 31, 2019. Overall, Integrated Client Intake Services expenses were materially on budget.

Table 4:

Description	Year 2019			
	Budget (\$000s)	Actuals (\$000s)	Variance	
			(\$000s)	(%)
Allocation				
Ontario Works	608.4	612.6	4.2	0.7%
Addiction services initiative	16.4	8.4	(8.0)	-49.0%
Child care programs	16.4	16.3	(0.1)	-0.4%
Housing programs	180.9	179.8	(1.1)	-0.6%
Total Allocation	822.1	817.1	(5.0)	-0.6%
Expenses				
Personnel services	832.4	813.1	19.4	2.3%
Materials	14.8	27.9	(13.1)	-88.5%
Total Expenses	847.2	840.9	6.3	0.7%
Recoveries				
From homelessness programs	25.1	23.9	1.2	5.0%
Total Expenses Less Recoveries	822.1	817.1	5.0	0.6%
Excess (Deficiency) of Revenues over Expenses	-	-	-	n/a

Expenses related to Integrated Client Services are allocated to programs as Internal Administration Allocation, based on a pre-determined weighting approved through the annual Operating Budget.



C. Ontario Works

Through the Ontario Works (OW) program, TBDSSAB provides short-term assistance to, or on behalf of, eligible individuals and families in the form of financial and employment benefits to assist eligible recipients to reach financial independence through employment.

The following significant events have impacted the financial performance within OW:

- Program Delivery Funding (PDF) – In April 2019, the Province advised Service Managers that OW budget submissions for 2019 should not exceed the previous year's actuals (2018: \$10,640,233). Administration was able to negotiate a modest increase to \$10,698,288. This amount was \$654,212 less than the 2019 Board-approved Budget. Administration took steps to mitigate the financial impact of the funding freeze.
- Addiction Services Initiative (ASI) – In April 2019, the Province announced the termination of the ASI Program, effective July 31, 2019. The ASI Program was 100% Provincially funded.

Table 5:

Description	Year 2019			
	Budget (\$000s)	Actuals (\$000s)	Variance	
			(\$000s)	(%)
Financing				
Levy to municipalities & TWOMO	4,244.1	4,244.1	-	0.0%
Provincial grants	33,794.1	33,175.8	(618.3)	-1.8%
Other revenues	-	0.1	0.1	n/a
From (to) reserve funds	(29.1)	(138.8)	(109.7)	377.1%
Total Financing	38,009.1	37,281.2	(727.9)	-1.9%
Expenses				
Personnel services	4,959.4	4,480.0	479.4	9.7%
Materials	760.9	633.3	127.6	16.8%
Contract services	10.0	21.5	(11.5)	-115.3%
Rents and financial expenses	89.4	98.4	(9.0)	-10.0%
External transfers	27,438.5	27,272.3	166.2	0.6%
Internal administration allocation	4,176.8	4,002.1	174.7	4.2%
Imputed rent recovery	991.3	991.3	-	0.0%
Total Expenses	38,426.3	37,498.9	927.4	2.4%
Recoveries				
From homelessness programs	288.7	277.3	(11.4)	-3.9%
From child care programs	13.3	-	(13.3)	-100.0%
Other recoveries	115.2	153.4	38.2	33.1%
Total Expenses Less Recoveries	38,009.1	37,068.2	940.9	2.5%
Excess (Deficiency) of Revenues over Expenses	-	213.0	213.0	n/a



Table 5, above, shows the 2019 Operating Budget revenues and expenditures, and actual results for OW programs. Overall, OW program expenses were less than revenues by \$213,000 at year-end.

Provincial Grants are determined by applying the various cost-sharing formulae to actual expenses. Expense highlights for the 2019 year include:

Personnel Services	\$479,400 (9.7%) favourable
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Personnel Services expenses were under budget by \$479,400 in 2019, due to the cancellation of the ASI Program, as well as other temporarily vacant positions throughout the year.

Materials	\$127,600 (16.8%) favourable
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Materials expenses were \$127,600 less than budget in 2019, primarily due to the cancellation of the ASI Program and the resulting cancellation of the contract with the Service Provider.

External Transfers	\$166,200 (0.6%) favourable
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External transfers, financial and employment benefits issued to, or on behalf of, OW clients, were \$166,200 less than budget in 2019, primarily due to the cancellation of the ASI Program.

Internal Administration Allocation	\$174,700 (4.2%) favourable
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Internal Administration is comprised of Corporate Management and Program Support (Board, Office of the Chief Administrative Officer, Corporate Services, certain senior management costs and headquarters' operating costs) and Integrated Client Services costs. These costs are allocated to programs based on a pre-determined weighting approved through the annual Operating Budget. Further variance explanation was provided above.



D. Child Care and Early Years

TBDSSAB is the Service System Manager for child care and early years' services in the District of Thunder Bay and administers Child Care and EarlyON programs to create a comprehensive, consistent, quality-driven system to support children and families.

Table 6:

Description	Year 2019			
	Budget (\$000s)	Actuals (\$000s)	Variance	
			(\$000s)	(%)
Financing				
Levy to municipalities & TWOMO	1,743.3	1,743.3	-	0.0%
Federal grants	104.6	-	(104.6)	-100.0%
Provincial grants	16,272.9	16,276.5	3.6	0.0%
From (to) reserve funds	(4.3)	(11.3)	(7.0)	161.8%
Total Financing	18,116.5	18,008.5	(108.0)	-0.6%
Expenses				
Personnel services	720.4	723.5	(3.1)	-0.4%
Materials	49.9	49.0	0.9	1.8%
Contract services	1.0	-	1.0	100.0%
External transfers	16,642.9	16,617.1	25.8	0.2%
Internal administration allocation	631.1	557.9	73.2	11.6%
Imputed rent recovery	80.4	80.4	-	0.0%
Total Expenses	18,125.7	18,027.9	97.8	0.5%
Recoveries				
Other recoveries	9.2	12.4	3.2	35.2%
Total Expenses Less Recoveries	18,116.5	18,015.5	101.0	0.6%
Excess (Deficiency) of Revenues over Expenses	-	(7.0)	(7.0)	n/a

Table 6, above, shows the 2019 Operating Budget revenues and expenditures, and actual results for Child Care and EarlyON programs. Overall, Child Care and EarlyON program expenses were higher than revenues by \$7,000 at year-end.

Federal and Provincial Grants are determined by applying the various cost-sharing formulae to actual expenses. Expense highlights for the 2019 year include:



External Transfers	\$25,800 (0.2%) favourable
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A further breakdown of this variance is provided in Table 7, below:

Table 7:

Description	Year 2019			
	Budget (\$000s)	Actuals (\$000s)	Variance	
			(\$000s)	(%)
External Transfers				
Fee Subsidy	4,700.0	4,631.1	68.9	1.5%
Special Needs	1,590.6	1,590.6	-	0.0%
General Operating	4,932.5	5,336.6	(404.1)	-8.2%
Occupancy Incentive	300.0	300.0	-	0.0%
Wage Enhancement	1,113.2	1,172.9	(59.7)	-5.4%
EarlyON	2,045.2	2,012.2	33.0	1.6%
Journey Together	1,237.8	1,237.8	0.0	0.0%
Expansion Plan	-	-	-	n/a
Early Learning and Child Care	102.2	-	102.2	100.0%
Other	621.4	335.9	285.5	45.9%
Total	16,642.9	16,617.1	25.8	0.2%

TBDSSAB provides Fee Subsidy to Child Care Operators to cover the difference between what the client (parent or guardian) can pay, based on their income, and the established child care rate. Fee Subsidies were lower than budget in 2019, however the variance was redirected to enhance the General Operating funding provided to Child Care Operators.

The General Operating and Other subsidies advanced to Child Care Operators were adjusted to reflect the final 2019 provincial funding allocation. In addition, TBDSSAB was allowed to carry over \$102,200 of Early Learning and Child Care (ELCC) funding from the previous year to expand the child care system; however, capacity restraints prevented any ELCC eligible expenses. The impacted program components were funded 100% by the Provincial governments and do not impact the levy.

Internal Administration Allocation	\$73,200 (11.6%) favourable
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Internal Administration is comprised of Corporate Management and Program Support (Board, Office of the Chief Administrative Officer, Corporate Services, certain senior management costs and headquarters' operating costs) and Integrated Client Services costs. These costs are allocated to programs, based on a pre-determined weighting approved through the annual Operating Budget. Further variance explanation was provided above.



E. Community Housing

TBDSSAB is the service system manager for various housing programs and services in the District of Thunder Bay. TBDSSAB operates and maintains 2,473 direct-owned housing units throughout the District of Thunder Bay, supports 929 housing units operated by non-profit housing providers, and over 600 units through rent supplement agreements.

The following significant events have impacted the financial performance within community housing programs:

- COCHI and OPHI – The Province announced TBDSSAB's multi-year allocations for the Canada-Ontario Community Housing Initiative (COCHI) and Ontario Priorities Housing Initiative (OPHI). In 2019, COCHI funds were provided to an Urban Native housing provider to support units with expired operating agreements through rent supplements. Remaining Year 1 funding will be expended in 2020.

Table 8:

Description	Year 2019			
	Budget (\$000s)	Actuals (\$000s)	Variance	
			(\$000s)	(%)
Financing				
Levy to municipalities & TWOMO	16,469.1	16,469.1	-	0.0%
Federal grants	9,747.9	9,438.2	(309.7)	-3.2%
Provincial grants	3,056.4	2,408.1	(648.3)	-21.2%
Rents and other revenue	11,410.1	11,197.3	(212.8)	-1.9%
From (to) reserve funds	(1,982.9)	(2,566.8)	(583.9)	29.4%
Total Financing	38,700.6	36,946.0	(1,754.6)	-4.5%
Expenses				
Personnel services	4,469.0	4,355.6	113.4	2.5%
Interest on long-term debt	356.5	345.2	11.3	3.2%
Materials	14,645.7	14,488.7	157.0	1.1%
Contract services	90.0	70.5	19.5	21.7%
Rents and financial expenses	69.2	(102.8)	172.0	248.6%
External transfers	15,938.9	14,782.6	1,156.3	7.3%
Loan principal repayment	2,368.6	2,371.0	(2.4)	-0.1%
Internal administration allocation	1,224.1	1,143.4	80.7	6.6%
Imputed rent recovery	268.0	268.0	-	0.0%
Total Expenses	39,430.0	37,722.2	1,707.8	4.3%
Recoveries				
From Ontario Works	120.0	120.0	-	0.0%
From homelessness programs	580.3	614.8	34.5	5.9%
Other recoveries	29.1	41.5	12.4	42.5%
Total Expenses Less Recoveries	38,700.6	36,946.0	1,754.6	4.5%
Excess (Deficiency) of Revenues over Expenses	-	-	-	n/a



Table 8, above, shows the 2019 Operating Budget revenues and expenditures, and actual results for Community Housing programs. Overall, Community Housing programs were on budget at year-end.

Federal and Provincial grants are determined by applying the various cost-sharing formulae to actual expenses. Revenue and expense highlights for the 2019 year include:

Rents and Other Revenue	\$212,800 (1.9%) unfavourable
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Rents and Other Revenue were less than budget in 2019 by \$212,800 at year-end. Rent-Geared-to Income (RGI) rents, which are paid by the tenants, were \$135,700 lower than budget in 2019. RGI is an income-based calculation; rent levels are reflective of the tenant income. The remaining variance is primarily due to lower rent supplement revenue earned on direct-owned units.

From (to) Reserve Funds	\$583,900 (29.4%) unfavourable
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The 2019 Budget included financing from various reserve funds for one-time items, and repairs to the housing portfolio that are capital in nature. Due to the favourable expenditure variances outlined below, and in accordance with the reserve fund strategy, these items were financed using in-year surplus rather than reserve funds.

Personnel Services	\$113,400 (2.5%) favourable
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Personnel Services expenses were under budget by \$113,400 in 2019 due to temporarily vacant positions throughout the year.

Materials	\$157,000 (1.1%) favourable
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A further breakdown of this variance is provided in Table 9, below:

Table 9:

Description	Year 2019			
	Budget (\$000s)	Actuals (\$000s)	Variance	
			(\$000s)	(%)
Materials				
Repairs and maintenance	1,957.8	2,075.6	(117.8)	-6.0%
Operating services	1,757.7	1,795.7	(38.0)	-2.2%
Insurance	488.4	496.2	(7.8)	-1.6%
Gas	683.1	594.5	88.6	13.0%
Electricity	1,679.4	1,576.2	103.2	6.1%
Water	1,434.4	1,489.9	(55.5)	-3.9%
Municipal taxes	5,265.5	5,259.0	6.5	0.1%
Other	394.8	414.4	(19.6)	-5.0%
SHARP/SHAIP	984.6	761.7	222.9	22.6%
OPHI	-	25.6	(25.6)	n/a
Total	14,645.7	14,488.7	157.0	1.1%



Direct-owned housing repairs and maintenance, and operating services costs were higher than budget, whereas Gas and Electricity expenses were under-budget in 2019. In recent years, TBDSSAB has undertaken significant capital improvement projects to update equipment and improve energy efficiency.

Certain projects under the Social Housing Apartment Improvement Program (SHAIP) were not completed in 2019 and were extended into 2020, resulting in a favourable variance. SHAIP is 100% Provincially funded; there is no impact on the levy.

Rents and Financial Expenses	\$172,000 (248.6%) favourable
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Rents and Financial Expenses were under budget by \$172,000 in 2019. TBDSSAB has a policy of recording rent arrears as bad debt expense once the tenant leaves social housing. In 2019, Administration recorded recoveries from tenants (\$282,146) for repairs that were required due to damages caused by tenants. These chargebacks exceeded the estimate of bad debt in 2019, resulting in a net recovery, rather than expense.

External Transfers	\$1,156,300 (7.3%) favourable
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External transfers for Community Housing were \$1,156,300 less than budget in 2019. A further breakdown of this variance is provided in Table 10, below:

Table 10:

Description	Year 2019			
	Budget (\$000s)	Actuals (\$000s)	Variance	
			(\$000s)	(%)
External Transfers				
Provincial Reformed	6,261.7	5,924.3	337.4	5.4%
Urban Native housing program	2,082.6	2,070.0	12.6	0.6%
Private landlord rent supplement	3,236.7	3,155.4	81.3	2.5%
Non-profit rent supplement	661.9	686.5	(24.6)	-3.7%
Strong Communities rent supplement	437.2	416.1	21.1	4.8%
Portable Housing Benefit	198.9	175.3	23.6	11.9%
IAH Rent Supplement	111.5	68.6	42.9	38.5%
IAH Ext Rental Housing	1,282.1	1,070.2	211.9	16.5%
IAH Ext Ontario Renovates	961.8	793.4	168.4	17.5%
IAH Ext Housing Allowance	53.4	61.8	(8.4)	-15.8%
IAH-SIF Rental Housing	528.9	-	528.9	100.0%
IAH-SIF Ontario Renovates	-	220.5	(220.5)	n/a
IAH-SIF Housing Allowance	77.2	15.1	62.1	80.4%
COCHI	-	77.8	(77.8)	n/a
Reaching Home	45.0	47.6	(2.6)	-5.9%
Total	15,938.9	14,782.6	1,156.3	7.3%



The favorable variance in Provincial Reformed of \$337,400 reflects the balance due to TBDSSAB as a result of year-end financial settlements with housing providers. Private landlord rent supplement payments have been lower in 2019 as there have been fewer units in the program than budgeted.

Funding under the Investment in Affordable Housing Extension (IAH Ext) and Investment in Affordable Housing Social Infrastructure Fund (IAH-SIF) Rental Housing programs were under budget in 2019. The remaining funds will be provided to the proponent in 2020 once the project is complete. IAH Programs are funded by the Federal and Provincial governments, therefore, do not impact the levy.

Internal Administration Allocation	\$80,700 (6.6%) favourable
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Internal Administration is comprised of Corporate Management and Program Support (Board, Office of the Chief Administrative Officer, Corporate Services, certain senior management costs and headquarters' operating costs) and Integrated Client Services costs. These costs are allocated to programs, based on a pre-determined weighting approved through the annual Operating Budget. Further variance explanation was provided above.



F. Homelessness Prevention

Through the Community Homelessness Prevention Initiative (CHPI) and (Home For Good) HFG Program, TBDSSAB works in collaboration with community partners to address homelessness issues in the District of Thunder Bay.

Table 11, below, shows the 2019 Operating Budget revenues and expenditures, and actual results for homelessness prevention programs. Overall, homelessness prevention expenses are lower than budget by \$248,300 at year-end.

Table 11:

Description	Year 2019			
	Budget	Actuals	Variance	
	(\$000s)	(\$000s)	(\$000s)	(%)
Financing				
Provincial grants	4,638.4	4,390.1	(248.3)	-5.4%
Total Financing	4,638.4	4,390.1	(248.3)	-5.4%
Expenses				
External transfers	3,713.4	3,444.9	268.5	7.2%
Internal administration allocation	925.0	945.1	(20.1)	-2.2%
Total Expenses	4,638.4	4,390.1	248.3	5.4%
Excess (Deficiency) of Revenues over Expenses	-	-	-	n/a

CHPI and HFG are funded 100% by the Province, based on actual expenses. Expense highlights for the 2019 year include:

External Transfers	\$268,500 (7.2%) favourable
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Transfers to funded agencies, and eligible individuals and families were lower than budget in 2019. TBDSSAB committed HFG capital funding towards a 30-unit supportive housing project with a proponent. However, construction delays resulted in less capital funding being provided in 2019. The full capital amount will be disbursed in subsequent years. The construction delay also resulted in less HFG rent supplement payments towards those units.



G. Other

Through the Community Social Reinvestment Program (CSRP), TBDSSAB provides community agencies with funds to support programs for children and families, with a focus on nutrition, recreation, and reduction in child poverty, within the District of Thunder Bay.

Table 12, below, shows the 2019 Operating Budget revenues and expenditures and actual results for the CSRP. The program was materially on budget in 2019.

Table 12:

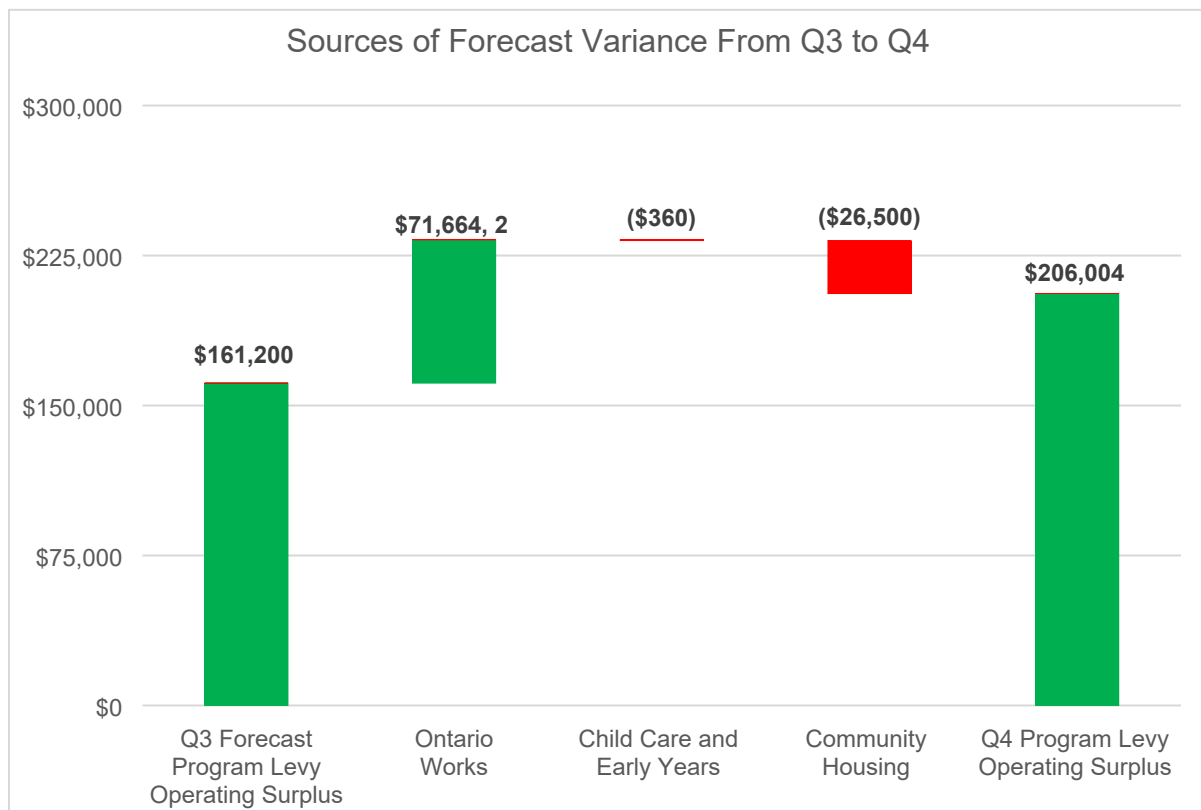
Description	Year 2019			
	Budget	Actuals	Variance	
	(\$000s)	(\$000s)	(\$000s)	(%)
Financing				
Levy to municipalities & TWOMO	-	-	-	n/a
From (to) reserve funds	562.3	558.6	(3.7)	-0.7%
Total Financing	562.3	558.6	(3.7)	-0.7%
Expenses				
External transfers	562.3	558.6	3.7	0.7%
Total Expenses	562.3	558.6	3.7	0.7%
Excess (Deficiency) of Revenues over Expenses	-	-	-	n/a



CONCLUSION

The Third Quarter Financial Report identified a forecast program levy operating surplus of \$161,200, with OW accounting for \$141,300, Child Care and Early Years accounting for \$6,600 (deficit), and Community Housing accounting for \$26,500.

Through the 2019 Fourth Quarter Financial Report, TBDSSAB incurred a program levy operating surplus of \$206,004 for the 2019 year. The chart, below, summarizes the change in estimates from Q3 to Q4, by program.





**THE DISTRICT OF THUNDER BAY
SOCIAL SERVICES ADMINISTRATION BOARD**

Fiduciary Responsibility Checklist
[Supporting Documents](#)

Year: 2019

	Q1	Q2	Q3	Q4	Comments
Corporate Filings					
Canada Pension Plan Contributions	X	X	X	X	
Employment Insurance Premiums	X	X	X	X	
Employer Health Tax (EHT) Premiums	X	X	X	X	
Income Tax Deductions	X	X	X	X	
OMERS Contributions	X	X	X	X	
Workers Compensation Board Premiums	X	X	X	X	
Workplace Safety and Insurance Board Premiums	X	X	X	X	
T4s	X				
EHT Annual Return	X				
Harmonized Sales Tax Rebate	X		X		
Tax Filing (TBDHC)		X			
Internal Governance					
Bank Reconciliation	X	X	X	X	
Listing of Cheques	X	X	X	X	
Debt Payments Made	X	X	X	X	
Insurance Renewal	X			X	
Provincial Reporting					
Form 5 OW Subsidy Claim (20 th of each month)	X	X	X	X	
OW Budget Submission			X		
OW Quarterly Report	X		X	X	
Addiction Services Initiative Budget Submission			X		
Addiction Services Initiative Quarterly Report	X		X		
Early Years Estimates Report			X		
Early Years Financial Statement Report			X		
Service Manager Annual Information Return	X				
Investment in Affordable Housing Quarterly Report	X	X	X	X	
Community Homelessness Prevention Initiative Quarterly Report	X	X	X	X	
Home for Good Quarterly Report	X	X	X	X	

I certify, to the best of my knowledge and belief, that the above remittances, contributions, filings, and reporting requirements were completed during the period in accordance with established requirements and timelines.

And, I certify, to the best of my knowledge and belief, that TBDSSAB is in compliance with all applicable labour laws, including the Occupational Health and Safety Act, Accessibility for Ontarians with Disabilities Act, Employment Standards Act, and Canada Labour Code.

Director - Corporate Services Division

7-Apr-20
Date

Chief Administrative Officer

7-Apr-20
Date

The District of Thunder Bay Social Services Administration Board
Distribution of the 2019 Program Levy Operating Surplus by Municipality

Municipality	2019 Weighted Assessment \$	(%)	Option 1 Distribution \$	Option 2 Distribution \$
Conmee	63,786,065	0.3356%	691	-
Dorion	45,895,796	0.2415%	497	-
Gillies	37,094,756	0.1952%	402	-
Greenstone	638,570,906	3.3595%	6,921	-
Manitouwadge	51,582,996	0.2714%	559	-
Marathon	149,126,822	0.7846%	1,616	-
Neebing	320,264,059	1.6849%	3,471	-
Nipigon	93,831,029	0.4936%	1,017	-
O'Connor	68,471,636	0.3602%	742	-
Oliver Paipoonge	780,023,069	4.1037%	8,454	-
Red Rock	42,172,731	0.2219%	457	-
Schreiber	42,935,180	0.2259%	465	-
Shuniah	745,633,810	3.9228%	8,081	-
Terrace Bay	116,379,309	0.6123%	1,261	-
Thunder Bay	13,645,177,258	71.7868%	147,885	-
TWOMO	2,166,897,269	11.4001%	23,485	-
Total	19,007,842,691	100.0000%	206,004	-