



	REPORT No.: 2021-19
MEETING DATE: MAY 20, 2021	DATE PREPARED: APRIL 21, 2021
SUBJECT: 2021 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 2021 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

Overall, total spending on TBDSSAB-delivered programs, for the period ended March 31, 2021, was \$1,066,397 (4.3%) more than the year-to-date Budget, with a net surplus of \$531,700.

The program levy operating surplus projected to year-end is \$354,700, or 1.6% of the 2021 Levy. A summary of net forecast cost variances, by program, is presented below:

Table 1:

2021 Forecast Program Levy Operating Surplus/(Deficit)	
Ontario Works	\$ -
Child Care and Early Years	\$ -
Housing Programs	\$ 419,500
Direct-Owned Community Housing Building Operations	\$ (64,800)
Forecast Program Levy Operating Surplus	\$ 354,700

This projected surplus at the end of the first quarter is due in part to:

- **Housing Programs:** There is a favourable variance (\$259,100) in the various rent supplement programs and portable housing benefit. With the uncertainty caused by the pandemic, individuals and families have been opting to remain in their current housing rather than move, and with the increased cost of building materials, it has been difficult to convince new landlords to ready new units and participate in the programs. Also, administrative recovery (\$161,500) tied to the funding through the Social Services Relief Fund programs, and Mental Health and Addiction funding that was not known when the 2021 Budget was developed.
- **Direct-Owned Community Housing Building Operations:** There is an unfavourable variance (\$73,600) related to rent-geared-to-income (RGI) rent revenue. The province has implemented a rent-freeze for 2021 which was considered in the 2021 Budget; however RGI rents have been lower than budget to date.

Highlights for the first quarter and full-year forecast to year-end, as well as detailed variance explanations, are provided in Attachment #1 - 2021 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 2021 First Quarter Financial Report indicates a year-to-date net surplus of \$531,700, with a forecast program levy operating surplus for the year of \$354,700, or 1.6% of the 2021 Levy.

REFERENCE MATERIALS ATTACHED

Attachment #1 [2021 First Quarter Financial Report](#)

Attachment #2 [Fiduciary Responsibility Checklist](#)

PREPARED BY:	Keri Greaves, CPA, CMA, Manager, Finance The District of Thunder Bay Social Services Administration Board
APPROVED / SIGNATURE:	 Georgina Daniels, FCPA, FCA, Director, Corporate Services Division The District of Thunder Bay Social Services Administration Board
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**

**2021 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, 2021, this Report provides an indication of TBDSSAB's financial status for the year, and identification of any significant variances from the 2021 approved Operating Budget.

Overall, from an operating levy perspective, Administration is forecasting it to be under budget by \$354,700 for the 2021 year. Table 1 provides a breakdown of the forecast year-end variances, by program.

Table 1:

2021 Forecast Program Levy Operating Surplus/(Deficit)	
Ontario Works	\$ -
Child Care and Early Years	\$ -
Housing Programs	\$ 419,500
Direct-Owned Community Housing Building Operations	\$ (64,800)
Forecast Program Levy Operating Surplus	\$ 354,700



Table 2 shows the 2021 Operating Budget revenue and expenditures, first quarter variances, and year-end projections.

Table 2:

Description	Year-To-Date				Year 2021			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Financing								
Levy to municipalities & TWOMO	5,673.0	5,673.0	-	0.0%	22,691.8	22,691.8	-	0.0%
Federal grants	2,720.7	3,081.5	360.9	13.3%	10,882.6	11,609.6	727.0	6.7%
Provincial grants	14,158.0	15,339.7	1,181.7	8.3%	56,632.0	58,586.7	1,954.7	3.5%
Rents	2,731.5	2,718.3	(13.1)	-0.5%	10,925.9	10,852.3	(73.6)	-0.7%
Other revenue	104.4	197.4	92.9	89.0%	417.7	548.7	131.0	31.4%
Interest on unrestricted funds	25.0	24.3	(0.7)	-2.9%	100.0	100.0	-	0.0%
Interest on restricted funds	116.4	213.1	96.7	83.1%	465.6	465.6	-	0.0%
From (to) reserve funds	(708.4)	(828.7)	(120.3)	17.0%	(2,833.5)	(2,833.5)	-	0.0%
Total Financing	24,820.5	26,418.6	1,598.1	6.4%	99,282.1	102,021.2	2,739.1	2.8%
Expenses								
Personnel services	3,564.5	3,467.0	97.5	2.7%	14,257.9	14,240.8	17.1	0.1%
Interest on long-term debt	87.1	89.7	(2.6)	-3.0%	348.4	345.8	2.6	0.7%
Materials	4,414.5	3,732.2	682.3	15.5%	17,657.9	17,699.8	(41.9)	-0.2%
Contract services	54.4	21.1	33.3	61.3%	217.6	215.1	2.5	1.1%
Rents and financial expenses	50.7	(14.5)	65.2	128.6%	202.8	204.5	(1.7)	-0.8%
External transfers	15,974.9	17,901.1	(1,926.2)	-12.1%	63,899.6	66,260.9	(2,361.3)	-3.7%
Loan principal repayment	674.5	690.4	(15.9)	-2.4%	2,697.9	2,699.6	(1.7)	-0.1%
Total Expenses	24,820.5	25,886.9	(1,066.4)	-4.3%	99,282.1	101,666.5	(2,384.4)	-2.4%
Excess (Deficiency) of Revenues over Expenses	-	531.7	531.7	n/a	-	354.7	354.7	n/a

2021 FIRST QUARTER OPERATING BUDGET RESULTS

The First Quarter Report provides an indication of TBDSSAB's financial status as at March 31, 2021, and a projection for the year, and identifies any significant variances from the 2021 Operating Budget. Overall, in Q1, TBDSSAB recorded a net surplus of \$531,700, and a surplus of \$354,700, or 1.6% of the 2021 Levy, is projected to year-end.

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 Human Resources.

Table 3:

Description	Year-To-Date				Year 2021			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Allocation								
Direct-owned community housing building operations	75.1	66.5	(8.5)	-11.4%	300.3	298.9	(1.4)	-0.5%
Ontario Works	171.3	152.9	(18.4)	-10.7%	685.2	682.6	(2.6)	-0.4%
Child care and early years programs	45.6	39.3	(6.3)	-13.9%	182.5	179.2	(3.3)	-1.8%
Housing programs	50.9	45.6	(5.3)	-10.4%	203.7	202.3	(1.4)	-0.7%
Total Allocation	342.9	304.4	(38.6)	-11.2%	1,371.7	1,363.0	(8.7)	-0.6%
Expenses								
Personnel services	263.5	254.4	9.1	3.5%	1,054.0	1,046.3	7.7	0.7%
Materials	57.6	40.0	17.6	30.6%	230.4	236.4	(6.0)	-2.6%
Contract services	21.8	10.0	11.8	54.1%	87.3	80.3	7.0	8.0%
Total Expenses	342.9	304.4	38.6	11.2%	1,371.7	1,363.0	8.7	0.6%
Excess (Deficiency) of Revenues over Expenses	-	-	-	n/a	-	-	-	n/a

Table 3, above, shows the 2021 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. The forecast for Board and Office of the CAO expenses is materially on budget.



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 2021			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Allocation								
Direct-owned community housing building operations	863.9	823.5	(40.4)	-4.7%	3,455.4	3,472.3	16.9	0.5%
Ontario Works	529.2	453.7	(75.5)	-14.3%	2,116.8	2,099.8	(17.0)	-0.8%
Child care and early years programs	34.9	31.3	(3.5)	-10.1%	139.5	139.6	0.1	0.1%
Housing programs	48.6	44.0	(4.6)	-9.5%	194.5	194.5	-	0.0%
Total Allocation	1,476.6	1,352.5	(124.1)	-8.4%	5,906.2	5,906.2	-	0.0%
Financing								
Levy to municipalities and TWOMO	(25.0)	(25.0)	-	0.0%	(100.0)	(100.0)	-	0.0%
Interest on unrestricted funds	25.0	24.3	(0.7)	-2.9%	100.0	100.0	-	0.0%
Interest on restricted funds	116.4	213.1	96.7	83.1%	465.6	465.6	-	0.0%
Other revenue	4.5	2.4	(2.1)	-46.1%	17.9	17.9	-	0.0%
From (to) reserve funds	(107.7)	(213.1)	(105.5)	98.0%	(430.6)	(430.6)	-	0.0%
Total Financing	13.2	1.7	(11.5)	-87.2%	52.9	52.9	-	0.0%
Expenses								
Personnel services	1,184.3	1,144.6	39.7	3.4%	4,737.0	4,739.4	(2.4)	-0.1%
Materials	320.3	229.4	90.8	28.4%	1,281.0	1,267.1	13.9	1.1%
Contract services	21.3	11.0	10.3	48.2%	85.3	89.8	(4.5)	-5.3%
Rents and financial expenses	4.2	2.0	2.1	51.3%	16.6	16.6	-	0.0%
Total Expenses	1,530.0	1,387.0	142.9	9.3%	6,119.9	6,112.9	7.0	0.1%
Recoveries								
From housing programs	12.8	4.1	8.7	67.9%	51.1	44.1	7.0	13.7%
From homelessness programs	2.5	3.1	(0.6)	-25.0%	9.8	9.8	-	0.0%
From EarlyON	8.5	8.5	-	0.0%	33.9	33.9	-	0.0%
From HQ building operations	16.5	16.5	-	0.0%	66.0	66.0	-	0.0%
Total Expenses Less Recoveries	1,489.8	1,354.9	134.9	9.1%	5,959.1	5,959.1	-	0.0%
Excess (Deficiency) of Revenues over Expenses	-	(0.7)	(0.7)	n/a	-	-	-	n/a

Table 4, above, shows the 2021 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. Overall, Corporate Services expenses were under budget in Q1 but are forecast to be materially on budget at year-end.



C. Office Headquarters Building Operations

Table 5, below, shows the 2021 Operating Budget revenues and expenditures, first quarter variances and year-end projections for the Office Headquarters Building Operations. Overall, expenses were under budget in Q1 but are forecast to be materially on budget at year-end.

Table 5:

Description	Year-To-Date				Year 2021			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Allocation								
Direct-owned community housing building operations	38.0	38.0	-	0.0%	151.8	151.8	-	0.0%
Ontario Works	234.7	234.7	-	0.0%	938.7	938.7	-	0.0%
Child care and early years programs	20.7	20.7	-	0.0%	82.8	82.8	-	0.0%
Housing programs	51.8	51.8	-	0.0%	207.1	207.1	-	0.0%
Total Allocation	345.1	345.1	-	0.0%	1,380.4	1,380.4	-	0.0%
Financing								
Other revenue	0.9	0.8	(0.1)	-12.1%	3.5	3.5	-	0.0%
From (to) reserve funds	(48.8)	(48.8)	-	0.0%	(195.2)	(195.2)	-	0.0%
Imputed rent adjustment	(46.2)	(129.4)	(83.2)	179.9%	(184.9)	(184.9)	-	0.0%
Total Financing	(94.2)	(177.4)	(83.3)	88.4%	(376.6)	(376.6)	-	0.0%
Expenses								
Interest on long-term debt	26.8	25.7	1.1	4.2%	107.3	107.3	-	0.0%
Materials	135.6	54.5	81.1	59.8%	542.5	542.5	-	0.0%
Loan principal repayment	72.0	71.0	1.0	1.4%	288.0	288.0	-	0.0%
Internal administrative expense	16.5	16.5	-	0.0%	66.0	66.0	-	0.0%
Total Expenses	251.0	167.7	83.3	33.2%	1,003.8	1,003.8	-	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. Integrated Social Services Program Support

Integrated Social Services (ISS) 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 6, below, shows the 2021 Operating Budget revenues and expenditures, first quarter variances and year-end projections for ISS Program Support.

Table 6:

Description	Year-To-Date				Year 2021			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Allocation								
Direct-owned community housing building operations	37.8	32.7	(5.1)	-13.4%	151.2	154.7	3.5	2.3%
Ontario Works	224.9	173.3	(51.6)	-22.9%	899.5	875.8	(23.7)	-2.6%
Child care and early years programs	101.8	94.7	(7.1)	-6.9%	407.0	408.3	1.3	0.3%
Housing programs	88.8	77.8	(11.0)	-12.4%	355.2	345.4	(9.8)	-2.8%
Total Allocation	453.2	378.5	(74.7)	-16.5%	1,812.9	1,784.2	(28.7)	-1.6%
Financing								
Other revenue	13.4	13.4	(0.1)	-0.5%	53.7	53.7	-	0.0%
From (to) reserve funds	-	-	-	n/a	-	-	-	n/a
Total Financing	13.4	13.4	(0.1)	-0.5%	53.7	53.7	-	0.0%
Expenses								
Personnel services	566.6	509.8	56.7	10.0%	2,266.2	2,237.4	28.8	1.3%
Materials	16.3	1.7	14.6	89.5%	65.1	65.1	-	0.0%
Contract services	2.5	-	2.5	100.0%	10.0	10.0	-	0.0%
Total Expenses	585.3	511.5	73.8	12.6%	2,341.3	2,312.5	28.8	1.2%
Recoveries								
From housing programs	11.5	2.2	9.2	80.5%	45.8	45.7	0.1	0.2%
From homelessness programs	74.0	84.2	(10.2)	-13.8%	295.8	295.8	-	0.0%
From EarlyON	33.3	33.3	-	0.0%	133.1	133.1	-	0.0%
Total Expenses Less Recoveries	466.7	391.9	74.8	16.0%	1,866.6	1,837.9	28.7	1.5%
Excess (Deficiency) of Revenues over Expenses	-	-	-	n/a	-	-	-	n/a

Expenses related to ISS Program Support 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 **\$28,800 (1.3%) favourable**

Personnel Services costs were less than budget in Q1 and are forecast to be under budget by \$28,800 at year-end, due to temporarily vacant positions. All positions are now filled or are in the recruitment process.

E. Social Assistance

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 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 fully known. TBDSSAB has experienced a decline in its OW caseload during 2020 and continuing into 2021, likely due to OW recipients leaving, or not applying for, social assistance to participate in the federal pandemic related income programs. It is anticipated that the OW caseload will increase to historical levels towards the fourth quarter.

Table 7, below, shows the 2021 Operating Budget revenues and expenditures, first quarter variances and year-end projections for the OW program. Overall, OW program expenses were lower than budget in Q1, and are forecast to be lower than budget by \$2,467,600 at year-end. However, there is no levy impact anticipated.

Table 7:

Description	Year-To-Date				Year 2021			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Financing								
Levy to municipalities & TWOMO	927.5	927.5	-	0.0%	3,710.0	3,710.0	-	0.0%
Provincial grants	8,230.4	7,207.8	(1,022.6)	-12.4%	32,921.6	30,454.0	(2,467.6)	-7.5%
Other revenues	-	-	-	n/a	-	-	-	n/a
From (to) reserve funds	12.3	-	(12.3)	-100.0%	49.3	49.3	-	0.0%
Imputed rent adjustment	31.4	88.0	56.6	180.0%	125.7	125.7	-	0.0%
Total Financing	9,201.7	8,223.3	(978.4)	-10.6%	36,806.6	34,339.0	(2,467.6)	-6.7%
Expenses								
Personnel services	977.7	989.1	(11.4)	-1.2%	3,910.8	3,910.8	-	0.0%
Materials	184.5	70.5	114.0	61.8%	738.1	738.1	-	0.0%
Contract services	2.5	-	2.5	100.0%	10.0	10.0	-	0.0%
Rents and financial expenses	29.6	27.2	2.3	7.8%	118.2	119.9	(1.7)	-1.4%
External transfers	6,845.8	5,897.8	948.0	13.8%	27,383.1	24,957.1	2,426.0	8.9%
Internal administration allocation	956.1	810.6	145.5	15.2%	3,824.5	3,781.2	43.3	1.1%
Imputed rent recovery	234.7	234.7	-	0.0%	938.7	938.7	-	0.0%
Total Expenses	9,230.9	8,029.9	1,200.9	13.0%	36,923.4	34,455.8	2,467.6	6.7%
Recoveries								
From homelessness programs	29.2	39.0	9.8	33.6%	116.8	116.8	-	0.0%
Total Expenses Less Recoveries	9,201.7	7,990.9	1,210.8	13.2%	36,806.6	34,339.0	2,467.6	6.7%
Excess (Deficiency) of Revenues over Expenses	-	232.4	232.4	n/a	-	-	-	n/a



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 \$2,426,000 (8.9%) favourable
---------------------------	---

The full impact of the COVID-19 Pandemic on external transfers, payments to eligible individuals, and families, is still uncertain. The lower caseload experienced in 2020 has continued into 2021. Administration anticipates the caseload will remain at this level until Q4, then return to historical levels. This would result in a favourable variance of \$2.5M in financial assistance to recipients. OW financial assistance benefits are 100% Provincially funded so there is no financial impact on the levy.

The reduced caseload has also had an impact on employment assistance, resulting in less employment-related benefits being issued to date. Administration will continue to explore opportunities to connect OW participants with employment supports to maximize the available funding.

Internal Administration Allocation	Forecast \$43,300 (1.1%) favourable
---	--

Internal Administration is comprised of Board, Office of the Chief Administrative Officer, Corporate Services, and ISS Program Support. These costs are allocated to programs based on a predetermined weighting approved through the annual Operating Budget. Further variance explanation was provided above.

F. 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 – The COVID-19 Pandemic continues to impact the child care and early years' community. While child care and EarlyON centres have remained open in 2021, they have been operating at reduced capacity. Administration continues to work closely with centres to maintain quality services and financial sustainability.

Table 8, below, shows the 2021 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 lower than budget in Q1 but are forecast to be higher than budget by \$637,700 at year-end. However, there is no levy impact anticipated.



Table 8:

Description	Year-To-Date				Year 2021			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Financing								
Levy to municipalities & TWOMO	431.4	431.4	-	0.0%	1,725.7	1,725.7	-	0.0%
Federal grants	166.2	916.6	750.5	451.6%	664.7	1,413.9	749.2	112.7%
Provincial grants	3,916.8	2,838.5	(1,078.3)	-27.5%	15,667.2	15,555.7	(111.5)	-0.7%
From (to) reserve funds	-	-	-	n/a	-	-	-	n/a
Imputed rent adjustment	2.8	7.8	5.0	179.7%	11.1	11.1	-	0.0%
Total Financing	4,517.2	4,194.3	(322.9)	-7.1%	18,068.7	18,706.4	637.7	3.5%
Expenses								
Personnel services	106.7	102.3	4.4	4.1%	426.9	425.6	1.3	0.3%
Materials	10.5	25.9	(15.5)	-147.7%	41.9	40.4	1.5	3.6%
Contract services	0.3	-	0.3	100.0%	1.0	1.0	-	0.0%
External transfers	4,155.0	3,834.6	320.5	7.7%	16,620.1	17,262.5	(642.4)	-3.9%
Internal administration allocation	242.6	225.7	16.9	7.0%	970.5	968.6	1.9	0.2%
Imputed rent recovery	20.7	20.7	-	0.0%	82.8	82.8	-	0.0%
Total Expenses	4,535.8	4,209.2	326.6	7.2%	18,143.2	18,780.9	(637.7)	-3.5%
Recoveries								
Other recoveries	18.6	18.6	-	0.0%	74.5	74.5	-	0.0%
Total Expenses Less Recoveries	4,517.2	4,190.6	326.6	7.2%	18,068.7	18,706.4	(637.7)	-3.5%
Excess (Deficiency) of Revenues over Expenses	-	3.7	3.7	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 \$642,400 (3.9%) unfavourable
---------------------------	---

External transfers for child care and early years were less than budget in Q1 but are expected to be higher than budget at year-end. A further breakdown of External Transfers is provided in Table 9, below:



Table 9:

Description	Year-To-Date				Year 2021			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
External Transfers								
Fee Subsidy	1,125.0	745.8	379.2	33.7%	4,500.0	3,362.5	1,137.5	25.3%
Special Needs	397.7	397.5	0.2	0.0%	1,590.6	1,590.6	-	0.0%
General Operating	1,379.1	1,120.2	258.9	18.8%	5,516.5	6,679.5	(1,163.0)	-21.1%
Occupancy Incentive	75.0	-	75.0	100.0%	300.0	300.0	-	0.0%
Wage Enhancement	306.3	-	306.3	100.0%	1,225.2	1,116.5	108.7	8.9%
Other	78.4	29.6	48.8	62.2%	313.6	288.1	25.5	8.1%
Expansion Plan	-	-	-	n/a	-	-	-	n/a
Federal Safe Restart	-	749.1	(749.1)	n/a	-	749.2	(749.2)	n/a
Early Learning and Child Care	-	-	-	n/a	-	-	-	n/a
EarlyON	499.2	496.2	3.0	0.6%	1,996.8	1,996.8	-	0.0%
Federal Safe Restart - EarlyON	-	1.8	(1.8)	n/a	-	1.9	(1.9)	n/a
Journey Together	294.4	294.3	0.1	0.0%	1,177.4	1,177.4	-	0.0%
Total	4,155.0	3,834.6	320.5	7.7%	16,620.1	17,262.5	(642.4)	-3.9%

The operating restrictions on child care centres due to the COVID-19 pandemic have resulted in less Fee Subsidy provided to operators. This favourable variances will be reinvested towards child care centres (general operating) to ensure financial sustainability of the child care programs.

The unfavourable variance in external transfers is due to Federal Safe Restart funding, remaining from the 2020 allocation, provided to child care and EarlyON centres to assist with the continued safe operations of the programs. This allocation is 100% federally funded so there is no financial impact on the levy.

G. 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, the Province continues to provide supports through the Social Services Relief Fund (SSRF) programs. These funds are administered through the Community Homelessness Prevention Initiative (CHPI). TBDSSAB has used the funding to assist partner organizations offering housing and related supports to individuals and households dealing with the COVID-19 Pandemic.



Table 10:

Description	Year-To-Date				Year 2021			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Financing								
Levy to municipalities & TWOMO	2,589.4	2,589.4	-	0.0%	10,357.7	10,357.7	-	0.0%
Federal grants	1,825.0	1,435.4	(389.6)	-21.3%	7,299.9	7,277.7	(22.2)	-0.3%
Provincial grants	2,010.8	5,293.4	3,282.6	163.2%	8,043.2	12,577.0	4,533.8	56.4%
Other revenue	15.0	129.7	114.7	764.7%	60.0	182.2	122.2	203.7%
From (to) reserve funds	2.5	-	(2.5)	-100.0%	10.0	10.0	-	0.0%
Imputed rent adjustment	7.0	19.4	12.5	179.3%	27.8	27.8	-	0.0%
Total Financing	6,449.7	9,467.3	3,017.7	46.8%	25,798.6	30,432.4	4,633.8	18.0%
Expenses								
Personnel services	465.8	466.8	(1.1)	-0.2%	1,863.0	1,881.3	(18.3)	-1.0%
Materials	381.5	99.5	282.1	73.9%	1,526.1	1,577.4	(51.3)	-3.4%
Contract services	6.0	-	6.0	100.0%	24.0	24.0	-	0.0%
Rents and financial expenses	2.4	1.8	0.6	26.1%	9.6	9.6	-	0.0%
External transfers	4,974.1	8,168.8	(3,194.7)	-64.2%	19,896.4	24,041.3	(4,144.9)	-20.8%
Internal administration allocation	733.7	838.7	(105.0)	-14.3%	2,934.6	3,096.1	(161.5)	-5.5%
Imputed rent recovery	51.8	51.8	-	0.0%	207.1	207.1	-	0.0%
Total Expenses	6,615.2	9,627.2	(3,012.0)	-45.5%	26,460.8	30,836.8	(4,376.0)	-16.5%
Recoveries								
From Ontario Works	30.8	30.8	-	0.0%	123.0	123.0	-	0.0%
From housing programs	29.1	146.6	117.5	403.4%	116.5	278.2	161.7	138.8%
From homelessness programs	105.7	107.9	2.3	2.1%	422.7	422.7	-	0.0%
Total Expenses Less Recoveries	6,449.7	9,341.9	(2,892.3)	-44.8%	25,798.6	30,012.9	(4,214.3)	-16.3%
Excess (Deficiency) of Revenues over Expenses	-	125.4	125.4	n/a	-	419.5	419.5	n/a

Table 10, above, shows the 2021 Operating Budget revenues and expenditures, first quarter variances and year-end projections for Housing Programs.

Overall, Housing Program expenses were higher than budget in Q1, and are forecast to be higher than budget by \$4,214,300 at year-end. However, at this time a program levy operating surplus of \$419,500 is expected.

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

Materials	Forecast \$51,300 (3.4%) unfavourable
------------------	--

Materials were lower than budget in Q1 but are expected to be \$51,300 higher than budget at year-end. A further breakdown of this variance is provided in Table 11, below:



Table 11:

Description	Year-To-Date				Year 2021			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Materials								
OPHI	225.1	-	225.1	100.0%	900.5	952.7	(52.2)	-5.8%
COCHI	105.7	-	105.7	100.0%	422.9	422.9	-	0.0%
Other	50.7	99.5	(48.8)	-96.3%	202.7	201.8	0.9	0.4%
Total	381.5	99.5	282.1	73.9%	1,526.1	1,577.4	(51.3)	-3.4%

The exterior work for the six new accessible units at McIvor Court, funded under the Ontario Priorities Housing Initiative (OPHI), will be completed in 2021, resulting in an unfavourable variance. OPHI is funded 100% by the Federal and Provincial governments.

External Transfers	Forecast \$4,144,900 (20.8%) unfavourable
---------------------------	--

External transfers for Housing Programs were higher than budget in Q1 and are expected to be \$4,144,900 higher than budget at year-end. A further breakdown of this variance is provided in Table 12, below:

Table 12:

Description	Year-To-Date				Year 2021			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
External Transfers								
Provincial Reformed	1,494.3	1,528.4	(34.1)	-2.3%	5,977.0	5,977.0	-	0.0%
Urban Native housing program	354.5	428.2	(73.7)	-20.8%	1,417.9	1,417.9	-	0.0%
Private landlord rent supplement	827.5	761.7	65.7	7.9%	3,309.8	3,099.6	210.2	6.4%
Non-profit rent supplement	182.1	179.4	2.7	1.5%	728.2	726.5	1.7	0.2%
Strong Communities rent supplement	107.1	99.2	7.9	7.4%	428.5	404.4	24.1	5.6%
Portable Housing Benefit	99.7	86.2	13.4	13.5%	398.7	351.5	47.2	11.8%
IAH Rent Supplement	21.2	(0.2)	21.4	101.0%	84.6	51.4	33.2	39.2%
IAH Ontario Renovates	31.3	114.2	(83.0)	-265.6%	125.0	125.0	-	0.0%
IAH Ext rental housing	-	-	-	n/a	-	-	-	n/a
IAH Ext Ontario Renovates	-	6.9	(6.9)	n/a	-	7.1	(7.1)	n/a
IAH-SIF rental housing	-	-	-	n/a	-	-	-	n/a
IAH-SIF housing allowance	16.5	18.8	(2.4)	-14.4%	65.8	68.6	(2.8)	-4.3%
IAH-SIF Ontario Renovates	-	-	-	n/a	-	-	-	n/a
OPHI Ontario Renovates	126.8	48.0	78.8	62.1%	507.2	507.2	-	0.0%
COCHI capital repairs	91.3	-	91.3	100.0%	365.3	365.3	-	0.0%
COCHI rent supplement	156.0	97.5	58.5	37.5%	624.0	548.0	76.0	12.2%
COCHI transitional operating	-	-	-	n/a	-	60.6	(60.6)	n/a
Reaching Home	15.4	33.5	(18.1)	-118.1%	61.4	76.2	(14.8)	-24.1%
CHPI	724.0	1,001.0	(277.0)	-38.3%	2,896.0	3,283.3	(387.3)	-13.4%
SSRF	433.8	2,463.4	(2,029.6)	-467.9%	1,735.2	4,802.3	(3,067.1)	-176.8%
Mental Health and Addictions	-	1,009.0	(1,009.0)	n/a	-	1,009.1	(1,009.1)	n/a
Home for Good	293.0	293.4	(0.5)	-0.2%	1,171.8	1,160.3	11.5	1.0%
Total	4,974.1	8,168.8	(3,194.7)	-64.2%	19,896.4	24,041.3	(4,144.9)	-20.8%

The unfavorable variance is mainly due to the Social Services Relief Fund (SSRF) programs which were not known when the 2021 Budget was developed. These were established by the Province in response to the COVID-19 pandemic. The SSRF allocations are 100% Provincially funded and do not impact the levy.



Administration expects favourable variances in the various rent supplement programs and portable housing benefit. With the uncertainty caused by the pandemic, individuals and families have been opting to remain in their current housing situation, rather than move, and with the increased cost of building materials, it has been difficult to convince new landlords to ready new units and participate in the programs. This favourable variance contributes \$259,100 to the projected program levy operating surplus.

Internal Administration Allocation	Forecast \$161,500 (5.5%) unfavourable
---	---

The unfavourable variance in Internal Administration Allocation is directly attributable to the SSRF program funding which was not known when the 2021 Budget was developed. These programs allow for up to 3% of the funding to be used towards offsetting administrative costs. The expense is 100% provincially funded and the resulting administration recovery contributes \$161,500 to the projected program levy operating surplus.

H. Direct-Owned Community Housing Building Operations

TBDSSAB operates and maintains 2,488 direct-owned housing units throughout the District of Thunder Bay. Table 13, below, shows the 2021 Operating Budget revenues and expenditures, first quarter variances and year-end projections for direct-owned Community Housing building operations.

Overall, direct-owned Community Housing building operations expenses were less than budget in Q1 but are expected to be materially on budget at year-end. However, due to lower rent revenues, a program levy operating deficit of \$64,800 is expected.



Table 13:

Description	Year-To-Date				Year 2021			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Financing								
Levy to municipalities & TWOMO	1,749.6	1,749.6	-	0.0%	6,998.4	6,998.4	-	0.0%
Federal grants	729.5	729.5	-	0.0%	2,918.0	2,918.0	-	0.0%
Rents	2,731.5	2,718.3	(13.1)	-0.5%	10,925.9	10,852.3	(73.6)	-0.7%
Other revenue	70.7	51.1	(19.5)	-27.7%	282.6	291.4	8.8	3.1%
From (to) reserve funds	(566.8)	(566.8)	-	0.0%	(2,267.0)	(2,267.0)	-	0.0%
Imputed rent adjustment	5.1	14.2	9.2	180.4%	20.3	20.3	-	0.0%
Total Financing	4,719.6	4,696.0	(23.5)	-0.5%	18,878.2	18,813.4	(64.8)	-0.3%
Expenses								
Interest on long-term debt	60.3	64.0	(3.7)	-6.2%	241.1	238.5	2.6	1.1%
Materials	3,308.2	3,210.6	97.6	2.9%	13,232.8	13,232.8	-	0.0%
Rents and financial expenses	14.6	(45.5)	60.1	411.8%	58.4	58.4	-	0.0%
Loan principal repayment	602.5	619.4	(16.9)	-2.8%	2,409.9	2,411.6	(1.7)	-0.1%
Internal administration allocation	976.7	922.8	54.0	5.5%	3,906.9	3,925.9	(19.0)	-0.5%
Imputed rent recovery	38.0	38.0	-	0.0%	151.8	151.8	-	0.0%
Total Expenses	5,000.2	4,809.2	191.0	3.8%	20,000.9	20,019.0	(18.1)	-0.1%
Recoveries								
From Non-Profit rent supplement	271.1	269.2	(1.9)	-0.7%	1,084.5	1,081.7	(2.8)	-0.3%
From IAH rent supplement	6.6	12.9	6.3	96.2%	26.2	49.5	23.3	88.9%
From HFG housing allowance	3.0	2.0	(1.0)	-34.1%	12.0	9.6	(2.4)	-20.0%
Total Expenses Less Recoveries	4,719.6	4,525.1	194.4	4.1%	18,878.2	18,878.2	-	0.0%
Excess (Deficiency) of Revenues over Expenses	-	170.9	170.9	n/a	-	(64.8)	(64.8)	n/a

Highlights for Q1 and the full-year forecast include:

Rents	Forecast \$73,600 (0.7%) unfavourable
--------------	--

Rent revenue was lower than budget in Q1 and is expected to be \$73,600 less than budget at year-end. The variance is related to rent-gear-to-income (RGI) which is based on tenant incomes. The province has implemented a rent-freeze for 2021 which was considered in the 2021 Budget; however RGI rents have been lower than budget due in part to the rent freeze as well as vacancies throughout the housing portfolio.

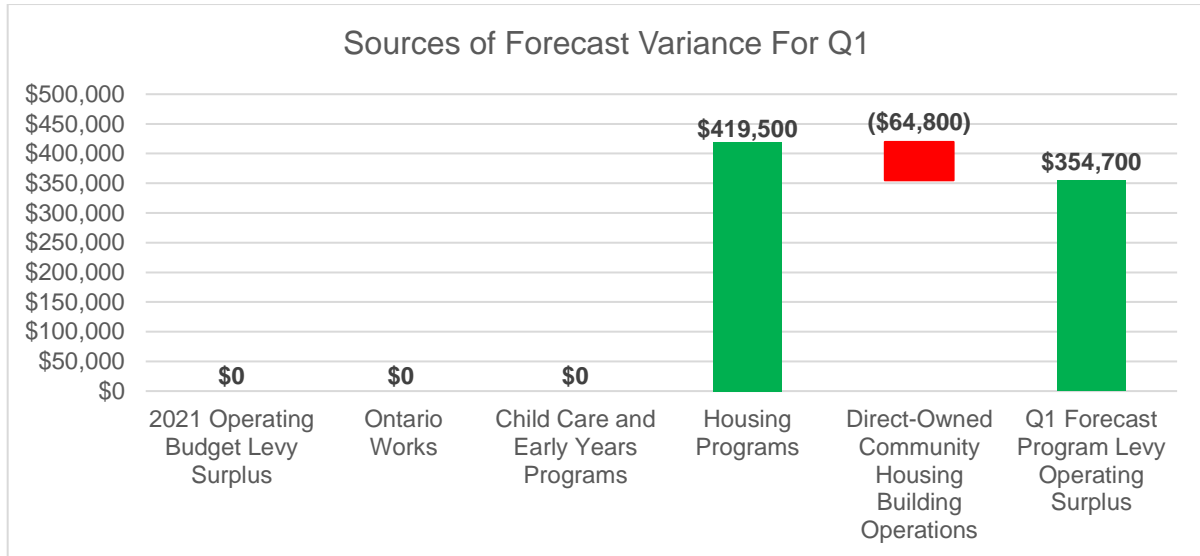
Internal Administration Allocation	Forecast \$19,000 (0.5%) unfavourable
---	--

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.



CONCLUSION

Through the 2021 First Quarter Financial Report, Administration is projecting a program levy operating surplus of \$354,700 for the 2021 year. The chart below summarizes the Q1 forecast levy operating surplus for 2021, by program:





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

Fiduciary Responsibility Checklist

Year: 2021

[Supporting Documents](#)

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

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

13-May-21

Date

Chief Administrative Officer

13-May-21

Date