



BOARD REPORT

REPORT No.: 2022-34

MEETING DATE: MAY 19, 2022

SUBJECT: 2022 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 2022 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, 2022, was \$1,181,100 (4.8%) less than the year-to-date Budget, with a net deficit of \$362,900.

The program levy operating surplus projected to year-end is \$457,100, or 2.0% of the 2022 Levy. A summary of net forecast cost variances, by program, is presented below:

Table 1:

2022 Forecast Program Levy Operating Surplus/(Deficit)	
Social Assistance	\$ (6,600)
Child Care and Early Years	\$ (400)
Community Housing Programs	\$ 479,000
Direct-Owned Community Housing Building Operations	\$ (14,900)
Forecast Program Levy Operating Surplus	\$ 457,100

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

- Housing Programs:** Administration expects favourable variances in the various rent supplement programs. Administration is lessening its reliance on the private market landlord rent supplement program to meet service level standards, in favour of the more flexible portable housing benefit (PHB). The private market landlord rent supplement budget allowed for 344 units per month. In Q1, the number of units per month averaged 334, and the forecast for the year is a monthly average of 328 rent supplement units. This reflects the strategy to reduce 3+ bedroom rent supplement units as they arise and seek to engage more PHBs over time. This favourable variance contributes \$439,900 to the projected program levy operating surplus.

Highlights for the first quarter and full-year forecast to year-end, as well as detailed variance explanations, are provided in Attachment #1 - 2022 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.

STRATEGIC PLAN IMPACT

This report relates to the Board's strategic direction of Financial Stewardship, with a focus on ensuring accountability of TBDSSAB resources.

FINANCIAL IMPLICATIONS

There are no direct financial implications associated with this Report.

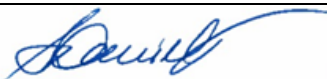

CONCLUSION

It is concluded that the 2022 First Quarter Financial Report indicates a year-to-date net deficit of \$362,900, with a forecast program levy operating surplus for the year of \$457,100, or 2.0% of the 2021 Levy.

REFERENCE MATERIALS

Attachment #1 [2022 First Quarter Financial Report](#)

Attachment #2 [Fiduciary Responsibility Checklist](#)

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

**2022 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, 2022, this Report provides an indication of TBDSSAB's financial status for the year, and identification of any significant variances from the 2022 approved Operating Budget.

Overall, from an operating levy perspective, Administration is forecasting it to be under budget by \$457,100 for the 2022 year. Table 1 provides a breakdown of the forecast year-end variances, by program.

Table 1:

2022 Forecast Program Levy Operating Surplus/(Deficit)	
Social Assistance	\$ (6,600)
Child Care and Early Years	\$ (400)
Community Housing Programs	\$ 479,000
Direct-Owned Community Housing Building Operations	\$ (14,900)
Forecast Program Levy Operating Surplus	\$ 457,100



Table 2 shows the 2022 Operating Budget revenue and expenditures, first quarter variances, and year-end projections.

Table 2:

Description	Year-To-Date				Year 2022			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Financing								
Levy to municipalities & TWOMO	5,763.6	5,763.6	-	0.0%	23,054.3	23,054.3	-	0.0%
Federal grants	3,022.6	2,077.1	(945.5)	-31.3%	12,090.2	15,761.5	3,671.3	30.4%
Provincial grants	13,649.6	13,018.4	(631.1)	-4.6%	54,598.3	57,021.5	2,423.2	4.4%
Rents	2,775.5	2,916.7	141.2	5.1%	11,102.1	11,540.5	438.4	3.9%
Other revenue	103.1	72.0	(31.1)	-30.1%	412.2	399.7	(12.5)	-3.0%
Interest on unrestricted funds	25.0	36.2	11.2	45.0%	100.0	100.0	-	0.0%
Interest on restricted funds	180.7	177.6	(3.1)	-1.7%	722.6	722.6	-	0.0%
From (to) reserve funds	(744.3)	(829.9)	(85.7)	11.5%	(2,977.1)	(2,977.1)	-	0.0%
Prior year surplus	-	-	-	n/a	-	409.3	409.3	n/a
Total Financing	24,775.7	23,231.6	(1,544.0)	-6.2%	99,102.6	106,032.3	6,929.7	7.0%
Expenses								
Personnel services	3,542.7	3,408.4	134.3	3.8%	14,170.9	14,028.5	142.4	1.0%
Interest on long-term debt	71.5	69.7	1.8	2.5%	286.1	274.8	11.3	3.9%
Materials	4,603.2	4,638.9	(35.7)	-0.8%	18,412.9	17,860.6	552.3	3.0%
Contract services	65.2	49.5	15.8	24.2%	260.9	516.8	(255.9)	-98.1%
Rents and financial expenses	48.6	70.5	(22.0)	-45.2%	194.3	181.5	12.8	6.6%
External transfers	15,809.3	14,708.2	1,101.1	7.0%	63,237.3	70,171.0	(6,933.7)	-11.0%
Loan principal repayment	635.1	649.3	(14.2)	-2.2%	2,540.2	2,542.0	(1.8)	-0.1%
Total Expenses	24,775.7	23,594.5	1,181.1	4.8%	99,102.6	105,575.2	(6,472.6)	-6.5%
Excess (Deficiency) of Revenues over Expenses	-	(362.9)	(362.9)	n/a	-	457.1	457.1	n/a

2022 FIRST QUARTER OPERATING BUDGET RESULTS

The First Quarter Report provides an indication of TBDSSAB's financial status as at March 31, 2022, and a projection for the year, and identifies any significant variances from the 2022 Operating Budget. Overall, in Q1, TBDSSAB recorded a net deficit of \$362,900, and a surplus of \$457,100, or 2.0% of the 2022 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 2022			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Allocation								
Direct-owned community housing building operations	78.0	82.4	4.4	5.6%	312.0	310.4	(1.6)	-0.5%
Ontario Works	161.5	170.7	9.2	5.7%	646.0	642.3	(3.7)	-0.6%
Child care and early years programs	40.5	42.2	1.8	4.4%	161.8	160.2	(1.6)	-1.0%
Housing programs	56.6	59.6	3.0	5.4%	226.3	224.6	(1.7)	-0.8%
Total Allocation	336.5	354.9	18.4	5.5%	1,346.1	1,337.5	(8.6)	-0.6%
Expenses								
Personnel services	264.5	268.5	(4.0)	-1.5%	1,057.9	1,051.0	6.9	0.7%
Materials	52.0	65.1	(13.1)	-25.3%	207.9	208.3	(0.4)	-0.2%
Contract services	20.1	21.3	(1.3)	-6.3%	80.3	78.2	2.1	2.6%
Total Expenses	336.5	354.9	(18.4)	-5.5%	1,346.1	1,337.5	8.6	0.6%
Excess (Deficiency) of Revenues over Expenses	-	-	-	n/a	-	-	-	n/a

Table 3, above, shows the 2022 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 2022			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Allocation								
Direct-owned community housing building operations	348.6	351.7	3.1	0.9%	1,394.4	1,519.3	124.9	9.0%
Ontario Works	544.0	536.2	(7.8)	-1.4%	2,175.8	2,108.2	(67.6)	-3.1%
Child care and early years programs	32.1	31.4	(0.7)	-2.1%	128.3	125.5	(2.8)	-2.2%
Housing programs	58.3	57.4	(0.8)	-1.4%	233.0	228.3	(4.7)	-2.0%
Total Allocation	982.9	976.6	(6.2)	-0.6%	3,931.5	3,981.3	49.8	1.3%
Financing								
Levy to municipalities and TWOMO	(25.0)	(25.0)	-	0.0%	(100.0)	(100.0)	-	0.0%
Interest on unrestricted funds	25.0	36.2	11.2	45.0%	100.0	100.0	-	0.0%
Interest on restricted funds	180.7	177.6	(3.1)	-1.7%	722.6	722.6	-	0.0%
Other revenue	0.4	0.1	(0.3)	-76.5%	1.5	1.7	0.2	13.3%
From (to) reserve funds	(180.7)	(188.8)	(8.2)	4.5%	(722.6)	(722.6)	-	0.0%
Total Financing	0.4	0.1	(0.3)	-76.5%	1.5	1.7	0.2	13.3%
Expenses								
Personnel services	675.9	636.5	39.4	5.8%	2,703.6	2,616.1	87.5	3.2%
Materials	291.7	330.2	(38.5)	-13.2%	1,166.9	1,116.6	50.3	4.3%
Contract services	22.4	17.9	4.5	19.9%	89.6	278.2	(188.6)	-210.5%
Rents and financial expenses	3.4	2.2	1.1	34.0%	13.5	12.7	0.8	5.9%
Total Expenses	993.4	986.9	6.5	0.7%	3,973.6	4,023.6	(50.0)	-1.3%
Recoveries								
From HQ building operations	10.2	10.2	-	0.0%	40.6	40.6	-	0.0%
Total Expenses Less Recoveries	983.3	976.7	6.5	0.7%	3,933.0	3,983.0	(50.0)	-1.3%
Excess (Deficiency) of Revenues over Expenses	-	-	-	n/a	-	-	-	n/a

Table 4, above, shows the 2022 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 \$87,500 (3.2%) favourable
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Personnel Services expenses were lower than budget in Q1 and are forecast to be under budget by \$87,500 at year-end due to temporarily vacant positions throughout the year.

Contract Services	Forecast \$188,600 (210.5%) unfavourable
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As a result of the temporarily vacant position identified above, Administration has contracted with several Vendors of Record to develop schematic designs and provide contract management for certain capital projects during the year. This unfavourable variance is allocated directly to the Direct-Owned Community Housing Building Operations program area below.

C. Office Headquarters Building Operations

Table 5, below, shows the 2022 Operating Budget revenues and expenditures, first quarter variances and year-end projections for the Office Headquarters Building Operations.

Table 5:

Description	Year-To-Date				Year 2022			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Allocation								
Direct-owned community housing building operations	62.7	62.7	-	0.0%	250.9	250.9	-	0.0%
Ontario Works	240.5	240.5	-	0.0%	961.8	961.8	-	0.0%
Child care and early years programs	17.4	17.4	-	0.0%	69.7	69.7	-	0.0%
Housing programs	27.9	27.9	-	0.0%	111.5	111.5	-	0.0%
Total Allocation	348.5	348.5	-	0.0%	1,393.9	1,393.9	-	0.0%
Financing								
Other revenue	0.9	0.2	(0.7)	-76.9%	3.5	3.5	-	0.0%
From (to) reserve funds	(49.8)	(49.8)	-	0.0%	(199.1)	(199.1)	-	0.0%
Imputed rent adjustment	(53.2)	(110.5)	(57.3)	107.8%	(212.6)	(203.0)	9.6	-4.5%
Total Financing	(102.1)	(160.0)	(58.0)	56.8%	(408.2)	(398.6)	9.6	-2.4%
Expenses								
Interest on long-term debt	24.6	23.8	0.8	3.4%	98.4	91.3	7.1	7.2%
Materials	132.4	76.5	55.9	42.2%	529.6	546.3	(16.7)	-3.2%
Loan principal repayment	74.3	73.0	1.3	1.7%	297.0	297.0	-	0.0%
Internal administrative expense	15.2	15.2	-	0.0%	60.7	60.7	-	0.0%
Total Expenses	246.4	188.4	58.0	23.5%	985.7	995.3	(9.6)	-1.0%
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. Overall, expenses were under budget in Q1 but are forecast to be materially on budget at year-end.



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 2022 Operating Budget revenues and expenditures, first quarter variances and year-end projections for ISS Program Support.

Table 6:

Description	Year-To-Date				Year 2022			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Allocation								
Direct-owned community housing building operations	42.2	38.9	(3.3)	-7.9%	168.8	165.1	(3.7)	-2.2%
Ontario Works	244.9	194.2	(50.7)	-20.7%	979.5	931.9	(47.6)	-4.9%
Child care and early years programs	90.7	83.0	(7.7)	-8.5%	362.7	353.9	(8.8)	-2.4%
Housing programs	118.2	107.6	(10.5)	-8.9%	472.7	460.5	(12.2)	-2.6%
Total Allocation	495.9	423.6	(72.3)	-14.6%	1,983.7	1,911.4	(72.3)	-3.6%
Expenses								
Personnel services	553.7	508.1	45.6	8.2%	2,214.8	2,144.1	70.7	3.2%
Materials	14.1	2.6	11.5	81.8%	56.2	43.1	13.1	23.3%
Total Expenses	567.8	510.7	57.1	10.0%	2,271.0	2,187.2	83.8	3.7%
Recoveries								
From homelessness programs	71.8	87.1	(15.3)	-21.3%	287.3	275.8	11.5	4.0%
Total Expenses Less Recoveries	495.9	423.6	72.3	14.6%	1,983.7	1,911.4	72.3	3.6%
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 \$70,700 (3.2%) favourable
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Personnel Services costs were less than budget in Q1 and are forecast to be under budget by \$70,700 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.

Table 7, below, shows the 2022 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, but are forecast to be higher than budget by \$231,200 at year-end. However, the levy impact is minimal.

Table 7:

Description	Year-To-Date				Year 2022			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Financing								
Levy to municipalities & TWOMO	922.2	922.2	-	0.0%	3,688.9	3,688.9	-	0.0%
Provincial grants	7,561.2	7,254.8	(306.4)	-4.1%	30,244.7	30,475.9	231.2	0.8%
Other revenues	-	-	-	n/a	-	-	-	n/a
From (to) reserve funds	-	-	-	n/a	-	-	-	n/a
Imputed rent adjustment	36.7	76.2	39.5	107.8%	146.7	140.1	(6.6)	-4.5%
Total Financing	8,520.1	8,253.2	(266.9)	-3.1%	34,080.3	34,304.9	224.6	0.7%
Expenses								
Personnel services	989.3	934.8	54.4	5.5%	3,957.1	3,960.8	(3.7)	-0.1%
Materials	138.2	82.5	55.7	40.3%	552.7	518.0	34.7	6.3%
Contract services	2.5	-	2.5	100.0%	10.0	10.0	-	0.0%
Rents and financial expenses	28.2	22.8	5.4	19.2%	112.8	102.5	10.3	9.1%
External transfers	6,169.6	5,911.5	258.0	4.2%	24,678.2	25,074.1	(395.9)	-1.6%
Internal administration allocation	982.0	932.7	49.3	5.0%	3,928.1	3,809.2	118.9	3.0%
Imputed rent recovery	240.5	240.5	-	0.0%	961.8	961.8	-	0.0%
Total Expenses	8,550.2	8,124.8	425.3	5.0%	34,200.7	34,436.4	(235.7)	-0.7%
Recoveries								
From homelessness programs	30.1	44.7	14.6	48.5%	120.4	124.9	4.5	3.7%
Total Expenses Less Recoveries	8,520.1	8,080.2	439.9	5.2%	34,080.3	34,311.5	(231.2)	-0.7%
Excess (Deficiency) of Revenues over Expenses	-	173.1	173.1	n/a	-	(6.6)	(6.6)	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 \$395,900 (1.6%) unfavourable
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Administration expects the OW caseload to return to the regular cyclical trend in 2022 and based on the Q1 experience this would result in financial assistance to recipients being \$231,200 higher than budget. OW financial assistance benefits are 100% Provincially funded so there is no financial impact on the levy.



On the other hand, employment assistance benefits have been significantly less than budget in Q1. Administration will continue to explore opportunities to connect OW participants with employment supports to maximize the available funding.

Internal Administration Allocation	Forecast \$118,900 (3.0%) favourable
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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:

- Canada-Wide Early Learning and Child Care (CWELCC) – The Province of Ontario signed on to the Federal government's national affordable child care program in April. Through the CWELCC, Service Managers will receive funding to provide to participating licensees in order to reduce parent fees and increase workforce compensation. Administration is working on a roadmap which will be communicated to the Board at a later date.

Table 8, below, shows the 2022 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 \$3.8 million at year-end due to the introduction of the CWELCC. Since the CWELCC is 100% federally funded, there is no levy impact anticipated.



Table 8:

Description	Year-To-Date				Year 2022			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Financing								
Levy to municipalities & TWOMO	418.8	418.8	-	0.0%	1,675.1	1,675.1	-	0.0%
Federal grants	498.8	200.7	(298.1)	-59.8%	1,995.2	5,776.4	3,781.2	189.5%
Provincial grants	3,863.6	3,116.0	(747.6)	-19.3%	15,454.4	15,454.4	-	0.0%
From (to) reserve funds	-	-	-	n/a	-	-	-	n/a
Imputed rent adjustment	2.7	5.5	2.9	108.4%	10.6	10.2	(0.4)	-3.8%
Total Financing	4,783.8	3,741.0	(1,042.8)	-21.8%	19,135.3	22,916.1	3,780.8	19.8%
Expenses								
Personnel services	109.5	111.1	(1.6)	-1.5%	437.8	452.6	(14.8)	-3.4%
Materials	9.2	25.4	(16.2)	-176.6%	36.8	36.2	0.6	1.6%
Contract services	0.3	-	0.3	100.0%	1.0	-	1.0	100.0%
External transfers	4,484.3	3,433.1	1,051.2	23.4%	17,937.2	21,718.4	(3,781.2)	-21.1%
Internal administration allocation	219.4	212.8	6.6	3.0%	877.7	864.5	13.2	1.5%
Imputed rent recovery	17.4	17.4	-	0.0%	69.7	69.7	-	0.0%
Total Expenses	4,840.1	3,799.9	1,040.2	21.5%	19,360.2	23,141.4	(3,781.2)	-19.5%
Recoveries								
Other recoveries	56.2	56.2	-	0.0%	224.9	224.9	-	0.0%
Total Expenses Less Recoveries	4,783.8	3,743.7	1,040.2	21.7%	19,135.3	22,916.5	(3,781.2)	-19.8%
Excess (Deficiency) of Revenues over Expenses	-	(2.6)	(2.6)	n/a	-	(0.4)	(0.4)	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 \$3,781,200 (21.1%) unfavourable
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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 due to implementation of the CWELCC. Administration is working through the process to implement the CWELCC. A further breakdown of External Transfers is provided in Table 9, below:



Table 9:

Description	Year-To-Date				Year 2022			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
External Transfers								
Fee Subsidy	1,125.0	802.1	322.9	28.7%	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	1,400.9	1,120.2	280.7	20.0%	5,603.4	5,603.4	-	0.0%
Occupancy Incentive	75.0	-	75.0	100.0%	300.0	300.0	-	0.0%
Wage Enhancement	306.3	281.4	24.9	8.1%	1,225.2	1,225.2	-	0.0%
Other	78.4	25.8	52.6	67.1%	313.6	313.6	-	0.0%
Workforce Funding	261.1	6.0	255.1	97.7%	1,044.5	1,044.5	-	0.0%
Federal Safe Restart	-	-	-	n/a	-	-	-	n/a
Early Learning and Child Care	-	-	-	n/a	-	-	-	n/a
EarlyON	545.6	505.8	39.9	7.3%	2,182.5	2,182.5	-	0.0%
Federal Safe Restart - EarlyON	-	-	-	n/a	-	-	-	n/a
Journey Together	294.4	294.3	0.1	0.0%	1,177.4	1,177.4	-	0.0%
CWELCC	-	-	-	n/a	-	3,781.2	(3,781.2)	n/a
Total	4,484.3	3,433.1	1,051.2	23.4%	17,937.2	21,718.4	(3,781.2)	-21.1%

The full financial impact on Fee Subsidy, General Operating and other program areas is not known at this time. Therefore, the forecast is at budget with the addition of CWELCC which is 100% federally funded and will not impact 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:

- Homelessness Prevention Program (HPP) – Effective April 1, 2022 the HPP consolidates the Community Homelessness Prevention Initiative, Home for Good, and the Strong Communities Rent Supplement Program into a single, more flexible, program.

Table 10, below, shows the 2022 Operating Budget revenues and expenditures, first quarter variances and year-end projections for Housing Programs.



Table 10:

Description	Year-To-Date				Year 2022			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Financing								
Levy to municipalities & TWOMO	2,341.1	2,341.1	-	0.0%	9,364.5	9,364.5	-	0.0%
Federal grants	1,905.4	1,256.8	(648.6)	-34.0%	7,621.6	7,511.7	(109.9)	-1.4%
Provincial grants	2,224.8	2,646.4	421.6	18.9%	8,899.2	11,091.2	2,192.0	24.6%
Other revenue	32.5	20.4	(12.1)	-37.1%	130.0	130.0	-	0.0%
From (to) reserve funds	77.5	-	(77.5)	-100.0%	310.0	310.0	-	0.0%
Prior year surplus	-	-	-	n/a	-	409.3	409.3	n/a
Imputed rent adjustment	4.3	8.8	4.6	107.9%	17.0	16.2	(0.8)	-4.7%
Total Financing	6,585.6	6,273.5	(312.0)	-4.7%	26,342.3	28,832.9	2,490.6	9.5%
Expenses								
Personnel services	109.1	111.7	(2.6)	-2.4%	436.5	437.3	(0.8)	-0.2%
Materials	573.4	4.0	569.3	99.3%	2,293.5	1,586.0	707.5	30.8%
Contract services	17.5	-	17.5	100.0%	70.0	60.0	10.0	14.3%
Rents and financial expenses	-	-	-	n/a	-	-	-	n/a
External transfers	5,155.1	5,363.6	(208.5)	-4.0%	20,620.5	23,377.1	(2,756.6)	-13.4%
Internal administration allocation	819.4	857.2	(37.9)	-4.6%	3,277.4	3,267.9	9.5	0.3%
Imputed rent recovery	27.9	27.9	-	0.0%	111.5	111.5	-	0.0%
Total Expenses	6,702.4	6,364.4	337.9	5.0%	26,809.4	28,839.8	(2,030.4)	-7.6%
Recoveries								
From housing programs	74.9	95.8	20.9	27.9%	299.7	326.9	27.2	9.1%
From homelessness programs	41.9	45.7	3.9	9.3%	167.4	159.0	(8.4)	-5.0%
Total Expenses Less Recoveries	6,585.6	6,222.9	362.7	5.5%	26,342.3	28,353.9	(2,011.6)	-7.6%
Excess (Deficiency) of Revenues over Expenses	-	50.7	50.7	n/a	-	479.0	479.0	n/a

Overall, Housing Program expenses were lower than budget in Q1, but are forecast to be higher than budget by \$2,011,600 at year-end. However, at this time a program levy operating surplus of \$479,000 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 \$707,500 (30.8%) favourable
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Materials were lower than budget in Q1 and are expected to be \$707,500 lower than budget at year-end. A further breakdown of this variance is provided in Table 11, below:

Table 11:

Description	Year-To-Date				Year 2022			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Materials								
OPHI	100.1	-	100.1	100.0%	400.5	-	400.5	100.0%
COCHI	466.8	-	466.8	100.0%	1,867.1	1,561.8	305.3	16.4%
Other	6.5	4.0	2.4	37.7%	25.9	24.2	1.7	6.6%
Total	573.4	4.0	569.3	99.3%	2,293.5	1,586.0	707.5	30.8%



Ontario Priorities Housing Initiative (OPHI) funds, expected to be spent on the Bertrand Court regeneration project, have been redirected to the Ontario Renovates program area due to timing constraints (see External Transfers below). The favourable variance in the Canada-Ontario Community Housing Initiative (COCHI) is due to anticipated timing of project completion. OPHI and COCHI are funded 100% by the Federal and Provincial governments.

External Transfers **Forecast \$2,756,600 (13.4%) unfavourable**

External transfers for Housing Programs were higher than budget in Q1 and are expected to be \$2,756,600 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 2022			
	Budget	Actuals	Variance		Budget	Forecast	Variance	
	(\$000s)	(\$000s)	(\$000s)	(%)	(\$000s)	(\$000s)	(\$000s)	(%)
External Transfers								
Provincial Reformed	1,521.2	1,586.8	(65.6)	-4.3%	6,084.8	6,084.8	-	0.0%
Urban Native housing program	303.6	333.0	(29.4)	-9.7%	1,214.3	1,214.3	-	0.0%
Private landlord rent supplement	729.6	601.8	127.8	17.5%	2,918.4	2,512.3	406.1	13.9%
Non-profit rent supplement	191.6	187.1	4.5	2.4%	766.4	747.7	18.7	2.4%
Strong Communities rent supplement	107.1	96.2	10.9	10.2%	428.3	387.1	41.2	9.6%
Portable Housing Benefit	149.9	120.6	29.3	19.5%	599.4	586.2	13.2	2.2%
IAH Rent Supplement	30.1	21.8	8.3	27.5%	120.4	107.8	12.6	10.5%
IAH Ontario Renovates	-	3.0	(3.0)	n/a	-	3.0	(3.0)	n/a
IAH-SIF housing allowance	21.3	12.6	8.7	40.7%	85.1	50.5	34.6	40.7%
OPHI Ontario Renovates	191.2	12.7	178.5	93.4%	764.8	1,733.5	(968.7)	-126.7%
COCHI capital repairs	-	35.1	(35.1)	n/a	-	-	-	n/a
COCHI rent supplement	182.7	144.6	38.1	20.8%	730.8	668.9	61.9	8.5%
COCHI transitional operating	22.7	22.8	(0.1)	-0.3%	90.9	90.9	-	0.0%
Reaching Home	15.0	4.9	10.1	67.0%	60.0	68.4	(8.4)	-14.0%
CHPI	739.7	1,169.4	(429.7)	-58.1%	2,958.8	3,167.6	(208.8)	-7.1%
SSRF	660.2	721.5	(61.3)	-9.3%	2,640.7	4,823.1	(2,182.4)	-82.6%
Home for Good	289.4	289.8	(0.4)	-0.1%	1,157.4	1,131.0	26.4	2.3%
Total	5,155.1	5,363.6	(208.5)	-4.0%	20,620.5	23,377.1	(2,756.6)	-13.4%

The unfavorable variance is mainly due to additional Social Services Relief Fund (SSRF) funding that was not known when the 2022 Budget was developed. The SSRF allocations are 100% Provincially funded and do not impact the levy.

External transfers under the OPHI Ontario Renovates program are expected to be higher than budget. The allocation was originally to be spent internally towards the Bertrand Court redevelopment project, however due to timing constraints the funds had to be redirected to the Ontario Renovates program. OPHI is 100% Provincially funded and does not impact the levy.

Administration expects favourable variances in the various rent supplement programs. Administration is lessening its reliance on the private market landlord rent supplement program to meet service level standards, in favour of the more flexible portable housing



benefit (PHB). The private market landlord rent supplement budget allowed for 344 units per month. In Q1, the number of units per month averaged 334, and the forecast for the year is a monthly average of 328 rent supplement units. This reflects the strategy to reduce 3+ bedroom rent supplement units as they arise, and seek to engage more PHBs over time. This favourable variance contributes \$439,900 to the projected program levy operating surplus.

H. Direct-Owned Community Housing Building Operations

TBDSSAB operates and maintains 2,494 direct-owned housing units throughout the District of Thunder Bay. Table 13, below, shows the 2022 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 operation expenses were more than budget in Q1 and are expected to be \$438,800 higher than budget at year-end; however, this unfavourable amount is offset due to higher rent revenues, resulting in a program levy operating deficit of \$14,900 expected by year end.



Table 13:

Description	Year-To-Date				Year 2022			
	Budget (\$000s)	Actuals (\$000s)	Variance		Budget (\$000s)	Forecast (\$000s)	Variance	
			(\$000s)	(%)			(\$000s)	(%)
Financing								
Levy to municipalities & TWOMO	2,106.5	2,106.5	-	0.0%	8,425.8	8,425.8	-	0.0%
Federal grants	618.4	619.6	1.3	0.2%	2,473.4	2,473.4	-	0.0%
Provincial grants	-	1.3	1.3	n/a	-	-	-	n/a
Rents	2,775.5	2,916.7	141.2	5.1%	11,102.1	11,540.5	438.4	3.9%
Other revenue	69.3	51.3	(18.0)	-26.0%	277.2	264.5	(12.7)	-4.6%
From (to) reserve funds	(591.4)	(591.4)	-	0.0%	(2,365.4)	(2,365.4)	-	0.0%
Imputed rent adjustment	9.6	19.9	10.3	107.7%	38.3	36.5	(1.8)	-4.7%
Total Financing	4,987.9	5,123.8	135.9	2.7%	19,951.4	20,375.3	423.9	2.1%
Expenses								
Personnel services	840.8	837.6	3.2	0.4%	3,363.2	3,366.6	(3.4)	-0.1%
Interest on long-term debt	46.9	46.0	1.0	2.0%	187.7	183.5	4.2	2.2%
Materials	3,392.3	4,052.6	(660.2)	-19.5%	13,569.3	13,806.1	(236.8)	-1.7%
Contract services	2.5	10.2	(7.7)	-307.0%	10.0	90.4	(80.4)	-804.0%
Rents and financial expenses	17.0	45.5	(28.5)	-167.8%	68.0	66.3	1.7	2.5%
External transfers	0.4	-	0.4	100.0%	1.4	1.4	-	0.0%
Loan principal repayment	560.8	576.3	(15.5)	-2.8%	2,243.2	2,245.0	(1.8)	-0.1%
Internal administration allocation	468.8	472.9	(4.1)	-0.9%	1,875.2	1,994.8	(119.6)	-6.4%
Imputed rent recovery	62.7	62.7	-	0.0%	250.9	250.9	-	0.0%
Total Expenses	5,392.2	6,103.7	(711.5)	-13.2%	21,568.9	22,005.0	(436.1)	-2.0%
Recoveries								
From Non-Profit rent supplement	278.5	270.0	(8.5)	-3.1%	1,114.1	1,112.2	(1.9)	-0.2%
From IAH rent supplement	13.7	13.0	(0.7)	-5.1%	54.8	51.4	(3.4)	-6.2%
From HFG housing allowance	1.5	2.3	0.8	53.0%	5.9	8.5	2.6	44.1%
Recovery from Ontario Works progra	31.7	31.7	-	0.0%	126.8	126.8	-	0.0%
Recovery from homelessness progra	52.8	52.8	-	0.0%	211.3	211.3	-	0.0%
Recovery from homelessness progra	21.1	21.1	-	0.0%	84.5	84.5	-	0.0%
Recovery from building overhead	5.0	5.0	-	0.0%	20.1	20.1	-	0.0%
Total Expenses Less Recoveries	4,987.9	5,707.8	(719.9)	-58.1%	19,951.4	20,390.2	(438.8)	-39.7%
Excess (Deficiency) of Revenues over Expenses	-	(584.0)	(584.0)	n/a	-	(14.9)	(14.9)	n/a

Highlights for Q1 and the full-year forecast include:

Rents	Forecast \$438,400 (3.9%) favourable
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Rent revenue was higher than budget in Q1 and is expected to be \$438,400 more than budget at year-end. The variance is primarily related to rent-geared-to-income (RGI) which is based on tenant incomes. The province had implemented a rent-freeze for 2021 which was lifted January 1, 2022. The impact on the housing portfolio rents has been greater than expected.

Materials **Forecast \$236,800 (1.7%) unfavourable**

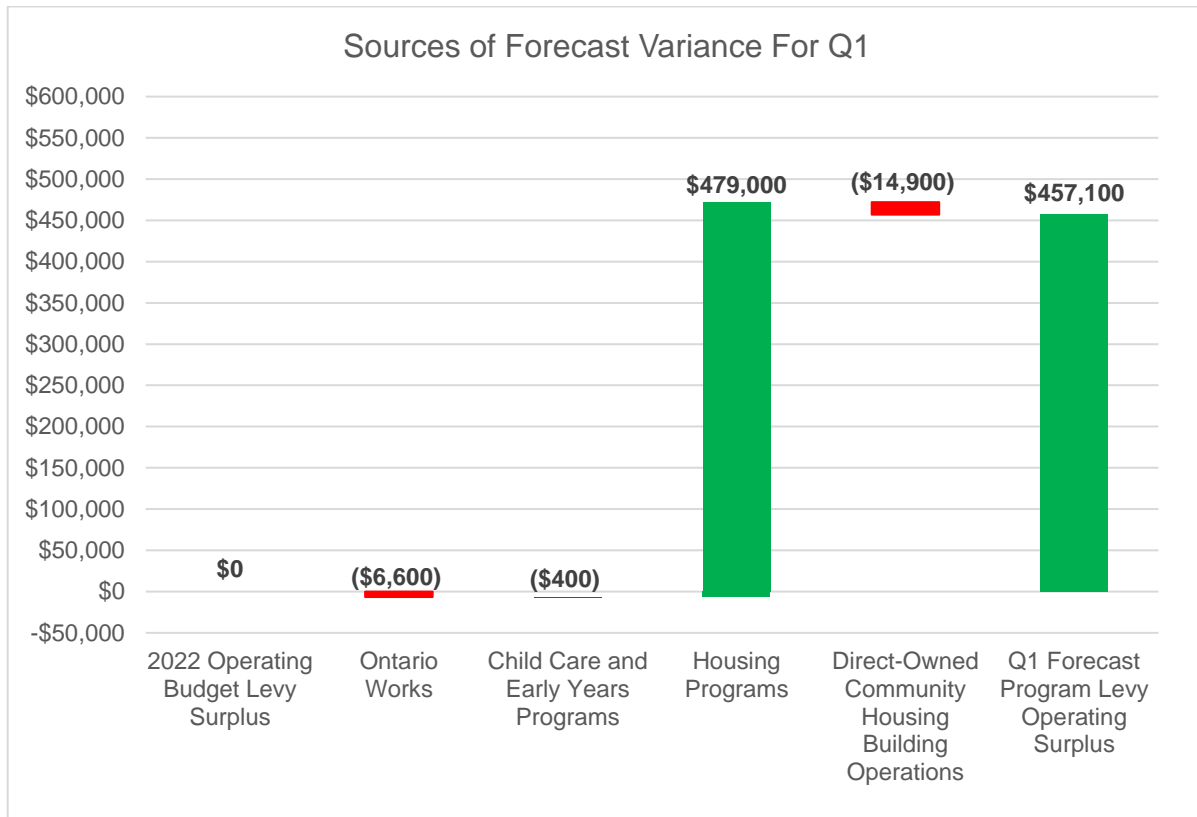
Materials costs were higher than budget in Q1 and are expected to be \$236,800 higher than budget at year-end. At this time, the anticipated unfavourable variance is due primarily to over-spending on snow removal (\$77,000) and additional building security in Q1 (\$105,000).

Internal Administration Allocation **Forecast \$119,600 (6.4%) 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 2022 First Quarter Financial Report, Administration is projecting a program levy operating surplus of \$457,100 for the 2022 year. The chart below summarizes the Q1 forecast levy operating surplus for 2022, by program:





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

Fiduciary Responsibility Checklist

Year: 2022

[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

09-May-22

Date

Chief Administrative Officer

09-May-22

Date