



	REPORT No.: 2020-26
MEETING DATE: MAY 21, 2020	DATE PREPARED: APRIL 22, 2020
SUBJECT: 2020 FIRST QUARTER FINANCIAL REPORT	

RECOMMENDATION

For information only.

REPORT SUMMARY

To provide The District of Thunder Bay Social Services Administration Board (TBDSSAB or the Board) with the 2020 First Quarter Financial Report, and projection to year-end.

BACKGROUND

In accordance with Budget Policy No. CS-02:83, a Financial Report is prepared and reported to the Board quarterly to provide 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

REALIGNED OPERATING BUDGET

The TBDSSAB 2020 Operating Budget was approved at the December 12, 2019, Board Meeting, Report No. 2019-61, The District of Thunder Bay Social Services Administration Board Proposed 2020 Operating and Capital Budgets, and By-Law 06-2019.

Subsequently, the Chief Administrative Officer implemented an organization realignment which included, among other things, consolidating the Client Services and Housing Services Divisions into the Integrated Social Services Division, and moving the Infrastructure and Asset Management (formerly Facilities) Department into the Corporate Services Division.

The annual Budget is an essential tool for effective planning, analysis, and allocation of the Board's resources. To assist Administration in performing its financial management duties, a Realigned 2020 Operating Budget was developed, using the Board-approved Budget, to reflect the financial impact of the organization realignment.

FIRST QUARTER FORECAST

Overall, total spending on TBDSSAB-delivered programs, for the period ended March 31, 2020, was \$466,900 (1.9%) less than the year-to-date Budget, with a net deficit of \$28,200.

At this time, the program levy operating surplus projected to year-end is \$27,700, or 0.1% of the 2020 Levy. A summary of net forecast cost variances, by program, is presented below:

Table 1:

2020 Forecast Program Levy Operating Surplus/(Deficit)			
Program	Budget	Forecast	Variance
Direct-Owned Community Housing Building Operations	\$ -	\$ 61,800	\$61,800
Ontario Works	(262,100)	(262,100)	-
Child Care and Early Years	-	-	-
Housing Programs	262,100	228,000	(34,100)
Forecast Program Levy Operating Surplus	\$ -	\$ 27,700	\$ 27,700

Highlights for the first quarter and full-year forecast to year-end, as well as detailed variance explanations, are provided in Attachment #1 - 2020 First Quarter Financial Report.

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

There are no direct financial implications associated with this Report.



CONCLUSION

It is concluded that the 2020 First Quarter Financial Report indicates a year-to-date net deficit of \$28,200, with a forecast program levy operating surplus for the year of \$27,700, or 0.1% of the 2020 Levy.

REFERENCE MATERIALS ATTACHED

Attachment #1 [2020 First Quarter Financial Report](#)

Attachment #2 [Fiduciary Responsibility Checklist](#)

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SUBMITTED / SIGNATURE:	 William (Bill) Bradica, Chief Administrative Officer The District of Thunder Bay Social Services Administration Board



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

**2020 FIRST 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 Board-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 anticipated program levy operating surplus, or deficit, for the year.

EXECUTIVE SUMMARY

Reflecting results for the 3-month period ending March 31, 2020, this Report provides an indication of TBDSSAB's financial status for the year, and identification of any significant variances from the 2020 approved Operating Budget.

Early in 2020, TBDSSAB implemented an organizational realignment which, among other things, shifted the Infrastructure and Asset Management (formerly Facilities) Department into Corporate Services, and combined the Client Services and Housing Services Divisions under the Integrated Social Services Division.

To assist Administration in performing its financial management duties, a Realigned 2020 Operating Budget was developed, using the Board-approved Budget, to reflect the financial impact of the organization realignment. Although there was no change in the total Budget, there was a shift in costs among the various programs. As a result, the realigned budget levy to municipalities and territories without municipal organization (TWOMO) related to OW is \$262,100 higher. However, this is offset by an equal reduction to the realigned budget levy related to Housing Programs.

Overall, TBDSSAB is currently forecasting a favourable program levy operating surplus of \$27,700 for the 2020 year. Table 1 provides a breakdown of the forecast year-end surplus, by program.

Table 1:

2020 Forecast Program Levy Operating Surplus/(Deficit)			
Program	Budget	Forecast	Variance
Direct-Owned Community Housing Building Operations	\$ -	\$ 61,800	\$61,800
Ontario Works	(262,100)	(262,100)	-
Child Care and Early Years	-	-	-
Housing Programs	262,100	228,000	(34,100)
Forecast Program Levy Operating Surplus	\$ -	\$ 27,700	\$27,700



Table 2 shows the 2020 Realigned Operating Budget revenue and expenditures, first quarter variances, and year-end projections.

Table 2:

Description	Year-To-Date				Year 2020			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Financing								
Levy to municipalities & TWOMO	5,628.1	5,628.1	-	0.0%	22,512.5	22,512.5	-	0.0%
Federal grants	2,574.0	2,270.8	(303.2)	-11.8%	10,295.9	10,454.8	158.9	1.5%
Provincial grants	13,928.4	13,847.9	(80.5)	-0.6%	55,713.8	57,942.8	2,229.0	4.0%
Rents	2,747.0	2,734.6	(12.4)	-0.5%	10,987.9	10,973.7	(14.2)	-0.1%
Other revenue	93.4	91.9	(1.5)	-1.6%	373.4	436.9	63.5	17.0%
Interest on unrestricted funds	43.8	43.8	-	0.0%	175.0	175.0	-	0.0%
Interest on restricted funds	50.0	148.3	98.3	196.6%	200.0	200.0	-	0.0%
From (to) reserve funds	(567.1)	(762.9)	(195.8)	34.5%	(2,268.3)	(2,268.3)	-	0.0%
Total Financing	24,497.6	24,002.5	(495.1)	-2.0%	97,990.2	100,427.4	2,437.2	2.5%
Expenses								
Personnel services	3,501.8	3,520.4	(18.6)	-0.5%	14,007.2	14,051.8	(44.6)	-0.3%
Interest on long-term debt	101.4	98.7	2.6	2.6%	405.5	405.5	-	0.0%
Materials	4,440.1	4,496.9	(56.9)	-1.3%	17,760.3	17,946.6	(186.3)	-1.0%
Contract services	60.5	37.5	23.0	38.0%	241.8	267.1	(25.3)	-10.5%
Rents and financial expenses	51.7	(39.6)	91.3	176.6%	206.9	223.4	(16.5)	-8.0%
External transfers	15,667.6	15,241.1	426.5	2.7%	62,670.3	64,807.1	(2,136.8)	-3.4%
Loan principal repayment	674.6	675.6	(1.0)	-0.2%	2,698.2	2,698.2	-	0.0%
Total Expenses	24,497.6	24,030.6	466.9	1.9%	97,990.2	100,399.7	(2,409.5)	-2.5%
Excess (Deficiency) of Revenues over Expenses	-	(28.2)	(28.2)	n/a	-	27.7	27.7	n/a

Highlights for Q1 and the full-year forecast include:

Provincial Grants Forecast **\$2,229,000 (4.0%) favourable**

Provincial grants were less than budget in Q1 but are forecast to be \$2,229,000 higher than budget for the year. Provincial grants are determined by applying the various cost-sharing formulae to actual expenses. Expense variances are discussed below.

External Transfers Forecast **\$2,136,800 (3.4%) unfavourable**

External Transfers to funded agencies, individuals, and families were lower than budget in Q1, but are forecast to be \$2,136,800 higher than budget for the year, mainly due to higher Ontario Works (OW) financial assistance issued to eligible individuals and households and the new Social Services Relief Fund established in response to the COVID-19 Pandemic. Both programs are funded 100% by the Province and have no financial impact on the levy.



2020 FIRST QUARTER OPERATING BUDGET RESULTS

The First Quarter Report provides an indication of TBDSSAB's financial status as at March 31, 2020, and a projection for the year, and identifies any significant variances from the 2020 Operating Budget. Overall, in Q1, TBDSSAB recorded a net deficit of \$28,200, and a surplus of \$27,700, or 0.1% of the 2020 Levy, is projected to year-end. The financial detail for each program area is provided below.

A. Board and Office of the Chief Administrative Officer

This section includes expenses associated with the Board, and Office of the Chief Administrative Officer (CAO), including Communications and Human Resources.

Table 3:

Description	Year-To-Date				Year 2020			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Allocation								
Direct-owned community housing building operations	65.0	52.0	(12.9)	-19.9%	259.8	256.1	(3.7)	-1.4%
Ontario Works	155.5	130.8	(24.7)	-15.9%	621.9	613.4	(8.5)	-1.4%
Child care and early years programs	47.0	42.6	(4.4)	-9.3%	188.0	183.2	(4.8)	-2.6%
Housing programs	55.1	52.2	(2.9)	-5.3%	220.5	216.2	(4.3)	-2.0%
Total Allocation	322.6	277.6	(45.0)	-13.9%	1,290.2	1,268.9	(21.3)	-1.7%
Expenses								
Personnel services	238.4	219.2	19.2	8.1%	953.5	925.0	28.5	3.0%
Materials	59.9	47.4	12.4	20.8%	239.4	226.3	13.1	5.5%
Contract services	24.3	11.0	13.3	54.8%	97.3	117.6	(20.3)	-20.9%
Total Expenses	322.6	277.6	45.0	13.9%	1,290.2	1,268.9	21.3	1.7%
Excess (Deficiency) of Revenues over Expenses	-	-	-	n/a	-	-	-	n/a

Table 3, above, shows the 2020 Operating Budget revenues and expenditures, first quarter variances and year-end projections for the Board and Office of the CAO.

Expenses related to the Board and Office of the CAO are allocated to programs as Internal Administration Allocation, based on a predetermined weighting approved through the annual Operating Budget. Expense highlights for Q1 and the full-year forecast include:

Personnel Services Forecast **\$28,500 (3.0%) favourable**

Personnel Services expenses were under budget in Q1 and are forecast to be under budget by \$28,500 at year-end due to temporarily vacant positions early in the year. All positions are now filled or are in the recruitment process. These savings will be reinvested in initiatives to support the Strategic Plan.



B. Corporate Services

Corporate Services includes costs associated with Purchasing, Finance, Information Services, and Infrastructure and Asset Management.

Table 4:

Description	Year-To-Date				Year 2020			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Allocation								
Direct-owned community housing building operations	812.1	819.5	7.4	0.9%	3,248.5	3,218.6	(29.9)	-0.9%
Ontario Works	536.3	559.9	23.6	4.4%	2,145.0	2,172.6	27.6	1.3%
Child care and early years programs	34.1	37.1	3.0	8.8%	136.5	139.0	2.5	1.8%
Housing programs	47.4	51.1	3.7	7.7%	189.7	191.1	1.4	0.7%
Total Allocation	1,429.9	1,467.6	37.7	2.6%	5,719.7	5,721.3	1.6	0.0%
Financing								
Levy to municipalities and TWOMO	(43.8)	(43.8)	-	0.0%	(175.0)	(175.0)	-	0.0%
Interest on unrestricted funds	43.8	43.8	-	0.0%	175.0	175.0	-	0.0%
Interest on restricted funds	50.0	148.3	98.3	196.6%	200.0	200.0	-	0.0%
Other revenue	4.8	4.9	0.0	0.8%	19.3	24.9	5.6	29.0%
From (to) reserve funds	(50.0)	(148.3)	(98.3)	196.6%	(200.0)	(200.0)	-	0.0%
Total Financing	4.8	4.9	0.0	0.8%	19.3	24.9	5.6	29.0%
Expenses								
Personnel services	1,174.8	1,206.1	(31.3)	-2.7%	4,699.0	4,722.4	(23.4)	-0.5%
Materials	298.5	311.4	(12.9)	-4.3%	1,194.0	1,194.0	-	0.0%
Contract services	13.6	9.6	4.1	29.9%	54.5	54.5	-	0.0%
Rents and financial expenses	4.9	8.2	(3.3)	-67.5%	19.5	19.5	-	0.0%
Total Expenses	1,491.8	1,535.2	(43.4)	-2.9%	5,967.0	5,990.4	(23.4)	-0.4%
Recoveries								
From housing programs	14.4	18.8	(4.4)	-30.5%	57.7	73.9	(16.2)	-28.1%
From homelessness programs	2.4	3.7	(1.3)	-53.9%	9.6	9.6	-	0.0%
From EarlyON	4.2	4.2	-	0.0%	16.6	16.6	-	0.0%
From HQ building operations	36.0	36.0	-	0.0%	144.1	144.1	-	0.0%
Total Expenses Less Recoveries	1,434.8	1,472.5	(37.7)	-2.6%	5,739.0	5,746.2	(7.2)	-0.1%
Excess (Deficiency) of Revenues over Expenses	-	-	-	n/a	-	-	-	n/a

Table 4, above, shows the 2020 Operating Budget revenues and expenditures, first quarter variances and year-end projections for Corporate Services.

Expenses related to Corporate Services are allocated to programs as Internal Administration Allocation, based on a predetermined weighting approved through the annual Operating Budget. Expense highlights for Q1 and the full-year forecast include:



Personnel Services	Forecast \$23,400 (0.5%) unfavourable
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Personnel Services expenses were higher than budget in Q1 and are forecast to be over budget by \$23,400 at year-end. This is due to additional staff coverage necessary to transition Housing Programs from a paper-based, to an electronic filing system.

C. Office Headquarters Building Operations

Table 5, below, shows the 2020 Operating Budget revenues and expenditures, first quarter variances and year-end projections for the Office Headquarters Building Operations. Overall, expenses are under budget in Q1 but are forecast to be at budget at year-end.

Table 5:

Description	Year-To-Date				Year 2020			
	Budget	Actuals	Variance		Budget	Forecast	Variance	
	(\$000s)	(\$000s)	(\$000s)	(%)	(\$000s)	(\$000s)	(\$000s)	(%)
Allocation								
Ontario Works	234.6	234.6	-	0.0%	938.2	938.2	-	0.0%
Child care and early years programs	17.0	17.0	-	0.0%	68.0	68.0	-	0.0%
Housing programs	88.4	88.4	-	0.0%	353.6	353.6	-	0.0%
Total Allocation	340.0	340.0	-	0.0%	1,359.8	1,359.8	-	0.0%
Financing								
Other revenue	0.9	0.7	(0.2)	-23.3%	3.5	3.5	-	0.0%
From (to) reserve funds	(27.8)	(47.8)	(20.0)	71.9%	(111.3)	(111.3)	-	0.0%
Imputed rent adjustment	(28.1)	(31.1)	(3.0)	10.8%	(112.3)	(112.3)	-	0.0%
Total Financing	(55.0)	(78.3)	(23.2)	42.3%	(220.1)	(220.1)	-	0.0%
Expenses								
Interest on long-term debt	29.2	26.2	3.0	10.4%	116.8	116.8	-	0.0%
Materials	147.7	126.2	21.5	14.5%	590.7	590.7	-	0.0%
Loan principal repayment	67.8	69.0	(1.3)	-1.8%	271.0	271.0	-	0.0%
Internal administrative expense	40.3	40.3	-	0.0%	161.2	161.2	-	0.0%
Total Expenses	284.9	261.7	23.2	8.2%	1,139.7	1,139.7	-	0.0%
Excess (Deficiency) of Revenues over Expenses	-	-	-	n/a	-	-	-	n/a

Expenses related to Office Headquarters Building Operations are allocated to programs as an Imputed Rent, based on a predetermined calculation approved through the annual Operating Budget.



D. Direct-Owned Community Housing Building Operations

TBDSSAB operates and maintains 2,488 direct-owned housing units throughout the District of Thunder Bay. Table 6, below, shows the 2020 Operating Budget revenues and expenditures, first quarter variances and year-end projections for Direct-Owned Community Housing Building Operations. Overall, expenses are greater than revenues in Q1, but are forecast to be less than revenues by \$61,800 at year-end.

Table 6:

Description	Year-To-Date				Year 2020			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Financing								
Levy to municipalities & TWOMO	1,694.9	1,694.9	-	0.0%	6,779.4	6,779.4	-	0.0%
Federal grants	751.7	751.7	-	0.0%	3,006.7	3,006.7	-	0.0%
Rents	2,747.0	2,734.6	(12.4)	-0.5%	10,987.9	10,973.7	(14.2)	-0.1%
Other revenue	71.8	53.7	(18.1)	-25.2%	287.2	282.1	(5.1)	-1.8%
From (to) reserve funds	(566.8)	(566.8)	-	0.0%	(2,267.0)	(2,267.0)	-	0.0%
Total Financing	4,698.6	4,668.1	(30.5)	-0.6%	18,794.2	18,774.9	(19.3)	-0.1%
Expenses								
Interest on long-term debt	72.2	72.6	(0.4)	-0.6%	288.7	288.7	-	0.0%
Materials	3,364.4	3,517.2	(152.8)	-4.5%	13,457.4	13,457.4	-	0.0%
Rents and financial expenses	14.6	(78.5)	93.1	637.7%	58.4	58.4	-	0.0%
Loan principal repayment	606.8	606.6	0.2	0.0%	2,427.2	2,427.2	-	0.0%
Internal administration allocation	912.8	906.9	5.9	0.6%	3,651.1	3,621.3	29.8	0.8%
Total Expenses	4,970.7	5,024.7	(54.0)	-1.1%	19,882.8	19,853.0	29.8	0.1%
Recoveries								
From Non-Profit rent supplement	262.8	281.3	18.5	7.0%	1,051.1	1,107.1	56.0	5.3%
From IAH rent supplement	6.5	5.7	(0.8)	-11.6%	26.0	20.9	(5.1)	-19.6%
From HFG housing allowance	2.9	3.5	0.6	22.2%	11.5	11.9	0.4	3.5%
Total Expenses Less Recoveries	4,698.6	4,734.2	(35.7)	-0.8%	18,794.2	18,713.1	81.1	0.4%
Excess (Deficiency) of Revenues over Expenses	-	(66.2)	(66.2)	n/a	-	61.8	61.8	n/a



Highlights for Q1 and the full-year forecast include:

Materials	Forecast on Budget
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Materials costs were higher than budget in Q1 but are expected to be on budget at year-end at this time. A further breakdown of Direct-Owned Community Housing Building Operations Materials is provided in Table 7, below:

Table 7:

Description	Year-To-Date				Year 2020			
	Budget	Actuals	Variance		Budget	Forecast	Variance	
	(\$000s)	(\$000s)	(\$000s)	(%)	(\$000s)	(\$000s)	(\$000s)	(%)
Materials								
Repairs and maintenance	483.4	365.8	117.6	24.3%	1,933.7	1,933.7	-	0.0%
Operating services	452.7	519.9	(67.2)	-14.8%	1,810.9	1,810.9	-	0.0%
Insurance	138.0	132.3	5.6	4.1%	551.8	551.8	-	0.0%
Gas	153.0	209.8	(56.8)	-37.1%	612.0	612.0	-	0.0%
Electricity	418.8	611.5	(192.7)	-46.0%	1,675.2	1,675.2	-	0.0%
Water	356.9	350.6	6.4	1.8%	1,427.7	1,427.7	-	0.0%
Hot water tanks	21.1	17.7	3.4	16.1%	84.3	84.3	-	0.0%
Municipal taxes	1,340.5	1,309.7	30.8	2.3%	5,361.8	5,361.8	-	0.0%
Total	3,364.4	3,517.2	(152.8)	-4.5%	13,457.4	13,457.4	-	0.0%

Internal Administration Allocation	Forecast \$29,800 (0.8%) favourable
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Internal Administration is comprised of Board and Office of the CAO, Corporate Services, and Integrated Social Services Program Support. These costs are allocated to programs based on a predetermined weighting approved through the annual Operating Budget. Further variance explanation is provided above and below.

Non-Profit Rent Supplement Recovery	Forecast \$56,000 (5.3%) favourable
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Although Rent Revenue is expected to be slightly less than budget, Non-Profit Rent Supplement recoveries are expected to be higher than budget by \$56,000 as more units have been filled under the rent supplement programs.



E. Integrated Social Services Program Support

Integrated Social Services Program Support includes costs associated with integrated program eligibility, policy and data research, and the shared intake and reception area located at TBDSSAB headquarters.

Table 8, below, shows the 2020 Operating Budget revenues and expenditures, first quarter variances and year-end projections for Integrated Social Services Program Support. Overall, expenses are less than budget in Q1 but are forecast to be slightly higher than budget at year-end. However, with additional Homeless Individuals and Families Information System (HIFIS) revenues, the net impact will be immaterial.

Table 8:

Description	Year-To-Date				Year 2020			
	Budget	Actuals	Variance		Budget	Forecast	Variance	
	(\$000s)	(\$000s)	(\$000s)	(%)	(\$000s)	(\$000s)	(\$000s)	(%)
Allocation								
Direct-owned community housing building operations	35.7	35.3	(0.4)	-1.0%	142.8	146.6	3.8	2.7%
Ontario Works	275.5	235.5	(40.0)	-14.5%	1,101.8	1,087.2	(14.6)	-1.3%
Child care and early years programs	98.6	100.4	1.8	1.8%	394.3	399.3	5.0	1.3%
Housing programs	74.8	75.9	1.1	1.4%	299.2	308.5	9.3	3.1%
Total Allocation	484.5	447.0	(37.5)	-7.7%	1,938.1	1,941.6	3.5	0.2%
Financing								
Other revenue	13.4	20.0	6.6	48.8%	53.7	68.7	15.0	27.9%
From (to) reserve funds	12.5	-	(12.5)	-100.0%	50.0	50.0	-	0.0%
Total Financing	25.9	20.0	(6.0)	-23.0%	103.7	118.7	15.0	14.5%
Expenses								
Personnel services	553.3	543.4	9.9	1.8%	2,213.3	2,231.8	(18.5)	-0.8%
Materials	13.2	2.2	11.0	83.3%	52.6	52.6	-	0.0%
Contract services	13.8	-	13.8	100.0%	55.0	55.0	-	0.0%
Total Expenses	580.2	545.6	34.6	6.0%	2,320.9	2,339.4	(18.5)	-0.8%
Recoveries								
From housing programs	8.5	3.1	5.4	63.4%	34.0	34.0	-	0.0%
From homelessness programs	28.4	42.6	(14.2)	-50.1%	113.5	113.5	-	0.0%
From EarlyON	28.6	28.6	-	0.0%	114.5	114.5	-	0.0%
From HQ building operations	4.3	4.3	-	0.0%	17.1	17.1	-	0.0%
Total Expenses Less Recoveries	510.5	467.0	43.4	8.5%	2,041.8	2,060.3	(18.5)	-0.9%
Excess (Deficiency) of Revenues over Expenses	-	-	-	n/a	-	-	-	n/a

Expenses related to Integrated Social Services Program Support are allocated to programs as Internal Administration Allocation, based on a predetermined weighting approved through the annual Operating Budget.

F. Ontario Works

Through the Ontario Works (OW) program, TBDSSAB provides short-term social 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, or will impact, the financial performance within the OW program:

- COVID-19 Pandemic – The full social and economic impact of the COVID-19 Pandemic and the resulting social distancing and other measures imposed by all levels of government are not yet known.

Table 9, below, shows the 2020 Operating Budget revenues and expenditures, first quarter variances and year-end projections for the OW program. Overall, OW program expenses are less than revenues in Q1, but are forecast to be higher than revenues by \$262,100 at year-end which is consistent with the realigned Budget.

Table 9:

Description	Year-To-Date				Year 2020			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Financing								
Levy to municipalities & TWOMO	935.0	935.0	-	0.0%	3,740.0	3,740.0	-	0.0%
Provincial grants	8,253.3	8,298.2	44.9	0.5%	33,013.1	33,655.6	642.5	1.9%
Other revenues	-	-	-	n/a	-	-	-	n/a
From (to) reserve funds	-	-	-	n/a	-	-	-	n/a
Imputed rent adjustment	19.4	21.5	2.1	11.0%	77.4	77.4	-	0.0%
Total Financing	9,207.6	9,254.7	47.0	0.5%	36,830.5	37,473.0	642.5	1.7%
Expenses								
Personnel services	994.5	990.2	4.3	0.4%	3,978.0	3,973.5	4.5	0.1%
Materials	181.2	79.1	102.1	56.3%	724.8	708.3	16.5	2.3%
Contract services	2.5	9.3	(6.8)	-271.9%	10.0	10.0	-	0.0%
Rents and financial expenses	29.6	28.6	0.9	3.2%	118.2	134.7	(16.5)	-14.0%
External transfers	6,862.2	6,943.4	(81.2)	-1.2%	27,448.6	28,091.1	(642.5)	-2.3%
Internal administration allocation	997.3	956.3	41.1	4.1%	3,989.3	3,993.8	(4.5)	-0.1%
Imputed rent recovery	234.6	234.6	-	0.0%	938.2	938.2	-	0.0%
Total Expenses	9,301.8	9,241.4	60.4	0.6%	37,207.1	37,849.6	(642.5)	-1.7%
Recoveries								
From homelessness programs	28.6	42.6	14.0	49.0%	114.5	114.5	-	0.0%
Total Expenses Less Recoveries	9,273.2	9,198.8	74.4	0.8%	37,092.6	37,735.1	(642.5)	-1.7%
Excess (Deficiency) of Revenues over Expenses	(65.5)	55.9	121.4	-185.3%	(262.1)	(262.1)	-	0.0%



Provincial grants are determined by applying the various cost-sharing formulae to actual expenses. Expense highlights for Q1 and the full-year forecast include:

External Transfers	Forecast \$642,500 (2.3%) unfavourable
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The full impact of the COVID-19 Pandemic on external transfers, payments to eligible individuals, and families, is uncertain. Financial Assistance payments were trending higher prior to the implementation of social distancing measures. TBDSSAB has issued additional funds through enhanced discretionary benefits and emergency assistance in response to provincial direction. At this time, Administration anticipates external transfers will be \$642,500 higher than budget. This variance will be closely monitored in the months ahead. OW financial assistance benefits are 100% Provincially funded so there is no financial impact on the levy.

G. 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.

The following significant events have impacted, or will impact, the financial performance within the Child Care and Early Years programs:

- COVID-19 Pandemic – In March, in response to the COVID-19 Pandemic, the Province temporarily closed all Child Care and EarlyON centres. Subsequently, certain centres were allowed to re-open to provide child care services for workers deemed to be essential by the Province. Administration is awaiting further direction from the Province regarding Service Manager funding and how that may impact funding to Child Care Operators.

Table 10, below, shows the 2020 Operating Budget revenues and expenditures, first quarter variances, and year-end projections for Child Care and Early Years programs. Overall, Child Care and Early Years program expenses were slightly less than revenues in Q1 but are forecast to be at budget at year-end.

Table 10:

Description	Year-To-Date				Year 2020			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Financing								
Levy to municipalities & TWOMO	435.3	435.3	-	0.0%	1,741.2	1,741.2	-	0.0%
Federal grants	-	41.0	41.0	n/a	-	41.0	41.0	n/a
Provincial grants	4,057.7	3,657.3	(400.4)	-9.9%	16,230.7	16,209.5	(21.2)	-0.1%
From (to) reserve funds	-	-	-	n/a	-	-	-	n/a
Imputed rent adjustment	1.4	1.6	0.2	11.1%	5.6	5.6	-	0.0%
Total Financing	4,494.4	4,135.1	(359.2)	-8.0%	17,977.5	17,997.3	19.8	0.1%
Expenses								
Personnel services	101.0	104.4	(3.3)	-3.3%	404.1	407.2	(3.1)	-0.8%
Materials	12.3	27.6	(15.3)	-124.8%	49.1	43.3	5.8	11.8%
Contract services	0.3	-	0.3	100.0%	1.0	1.0	-	0.0%
External transfers	4,151.4	3,770.6	380.7	9.2%	16,605.4	16,625.2	(19.8)	-0.1%
Internal administration allocation	261.1	261.5	(0.4)	-0.2%	1,044.3	1,047.0	(2.7)	-0.3%
Imputed rent recovery	17.0	17.0	-	0.0%	68.0	68.0	-	0.0%
Total Expenses	4,543.0	4,181.1	361.9	8.0%	18,171.9	18,191.7	(19.8)	-0.1%
Recoveries								
Other recoveries	48.6	48.6	-	0.0%	194.4	194.4	-	0.0%
Total Expenses Less Recoveries	4,494.4	4,132.5	361.9	8.1%	17,977.5	17,997.3	(19.8)	-0.1%
Excess (Deficiency) of Revenues over Expenses	-	2.7	2.7	n/a	-	-	-	n/a



Federal and Provincial grants are determined by applying the various cost-sharing formulae to actual expenses. Expense highlights for Q1 and the full-year forecast include:

External Transfers Forecast **\$19,800 (0.1%) unfavourable**

External transfers for child care and early years were less than budget in Q1 but are expected to be slightly higher than budget at year-end. A further breakdown of External Transfers is provided in Table 11, below:

Table 11:

Description	Year-To-Date				Year 2020			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
External Transfers								
Fee Subsidy	1,125.0	1,144.5	(19.5)	-1.7%	4,500.0	4,500.0	-	0.0%
Special Needs	397.7	397.5	0.2	0.0%	1,590.6	1,590.6	-	0.0%
General Operating	1,372.0	1,059.6	312.4	22.8%	5,488.1	5,488.1	-	0.0%
Occupancy Incentive	75.0	-	75.0	100.0%	300.0	300.0	-	0.0%
Wage Enhancement	306.3	289.0	17.3	5.6%	1,225.2	1,204.0	21.2	1.7%
Other	80.4	42.2	38.2	47.5%	321.7	321.7	-	0.0%
Expansion Plan	-	-	-	n/a	-	-	-	n/a
Early Learning and Child Care	-	41.0	(41.0)	n/a	-	41.0	(41.0)	n/a
EarlyON	500.6	502.5	(1.9)	-0.4%	2,002.4	2,002.4	-	0.0%
Journey Together	294.4	294.3	0.1	0.0%	1,177.4	1,177.4	-	0.0%
Total	4,151.4	3,770.6	380.7	9.2%	16,605.4	16,625.2	(19.8)	-0.1%

In the first quarter, General Operating subsidies were advanced to child care providers based on the prior year approved budget, pending the completion of child care provider agreements. A payment was made to a child care operator under the Early Learning and Child Care (ELCC) program to support expansion of child care spaces. Costs under the ELCC program are 100% Federally funded, with no financial impact on the levy.

At this time, with the duration of Child Care and EarlyON centre closures unknown, Administration is forecasting External Transfer payments will be materially on budget at year-end. However, that could change depending on further direction from the Province.

H. Housing Programs

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

The following significant events have impacted, or will impact, the financial performance within Housing Programs:

- COVID-19 Pandemic – In response to the COVID-19 Pandemic, in April the Province announced the Social Services Relief Fund (SSRF) through the Community Homelessness Prevention Initiative (CHPI). TBDSSAB will use the SSRF to assist partner organizations offering housing and related supports to individuals and households dealing with the COVID-19 Pandemic.

Table 12, below, shows the 2020 Operating Budget revenues and expenditures, first quarter variances and year-end projections for Housing Programs.

Table 12:

Description	Year-To-Date				Year 2020			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Financing								
Levy to municipalities & TWOMO	2,606.7	2,606.7	-	0.0%	10,426.9	10,426.9	-	0.0%
Federal grants	1,822.3	1,478.2	(344.2)	-18.9%	7,289.2	7,407.1	117.9	1.6%
Provincial grants	1,617.5	1,892.4	274.9	17.0%	6,470.0	8,077.7	1,607.7	24.8%
Other revenue	2.4	12.7	10.3	423.5%	9.7	57.7	48.0	494.8%
From (to) reserve funds	65.0	-	(65.0)	-100.0%	260.0	260.0	-	0.0%
Imputed rent adjustment	7.3	8.1	0.8	10.5%	29.3	29.3	-	0.0%
Total Financing	6,121.3	5,998.1	(123.2)	-2.0%	24,485.1	26,258.7	1,773.6	7.2%
Expenses								
Personnel services	439.8	457.2	(17.3)	-3.9%	1,759.3	1,791.9	(32.6)	-1.9%
Materials	363.1	385.8	(22.7)	-6.3%	1,452.3	1,674.0	(221.7)	-15.3%
Contract services	6.0	7.7	(1.7)	-27.6%	24.0	29.0	(5.0)	-20.8%
Rents and financial expenses	2.7	2.1	0.6	21.0%	10.8	10.8	-	0.0%
External transfers	4,654.1	4,527.1	126.9	2.7%	18,616.3	20,090.8	(1,474.5)	-7.9%
Internal administration allocation	677.1	722.7	(45.5)	-6.7%	2,708.5	2,781.5	(73.0)	-2.7%
Imputed rent recovery	88.4	88.4	-	0.0%	353.6	353.6	-	0.0%
Total Expenses	6,231.2	6,190.9	40.3	0.6%	24,924.8	26,731.6	(1,806.8)	-7.2%
Recoveries								
From Ontario Works	30.2	30.2	-	0.0%	120.6	120.6	-	0.0%
From housing programs	21.6	11.1	(10.5)	-48.6%	86.4	85.5	(0.9)	-1.0%
From homelessness programs	123.7	131.0	7.3	5.9%	494.8	494.8	-	0.0%
Total Expenses Less Recoveries	6,055.8	6,018.7	37.1	0.6%	24,223.0	26,030.7	(1,807.7)	-7.5%
Excess (Deficiency) of Revenues over Expenses	65.5	(20.6)	(86.1)	-131.4%	262.1	228.0	(34.1)	-13.0%



Overall, Housing Program expenses are higher than revenues in Q1, but are forecast to be lower than revenues by \$228,000 at year-end. This results in an unfavourable variance of \$34,100 compared to the realigned Budget, previously discussed.

Federal and Provincial grants are determined by applying the various cost-sharing formulae to actual expenses. Expense highlights for Q1 and the full-year forecast include:

Materials **Forecast \$221,700 (15.3%) unfavourable**

Materials were higher than budget in Q1 and are expected to be 221,700 higher than budget at year-end. A further breakdown of this variance is provided in Table 13, below:

Table 13:

Description	Year-To-Date				Year 2020			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Materials								
OPHI	250.0	9.4	240.6	96.2%	1,000.0	974.4	25.6	2.6%
COCHI	55.7	11.6	44.1	79.1%	222.7	175.4	47.3	21.2%
SHAIP	-	305.4	(305.4)	n/a	-	305.4	(305.4)	n/a
Other	57.4	59.4	(2.0)	-3.5%	229.6	218.8	10.8	4.7%
Total	363.1	385.8	(22.7)	-6.3%	1,452.3	1,674.0	(221.7)	-15.3%

One project under the Social Housing Apartment Improvement Program (SHAIP) was expected to be complete in the 2019 year, however, was extended into 2020, resulting in an unfavourable variance. SHAIP is 100% Provincially funded, so there is no impact on the levy. The Ontario Priorities Housing Initiative (OPHI) and Canada Ontario Community Housing Initiative (COCHI) are also 100% funded by the Federal and Provincial government.



External Transfers	Forecast \$1,474,500 (7.9%) unfavourable
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External transfers for Housing Programs were lower than budget in Q1 but are expected to be \$1,474,500 higher than budget at year-end. A further breakdown of this variance is provided in Table 14, below:

Table 14:

Description	Year-To-Date				Year 2020			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
External Transfers								
Provincial Reformed	1,552.5	1,548.3	4.2	0.3%	6,210.0	6,076.1	133.9	2.2%
Urban Native housing program	464.1	494.3	(30.2)	-6.5%	1,856.5	1,856.5	-	0.0%
Private landlord rent supplement	800.9	820.6	(19.8)	-2.5%	3,203.4	3,277.9	(74.5)	-2.3%
Non-profit rent supplement	180.4	183.0	(2.5)	-1.4%	721.7	716.1	5.6	0.8%
Strong Communities rent supplement	106.9	107.8	(0.9)	-0.9%	427.5	407.7	19.8	4.6%
Portable Housing Benefit	82.4	75.0	7.5	9.1%	329.7	338.7	(9.0)	-2.7%
IAH Rent Supplement	15.8	7.7	8.1	51.3%	63.0	35.4	27.6	43.8%
IAH Ontario Renovates	-	0.5	(0.5)	n/a	-	1.0	(1.0)	n/a
IAH Ext rental housing	28.5	-	28.5	100.0%	114.0	211.9	(97.9)	-85.9%
IAH Ext Ontario Renovates	-	44.0	(44.0)	n/a	-	187.2	(187.2)	n/a
IAH-SIF rental housing	132.4	-	132.4	100.0%	529.7	529.7	-	0.0%
IAH-SIF housing allowance	9.6	10.7	(1.2)	-12.2%	38.2	52.9	(14.7)	-38.5%
IAH-SIF Ontario Renovates	-	-	-	n/a	-	25.6	(25.6)	n/a
OPHI Ontario Renovates	114.2	17.7	96.5	84.5%	456.7	456.7	-	0.0%
COCHI capital repairs	69.1	-	69.1	100.0%	276.5	276.5	-	0.0%
COCHI rent supplement	36.4	21.7	14.7	40.4%	145.5	176.6	(31.1)	-21.4%
Reaching Home	2.8	12.7	(9.9)	-357.5%	11.1	59.1	(48.0)	-432.4%
CHPI	762.5	859.8	(97.3)	-12.8%	3,049.9	4,218.2	(1,168.3)	-38.3%
Home for Good	295.7	323.4	(27.7)	-9.4%	1,182.9	1,187.0	(4.1)	-0.3%
Total	4,654.1	4,527.1	126.9	2.7%	18,616.3	20,090.8	(1,474.5)	-7.9%

The unfavorable variance is mainly due to the new SSRF (\$1,168,300) under CHPI. The SSRF was established by the Province in April, in response to the COVID-19 Pandemic. The SRFF is 100% Provincially funded and does not impact the levy.

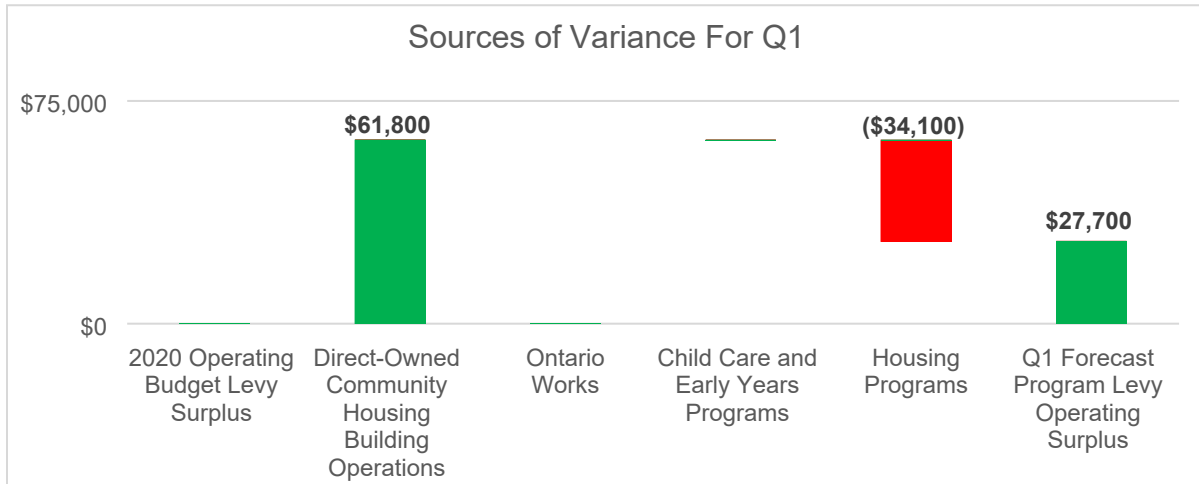
Administration also expects unfavourable variances in the various Investment in Affordable Housing (IAH) programs due to timing of project completions. IAH programs are also funded 100% by the Federal and Provincial government.

At this time, costs under the private landlord rent supplement programs are expected to be \$74,500 higher than budget due to higher average costs of rent supplement agreements experienced so far in 2020. This unfavourable variance is offset by expected favourable variance related to year-end financial settlements with Provincial Reformed non-profit housing providers.



CONCLUSION

Through the 2020 First Quarter Financial Report, TBDSSAB is projecting a program levy operating surplus of \$27,700 for the 2020 year. The chart below summarizes the Q1 forecast levy operating surplus for 2020, by program.





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

Fiduciary Responsibility Checklist

Year: 2020

[Supporting Documents](#)

	Q1	Q2	Q3	Q4	Comments
Corporate Filings					
Canada Pension Plan Contributions	X				
Employment Insurance Premiums	X				
Employer Health Tax (EHT) Premiums	X				
Income Tax Deductions	X				
OMERS Contributions	X				
Workplace Safety and Insurance Board Premiums	X				
T4s	X				
EHT Annual Return	X				
Harmonized Sales Tax Rebate	X				
Tax Filing (TBDHC)					
Internal Governance					
Bank Reconciliation	X				
Listing of Cheques	X				
Debt Payments Made	X				
Insurance Renewal	X				
Provincial Reporting					
Ontario Works Monthly Subsidy Claim (20 th of each month)	X				
OW Budget Submission					
OW Quarterly Report	X				
Child Care & Early Years Estimates Report					
Child Care & Early Years Financial Statement Report					
Service Manager Annual Information Return	X				
Canada-Ontario Community Housing Initiative Report	X				
Investment in Affordable Housing Report	X				
Ontario Priorities Housing Initiative Report	X				
Social Housing Apartment Improvement Program Report	X				
Community Homelessness Prevention Initiative Report	X				
Home for Good Report	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 12-May-20
Date

Chief Administrative Officer 12-May-20
Date