

Toronto Community Housing



Review of Q3 2024 Financial Results

Item 4

December 5, 2024

Building Investment, Finance and Audit Committee

Report: BIFAC:2024-102

To: Building Investment, Finance and Audit Committee
("BIFAC")

From: Chief Financial Officer & Treasurer

Date: November 22, 2024

PURPOSE:

The purpose of this report is to provide an update on Toronto Community Housing Corporation's ("TCHC") financial results as of Q3 2024.

RECOMMENDATIONS:

It is recommended that the BIFAC (Building Investment, Finance and Audit Committee) receive this report for its information.

REASONS FOR RECOMMENDATIONS:

In compliance with TCHC's Financial Control By-law, TCHC provides the BIFAC with quarterly reports on financial results, including capital spend and operating expenses.

Pursuant to this, a summary presentation of Q3 2024's results have been prepared (*see Attachment 1*).

SUMMARY OF FINANCIAL RESULTS AS OF Q3 2024:

TCHC's Q3 year-to-date results are summarized as follows:

(In \$000s)	Q3 2024 Actuals	Q3 2024 Budget	Variance \$	Variance %
Q3 Results (TCHC only)	32,550	2,220	30,330	1366%
Q3 Results (TCHC and TSHC)	37,747	(1,613)	39,360	2440%
SOGR Capital (in-year spend)	246,477	262,500	16,023	6%
Development Capital Spend	58,214	99,909	41,695	42%
IT/Corporate Capital Spend	4,718	6,725	2,007	30%
Swansea Mews	390	1,500	1,110	74%

IMPLICATIONS AND RISKS:

1. Operational Spend Highlights

The Q3 YTD with a surplus of \$32.6M (excluding TSHC spend) is due to the following factors:

- Favourable variance of RGI revenue of \$4.7M, due to the clean-up of the outstanding rent reviews; rent was calculated based on latest RGI households' income.
- Bad debt favourable by \$0.7M, actual bad debt at 1.75% of revenue compared to budget at 2.12%.
- Savings from:
 - Utilities of \$7.7M: driven by favorable average rates and lower consumptions in natural gas, as well as lower residential rate and commercial consumption on hydro.
 - Operations of \$9.3M:
 - vacancies savings on Community Safety Units (e.g., primarily on Special Constables);
 - timing of repairs from the three Regions;
 - timing on termite treatments and environmental investigations for Business Operations
 - timing on spending of the external funding on youth programs from Programs & Partnerships
 - Facilities Management of \$4.0M: vacancies savings and timing on maintenance work compared to budget
 - Corporate Services of \$6.5M: driven by vacancies savings and timing on various spending in various divisions (e.g. Legal \$1.7M, Information Technology \$1.3M, Strategic Planning &

Communications \$1.2M; People & Culture \$0.7M and Finance \$0.8M).

- Swansea \$1M: delay in demolition permit which may not start until Q1 2025
- Risk Containment and Restoration (\$6.8M) spend: reclassified from capital to operating costs.

2. State of Good Repairs Building Capital Spend

The Planned Capital year-to-date spend of \$128.3M is \$1.3M above budget. Compared to the same period prior year, \$29.3M above the spending rate for 2023, which reflects the commitments made in 2023 and the planned impact in 2024.

The Demand Capital of \$94.7M is lower compared to the budget. This reflects the ongoing review, monitoring and work of the Cross divisional Demand working group's plans for managing Demand Capital.

The Energy Capital is lower compared to the budget by \$4.1M.

The most current yearend forecast for 2024 is \$382.1M, the \$32M overage is primarily driven by the increased demand capital spend from 2023.

3. Development Capital Highlights

The overall development spend is \$41.7M below YTD budget for 2024.

Variances are attributed to the following factors:

- Alexandra Park (Phase 2):
 - Sites 3 and 16: permit delay, expenditure anticipated for 2025.
 - Site 2: minor variances due to site timing anticipated to be captured in Q4 2024;
 - 91 Augusta Refurbishment: work is dependent on FM scheduling, anticipated to commence Q4 2024
- Lawrence Heights (Phase 1): the underspend primarily stems from a slower than anticipated pace of construction draws submitted to TCHC. The costs are deferred to 2025 until Anchor Business Plan (ABP) negotiations are complete.
- Regent Park (Phase 3): Construction spend and project schedules are largely on track.
- Swansea Mews: Delay in demolition due to demolition permit yet to be approved by the City of Toronto. Pre-development costs are expected

to occur in Q4 2024. The remaining Swansea costs primarily demolition & abatement are deferred to 2025.

4. IT and Corporate Capital Spend

The overall IT & Corporate capital spending is \$2.0M below YTD budget:

- IT Capital spend is \$1.55M favourable compared to YTD budget, mainly due to timing on hardware purchases & storage project and NOVA project. Timing of purchases and projects has been moved to Q4 2024. Year-end forecast is expected to be on budget at \$7.87M (net of the \$650K carryforward from 2023).
- Corporate Capital \$0.45M, primarily due to the timing of the Malvern buyback and the absence of expected spending on urgent demand repairs. Year-end forecast is expected to be \$655K vs. the \$725K budget primarily due to lower Malvern Buy Back expenditures.

SIGNATURE:

“Lily Chen”

Lily Chen
Chief Financial Officer & Treasurer

ATTACHMENT:

1. Q3 2024 Financial Results Presentation

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Toronto Community Housing



2024 Q3 Financial Performance Update

BIFAC Committee

December 5, 2024

Q3/2024 – Operating Results Highlights

TCHC (excluding TSHC) ended September 2024 with a surplus of \$32.6M

Revenue:

- Favorable variance of RGI rent revenue \$4.7M mainly due to clean up of the outstanding rent review; rent was calculated based on latest RGI households' income; will continue to monitor for stability in rental revenue.
- Bad debt favourable by \$0.7M, actual bad debt at 1.75% of revenue vs. budget at 2.12%.
- Commercial rent over by \$0.3M, mainly due to Hydro reconciliation of Rogers & Freedom.
offset with
- Unfavourable on Market rent revenue (\$0.9M); delays in rent review packages from RGI households led to Loss of Eligibility (LOE) and hence being charged to market rent. Subsidy status was reinstated upon receipt & review of rent review package. RGI tenants received retro rent adjustment for both current and prior periods for any over payment.
- RPEI Plant Revenue under by (\$1.7M) compared to the budget primarily driven by overall lower consumption for hot water energy and capacity charges.

Expenses:

- Cost savings from:
 - Utilities \$7.7M primarily from natural gas with favourable average rates and lower consumption due to warmer winter, as well as lower residential rate and commercial consumption on Hydro compared to budget
 - Operations \$9.3M driven by:
 - ✓ The 3 Regions \$4.5M due to timing of repairs and seasonality compared to budget;
 - ✓ Community Safety Units \$1.9M mainly savings on Special Constables vacancies;
 - ✓ Business Operations \$1.4M due to timing on termite treatments, environmental investigations and consulting.
 - ✓ Programs & Partnerships \$0.4M due to external funding received to offset expenses for the remainder of the year.

Q3/2024 – Operating Results Highlights (Cont'd)

- Facilities Management \$4.0M mainly on vacancies savings and timing on maintenance work vs. budget
- Corporate Services \$6.5M due to vacancies and timing on various spending (e.g. Legal \$1.7M; Information Technology Services \$1.3M; Strat. Planning & Communications \$1.2M; People & Culture \$0.7M and Finance \$0.8M).
- RPEI Operating Expenditure of \$1.7M, due to underspend in natural gas boiler fuel from reduced consumption and lower average rate than budgeted.
- Swansea \$1M – delay in demolition permit and may not start until Q4.

Offset by

- Risk containment and restoration (\$6.8M) – due to policy change from capital to operating expense as per external auditor recommendation.

2. **Full Year Forecast** is expecting a surplus of \$13.3M; \$8.9M favourable to budget.

The main driver of this variance is due to:

- Revenue trending to be favourable on RGI revenue of \$5.3M and Bad Debt of \$0.6M, offset with unfavourable Market rent revenue of (\$0.8M).
- Overall utilities expect to be favourable by \$2.8M, primarily on natural gas \$4M due to lower consumption & average rate, offset with expected increase in hydro consumption and rates (\$1.3M).
- Underspending on Mortgage P&I \$4.9M; due to interest savings on LoC borrowing and delay on IO loan for Regent Park Phase 3.
- Facilities Management expect to be favourable by \$2.7M, mainly on YTD payroll savings and lower janitorial service needs.

Offset by

- Risk Containment and Restoration Program (\$10.1M) – reclassification of program expenditures from capital to operating costs.

Q3/2024 YTD – Operating Results

(in \$000's)	YTD Actual			YTD Budget			Actual vs Budget		Prior Year Actual (September 2023)				Actual vs PY Actual	
	TCHC	TSHC	Total	TCHC	TSHC	Total	TCHC \$ Change	TCHC % Change	TCHC	TSHC	COVID Expenses	Total	TCHC \$ Change	TCHC % Change
CASH INFLOWS														
Residential rent - RGI	146,623	65,049	211,672	141,920	62,334	204,254	4,703	3%	139,671	62,148	-	201,819	6,953	5%
Residential rent - Market	64,288	3,789	68,077	65,192	3,434	68,627	(904)	-1%	64,190	3,387	-	67,577	98	0%
City of Toronto Revenue for TSHC	-	-	-	-	-	-	-	0%	-	3,119	-	3,119	-	0%
Bad Debt Expense	(3,699)	(309)	(4,008)	(4,386)	(1,362)	(5,748)	686	16%	(2,085)	(486)	(1,891)	(4,462)	(1,614)	77%
Subsidies - City	200,414	29,682	230,096	200,719	30,263	230,982	(306)	0%	188,746	28,621	-	217,366	11,668	6%
Subsidies - Regent Park	1,842	-	1,842	1,842	-	1,842	-	0%	1,842	-	-	1,842	-	0%
Subsidies - City (one-time)	21,936	3,249	25,185	21,936	3,249	25,185	-	0%	-	-	-	-	21,936	100%
Parking, laundry and cable fees	11,989	1,443	13,432	11,838	1,391	13,229	151	1%	12,992	1,279	(1,608)	12,663	(1,003)	-8%
Safe Restart Funding	-	-	-	-	-	-	-	0%	-	-	18,921	18,921	-	0%
Commercial rent	14,636	-	14,636	14,347	-	14,347	289	2%	14,115	-	-	14,115	521	4%
Other revenue	1,342	74	1,416	1,383	89	1,472	(41)	-3%	1,472	150	-	1,621	(130)	-9%
RPEI revenue	4,736	-	4,736	6,477	-	6,477	(1,742)	-27%	5,249	-	-	5,249	(513)	-10%
	464,106	102,977	567,083	461,269	99,398	560,667	2,837	1%	426,190	98,218	15,421	539,829	37,916	9%
CASH OUTFLOWS														
Utilities	85,230	16,310	101,539	92,927	17,280	110,207	7,697	8%	88,965	17,604	1,247	107,817	3,736	4%
Municipal taxes	17,271	260	17,531	15,717	217	15,934	(1,554)	-10%	14,654	261	-	14,915	(2,617)	-18%
Mortgage Interest & Principal	88,803	22,442	111,245	92,267	22,811	115,078	3,464	4%	87,897	21,814	-	109,711	(906)	-1%
Operations	141,149	8,689	149,837	150,408	10,058	160,466	9,259	6%	147,630	9,049	(223)	156,456	6,481	4%
Facilities Management	31,176	6,230	37,405	35,215	7,257	42,472	4,039	11%	29,815	5,789	-	35,605	(1,360)	-5%
Corporate	50,265	8,092	58,357	56,762	9,162	65,925	6,497	11%	46,678	7,517	393	54,589	(3,587)	-8%
Office of the Commissioner of Housing Equity	880	270	1,150	838	259	1,097	(41)	-5%	785	241	-	1,026	(94)	-12%
Senior Housing Unit	(3,750)	35,487	31,737	(3,750)	36,187	32,437	-	0%	(3,750)	35,566	31	31,847	-	0%
Development	-	-	-	0	-	0	0	0%	(2)	-	-	(2)	(2)	100%
Swansea Mews	390	-	390	1,500	-	1,500	1,110	74%	6,495	-	-	6,495	6,106	94%
Risk Containment and Restoration	6,800	-	6,800	-	-	-	(6,800)	100%	-	-	-	-	(6,800)	100%
Other	8,939	-	8,939	11,107	-	11,107	2,168	20%	10,566	-	-	10,566	1,627	15%
IT/Corporate Capital	-	-	-	-	-	-	-	0%	3,031	931	-	3,962	3,031	100%
RPEI operating expenditure	4,405	-	4,405	6,057	-	6,057	1,652	27%	4,841	-	-	4,841	436	9%
	431,557	97,779	529,336	459,049	103,231	562,280	27,492	6%	437,606	98,774	1,448	537,828	6,049	1%
Total Cash Surplus (Shortfall)	32,550	5,198	37,747	2,220	(3,833)	(1,613)	30,330	1366%	(11,416)	(556)	13,973	2,002	43,966	385%
IT and Corporate Capital**	4,718	-	4,718	6,725	-	6,725	2,007	30%	-	-	-	-	(4,718)	100%
IT capital	4,627	-	4,627	6,181	-	6,181	1,554	25%	-	-	-	-	(4,627)	100%
Corporate capital	90	-	90	544	-	544	453	83%	-	-	-	-	(90)	100%

**Funded through CAPEX in 2024

Q3/2024 – Full Year Forecast vs. Budget

(in \$000's)	Full Year Forecast			Full Year Budget			Forecast vs Budget		Prior Year Forecast (September 2023)				FY Fcst vs. PY Fcst	
	TCHC	TSHC	Total	TCHC	TSHC	Total	TCHC \$ Change	TCHC % Change	TCHC	TSHC	COVID Expenses	Total	TCHC \$ Change	TCHC % Change
CASH INFLOWS														
Residential rent - RGI	194,759	85,470	280,229	189,387	83,112	272,499	5,373	3%	187,250	82,174	-	269,424	7,510	4%
Residential rent - Market	86,231	4,538	90,770	87,003	4,579	91,582	(771)	-1%	85,501	4,500	-	90,001	730	1%
Bad Debt Expense	(5,225)	(581)	(5,806)	(5,848)	(1,816)	(7,664)	622	11%	(2,797)	(869)	(2,389)	(6,055)	(2,428)	-87%
Subsidies - City	267,218	39,577	306,795	267,331	40,351	307,681	(112)	0%	251,654	38,161	-	289,815	15,564	6%
Subsidies - Regent Park	5,114	-	5,114	5,114	-	5,114	0	0%	2,456	-	-	2,456	2,658	108%
Subsidies - City (one-time)	29,248	4,332	33,580	29,248	4,332	33,580	-	0%	-	-	-	-	29,248	100%
Parking, laundry and cable fees	15,966	1,876	17,842	15,785	1,855	17,639	182	1%	17,069	1,851	(2,144)	16,775	(1,103)	-6%
Commercial rent	19,415	-	19,415	19,127	-	19,127	289	2%	18,607	-	-	18,607	808	4%
Other revenue	1,759	115	1,875	1,811	119	1,930	(52)	-3%	2,218	104	-	2,322	(459)	-21%
RPEI revenue	6,634	-	6,634	8,375	-	8,375	(1,742)	-21%	7,171	-	-	7,171	(537)	-7%
	621,120	135,328	756,447	617,332	132,531	749,863	3,788	1%	569,128	129,040	14,388	712,555	51,992	9%
CASH OUTFLOWS														
Utilities	123,773	22,531	146,304	126,573	23,040	149,614	2,800	2%	123,061	22,401	1,443	146,905	(712)	-1%
Municipal taxes	22,708	512	23,220	20,956	289	21,245	(1,752)	-8%	19,711	280	-	19,991	(2,997)	-15%
Mortgage Interest & Principal	115,282	28,353	143,636	120,233	29,414	149,646	4,951	4%	114,157	28,008	-	142,165	(1,125)	-1%
Operations	200,612	13,023	213,635	201,011	13,411	214,422	399	0%	193,361	12,178	419	205,958	(7,252)	-4%
Facilities Management	44,660	9,211	53,871	47,368	9,677	57,044	2,708	6%	43,780	9,121	-	52,901	(880)	-2%
Corporate	73,666	11,234	84,900	75,936	12,217	88,152	2,269	3%	63,609	10,218	650	74,477	(10,058)	-16%
Office of the Commissioner of Housing Equity	1,164	357	1,521	1,123	345	1,468	(40)	-4%	1,063	326	-	1,389	(101)	-9%
Senior Housing Unit	(5,000)	48,418	43,418	(5,000)	48,480	43,480	-	0%	(5,000)	48,380	121	43,501	-	0%
Development	0	-	0	-	-	-	(0)	100%	(2)	-	-	(2)	(2)	100%
Swansea Mews	948	-	948	2,000	-	2,000	1,052	53%	7,448	-	-	7,448	6,500	87%
Risk Containment and Restoration	10,100	-	10,100	-	-	-	(10,100)	100%	-	-	-	-	(10,100)	100%
Other	13,560	-	13,560	14,809	-	14,809	1,249	8%	12,988	1,390	-	14,378	(572)	-4%
IT/Corporate Capital	-	-	-	-	-	-	-	0%	3,710	1,140	-	4,849	3,710	100%
RPEI operating expenditure	6,330	-	6,330	7,982	-	7,982	1,652	21%	6,787	-	-	6,787	456	7%
Reserve Withdrawal	-	-	-	-	-	-	-	0%	(13,000)	-	-	(13,000)	(13,000)	100%
	607,804	133,639	741,444	612,991	136,872	749,863	5,187	1%	571,671	133,442	2,634	707,748	(36,133)	-6%
Total Cash Surplus (Shortfall)	13,316	1,689	15,004	4,341	(4,341)	(0)	8,975	207%	(2,545)	(4,401)	11,754	4,808	15,860	623%
IT and Corporate Capital**	8,530	-	8,530	8,600	-	8,600	70	1%	-	-	-	-	(8,530)	100%
IT capital	7,875	-	7,875	7,875	-	7,875	-	0%	-	-	-	-	(7,875)	100%
Corporate capital	655	-	655	725	-	725	70	10%	-	-	-	-	(655)	100%

**Funded through CAPEX in 2024

Q3/2024 – Full Year Forecast vs. 2023 Actual

(in \$000's)	Full Year Forecast			Prior Year Actual (Dec 2023)				FY Fcst vs. PY Act	
	TCHC	TSHC	Total	TCHC	TSHC	COVID Expenses	Total	TCHC \$ Change	TCHC % Change
CASH INFLOWS									
Residential rent - RGI	194,759	85,470	280,229	185,855	83,406	-	269,261	8,904	5%
Residential rent - Market	86,231	4,538	90,770	85,564	4,543	-	90,108	667	1%
City of Toronto Revenue for TSHC	-	-	-	-	3,944	-	3,944	-	0%
Bad Debt Expense	(5,225)	(581)	(5,806)	(3,068)	(601)	(2,193)	(5,862)	(2,157)	-70%
Subsidies - City	267,218	39,577	306,795	228,634	38,161	-	266,795	38,584	17%
Subsidies - Regent Park	5,114	-	5,114	2,456	-	-	2,456	2,658	108%
Subsidies - City (one-time)	29,248	4,332	33,580	23,027	-	-	23,027	6,221	27%
Parking, laundry and cable fees	15,966	1,876	17,842	17,586	1,786	(2,215)	17,157	(1,620)	-9%
Commercial rent	19,415	-	19,415	19,258	-	-	19,258	157	1%
Safe Restart Funding	-	-	-	-	-	25,022	25,022	-	0%
Other revenue	1,759	115	1,875	2,167	182	-	2,349	(408)	-19%
RPEI revenue	6,634	-	6,634	6,925	-	-	6,925	(291)	-4%
	621,120	135,328	756,447	568,404	131,421	20,613	720,439	52,716	9%
CASH OUTFLOWS									
Utilities	123,773	22,531	146,304	120,996	23,294	1,443	145,733	(2,776)	-2%
Municipal taxes	22,708	512	23,220	19,037	310	-	19,347	(3,671)	-19%
Mortgage Interest & Principal	115,282	28,353	143,636	114,104	27,992	-	142,096	(1,178)	-1%
Operations	200,612	13,023	213,635	192,530	11,726	(280)	203,976	(8,083)	-4%
Facilities Management	44,660	9,211	53,871	42,045	8,511	(9)	50,547	(2,615)	-6%
Corporate	73,666	11,234	84,900	61,603	9,786	623	72,011	(12,064)	-20%
Office of the Commissioner of Housing Equity	1,164	357	1,521	1,033	317	-	1,351	(130)	-13%
Senior Housing Unit	(5,000)	48,418	43,418	(5,000)	49,095	37	44,132	-	0%
Development	0	-	0	1	-	-	1	1	100%
Swansea Mews	948	-	948	6,378	-	-	6,378	5,430	85%
Risk Containment and Restoration	10,100	-	10,100	-	-	-	-	(10,100)	100%
Other	13,560	-	13,560	11,019	-	-	11,019	(2,541)	-23%
IT/Corporate Capital	-	-	-	2,826	868	-	3,694	2,826	100%
RPEI operating expenditure	6,330	-	6,330	6,135	-	-	6,135	(196)	-3%
Reserve Withdrawal	-	-	-	(13,000)	-	-	(13,000)	(13,000)	100%
	607,804	133,639	741,444	559,707	131,899	1,814	693,421	(48,097)	-9%
Total Cash Surplus (Shortfall)	13,316	1,689	15,004	8,696	(477)	18,799	27,019	4,619	53%
IT and Corporate Capital**	8,530	-	8,530	-	-	-	-	(8,530)	100%
IT capital	7,875	-	7,875	-	-	-	-	(7,875)	100%
Corporate capital	655	-	655	-	-	-	-	(655)	100%

**Funded through CAPEX in 2024

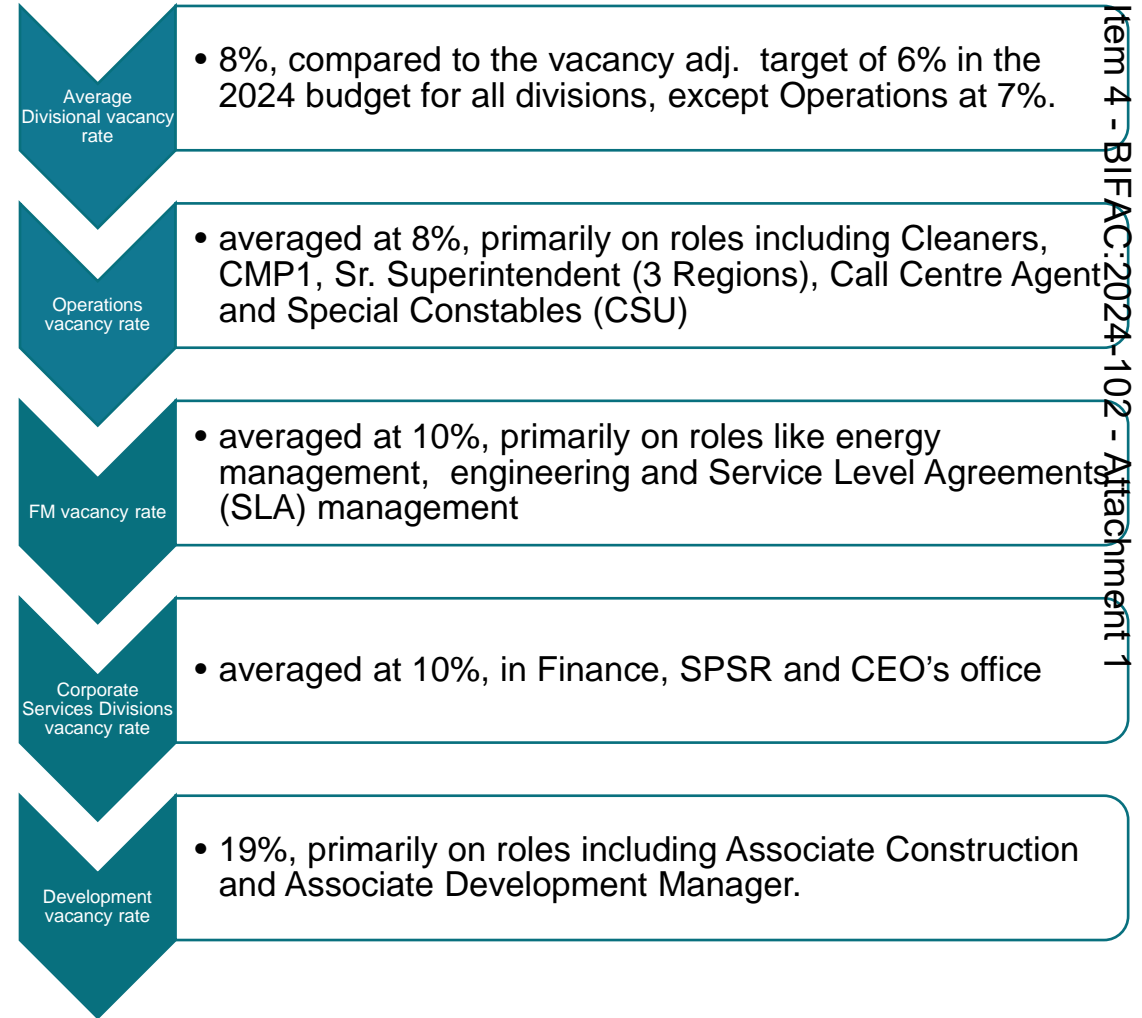
Q3/2024 YTD – Divisional Operating Expense Variances

(in \$000's)	September 2024				Sep 2023	Sep 2024 vs. Sep 2023	
	Actuals \$	Budget \$	Variance \$	Variance %	Actuals \$	Variance \$	Variance %
Operations	141,149	150,408	9,259	6%	147,630	(6,481)	-4%
Facilities Management	31,176	35,215	4,039	11%	29,815	1,360	5%
Corporate Services	50,265	56,762	6,497	11%	46,678	3,587	8%
Office of the Commissioner of Housing Equity	880	838	(41)	-5%	785	94	12%
Total Operating Expenses (All Divisions)	223,469	243,223	19,754	8%	224,908	(1,439)	-1%

- The favourable variance in Operations is mainly contributed by the 3 Regions of \$4.5M, Community Safety Unit \$1.9M, Business Operations \$1.4M and funding in Program and partnership \$0.4M, which will be utilized in the balance of the year. The Q3 results continue to reflect the focus and the work of the task force.
- As part of this, Operations is undertaking a conservative approach related to work order management, which involves prioritizing urgent and emergency work orders that address health, safety, and security concerns. As at September 2024, there are \$2.4 million work orders in pipeline. As Operations continues to gain a better understanding of its expenses and demands throughout the balance of the year, it will be able to address and complete non-urgent and non-emergency work orders.
- Savings in Corporate Services is mainly driven by Legal (e.g. extension of TCHC/TSHC transition into 2025 and less liability claims received than expected), Strat. Planning & Communication (e.g. timing on consulting for strategic plan and legal fees for the sale of scattered homes) and Information Technology (e.g. work in progress for various project, such as Vulnerability Mgmt and HoMES enhancement)
- Favourable variance in Facilities Management due to YTD payroll savings and timing on maintenance work vs. budget (e.g. Building & Equip Supplies, Drains and Janitorial Services, etc...)

Headcount Report by Division

Division	September 2024				Full Year Budget
	Actual	Budget	Vacancies	Vacancy %	
OPERATIONS	1,464	1,584	120	8%	1,590
Regional Operation East	317	354	37	10%	354
Regional Operation West	364	387	23	6%	387
Regional Operation Central	367	384	17	4%	384
Tenancy Resolution Office	28	31	3	10%	31
Engagement Refresh	2	3	1	33%	3
Programs and Partnerships	50	46	(4)	-9%	52
Business Operations	99	115	16	14%	115
Chief Operating Office	2	3	1	33%	3
Community Safety Unit	235	261	26	10%	261
FACILITY MANAGEMENT	270	299	29	10%	299
Facility Management	260	290	30	10%	290
Commercial	10	9	(1)	-11%	9
CORPORATE	331	366	35	10%	366
Legal	51	57	6	11%	57
People & Culture	65	67	2	3%	67
Information technology (IT)	76	80	4	5%	80
Finance	91	103	12	12%	103
Chief Executive Office	1	6	5	83%	6
Centre for Advancing Interests of Black People	10	11	1	9%	11
Strat. Planning & Communication	37	42	5	12%	42
OFFICE of the COMMISSIONER of HOUSING EQUITY	12	12	-	0%	12
DEVELOPMENT	51	63	12	19%	63
TOTAL DIVISIONAL HEADCOUNT	2,128	2,324	196	8%	2,330
Trades	50	58	8	14%	58
Summer Hires/Intern	53	39	(14)	-36%	212
Programs and Partnerships	26	12	(14)		185
Regional Operation East	5	-	(5)		-
Regional Operation Central	3	4	1		4
Regional Operation West	6	6	-		6
Facility Management	13	17	4		17
Maternity Leave	46	-	(46)	0%	-
TOTAL HEADCOUNT	2,277	2,421	144	6%	2,600



Item 4 - BIFAC:2024-102 - Attachment 1

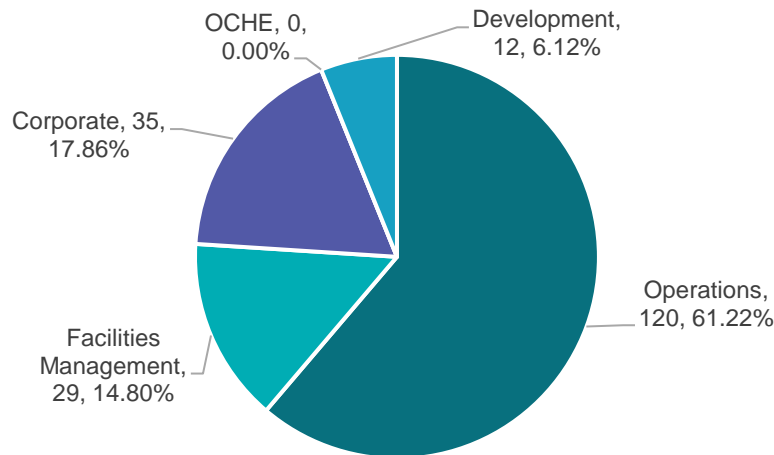
Please note the difference between Sep budget and full year budget reflects seasonality (e.g. Programs and Partnerships had 185 Interns/Youth Workers/Senior Program Leaders) to be hired during the summer.

Q3/2024 – Vacancies

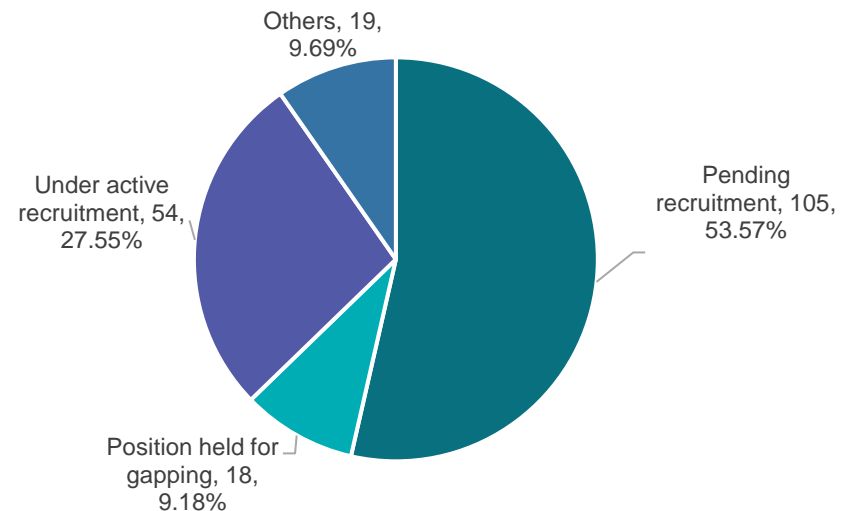
At the end of September, excluding TSHC, trades, summer/intern and staff who's currently on leave

- Total 196 vacancies compared to the budget. The charts below highlight vacancy data and recruitment status:
 - Q3 Vacancies by Business Area breaks down the 196 vacancies by major divisions
 - Q3 Vacancies Recruitment Status (*based on People & Culture's report*) shows the current recruitment status; pending recruitment reflects the positions not yet started the recruitment process or position held vacant for gapping

Q3 Vacancies by Business Area



Q3 Vacancies Recruitment Status



Q3/2024 – Swansea Mews Impact

Swansea Mews (Amount in \$000s)	Year-to-Date Actual	Balance of Year Forecast	Full Year Total	Total Financial Impact to date (since May 2022)
EXPENSES	390	558	948	21,866
Accommodation, per diem, moving and transportation	6	-	6	5,279
Security and Staff Overtime	302	287	589	2,295
Shoring, Abatement, Engineering	81	272	353	14,292
Capital Assets Write off	-	-	-	5,031
Total Income/(Loss)	390	558	948	26,897

- In July 2023, both BIFAC and the Board approved and authorized the Chief Executive Officer and/or General Counsel & Corporate Secretary (or designate) to proceed to engage with TCHC’s Insurer and pursue its claim for reimbursement in accordance with its policy entitlements.
- TCHC and HSC continue to be in discussions. *(Please refer to in-camera report TCHC:C2024-28.)*
- In addition, until such time that we can secure the permit to fully decommission the site, we are obligated to continue to provide security and address other site safety related issues.

Q3/2024 – Building Renewal Capital Spend

SOGR (Amount in \$000s)	Year-to-Date				Forecast	Full Year		Sep 2023	Sep 2024 vs. Sep 2023
	Actual	Budget	Variance	% Variance		Budget	% Budget **	Actual	Variance
Planned Capital	128,320	127,019	1,300	1%	177,794	169,359	76%	99,027	29,293
Demand Capital	94,690	108,488	(13,797)	-15%	137,154	144,650	65%	171,565	(76,891)
Energy	8,976	13,118	(4,142)	-46%	17,573	17,491	51%	13,866	(4,899)
Capital Other	14,490	13,875	615	4%	18,500	18,500	78%	16,404	(1,914)
Total	246,477	262,500	(16,023)		351,021	350,000		300,862	(54,385)
2023 Advancement	31,119	-	31,119		31,119	-		11,191	
Total Spend Against Adjusted Budget	277,596	262,500	15,096		382,140	350,000		312,053	(54,385)

** % Budget refers to percentage complete based on the 2024 annualized budget.

- The spend on Planned Capital is above budget by \$ 1.3M. Compared to last year, we are \$29.3M above the spending rate for 2023, which reflects the vendor commitments made in 2023 and their planned impact in 2024.
- Demand Capital spend is lower than budget. Comparing to same period last year, we are under by approximately \$76.9M. This reflects the ongoing review and work of the cross-divisional Demand Working group’s plans to manage the Demand Capital spend envelop. Ongoing monitoring will continue.
- The Energy Capital is \$4.1M lower than the budget, a positive outcome that aligns with the current plan. Energy projects are forecasted to land above target.
- The most current 2024 yearend forecast is \$382.1M, the overage is driven by the \$31M advance capital spend from the increased demand capital spend carry forward from 2023.
- YTD Q3 2024 claim to the City and National Housing Co-Investment was \$188.9M, of which \$5.1M was related to Q4 2023 for NHCI.

Q3/2024 – Development Capital Spend Variances (Outflows / Inflows)

Outflows

Projects (Amounts in \$000s)	Actual	Year-To-Date		Full Year (Amounts in \$000s)		
		Sept YTD Budget	Variance	Forecast	Budget	Variance
Total	58,214	99,909	41,695	91,661	135,436	43,775

Inflows

Projects (Amounts in \$000s)	Actual	Year-To-Date		Full Year (Amounts in \$000s)		
		Sept YTD Budget	Variance	Forecast	Budget	Variance
Total	55,929	69,083	(13,154)	96,210	88,831	7,379

Outflow Commentary:

- The overall Development underspend is resulting from delayed demolition / construction in Alexandra Park Phase 2, Lawrence Heights Phase 1, Swansea and Regent Park phase 4/5.
- Overall projects remain on budget but schedule adjustments may be required resulting in reduced outflow in 2024 and budget re-allocations to 2025.

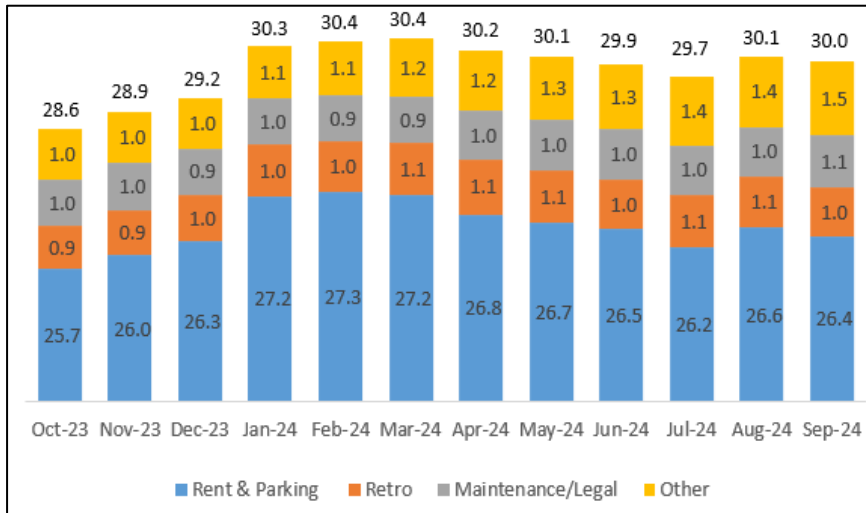
(Amounts in \$000s)	YTD Actual	YTD Budget
Dev Outflows	58,214	99,909
Dev Inflows	55,929	69,083
Net Surplus/(Shortfall)	(2,285)	(30,826)

Inflow Commentary:

- The majority of variances in the inflows from projections are due to the delay of an infrastructure Ontario (IO) loan.
- Remaining variances are due to a shift in timing associated with budgeted land sales proceeds and profit-sharing revenues. Total budgeted inflows remain unchanged.

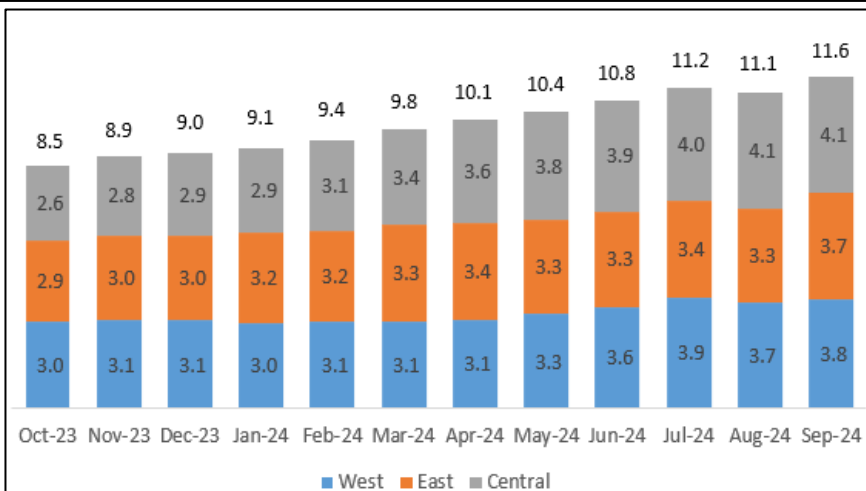
Q3/2024 – Current Arrears

Current Arrears Total (in \$M)



- Current arrears represent arrears of active TCHC tenants
- A bad debt allowance or provision for non-collectability, is provided for all current arrears greater than 45 days old
- As of the end of September, an allowance \$22.9M (or 76%) for bad debt was provided for the current arrears

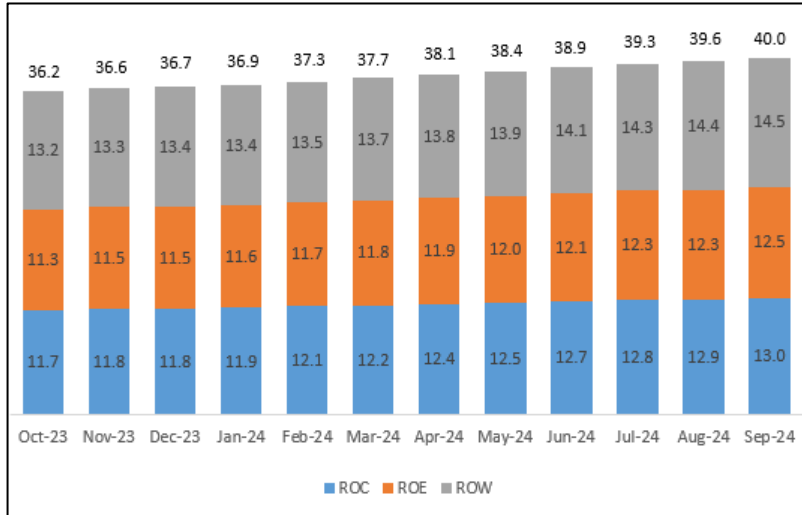
Current Arrears in repayment plan (in \$M)



- Amounts collected are used to reduce the total current arrears and thus the bad debt allowance / provision for non-collectability
- \$11.6M out of the \$30M current arrears (or 38%) are in repayment agreements. Tenants who have a signed repayment agreement in place that they pay on time each month are considered to be 'in good standing' with TCHC. Moving tenants into repayment agreements is one of two desired outcomes at all stages of the Arrears Collection Process (along with 'repayment in full').

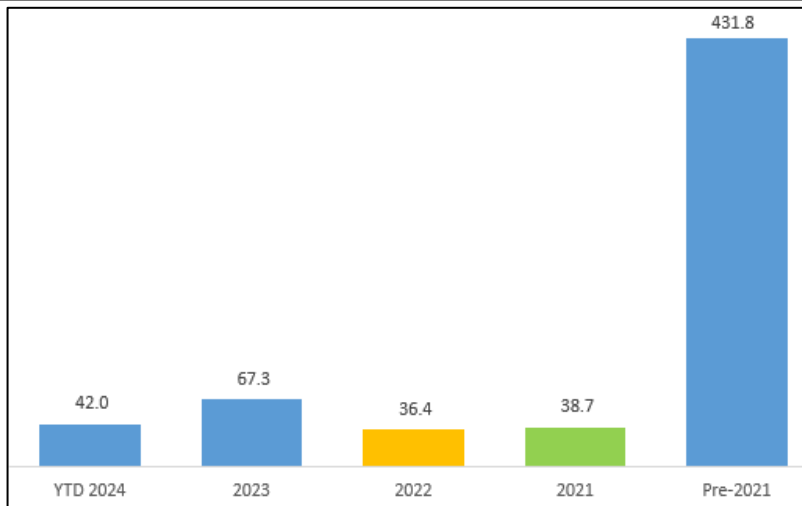
Q3/2024 – Past Arrears

Past Arrears (in \$M)



- Past arrears represent arrears of former TCHC tenants
- Similar to current arrears, a bad debt allowance or provision for non-collectability, is provided for all past tenant arrears
- As of the end of September, a bad debt allowance was established for all of the past arrears
- Finance team is working on writing off \$10.5M per the Oct Board approval

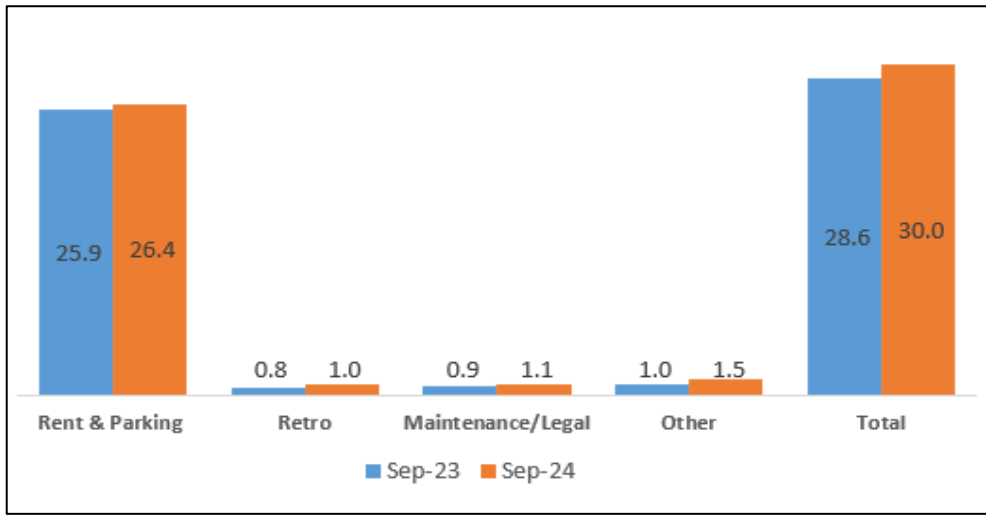
Past Arrears Collections (in \$000s)



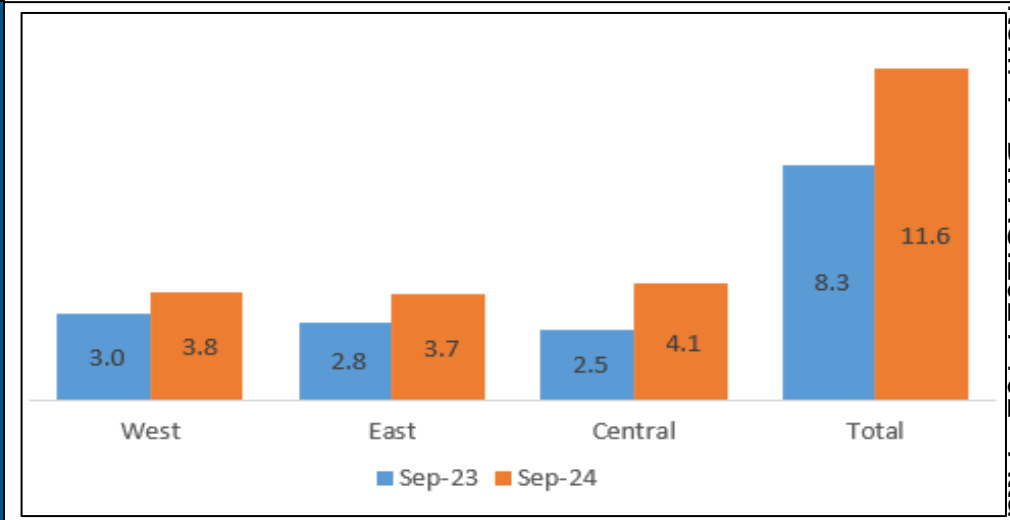
- Past tenant arrears are passed on to a collection agency if TCHC staff are unable to collect the outstanding balance within 90 days after move out
- As of the end of September, the Agency has collected about \$42K net from past tenant arrears in their care

Q3/2024 – Current & Past Arrears (vs. Q3/2023)

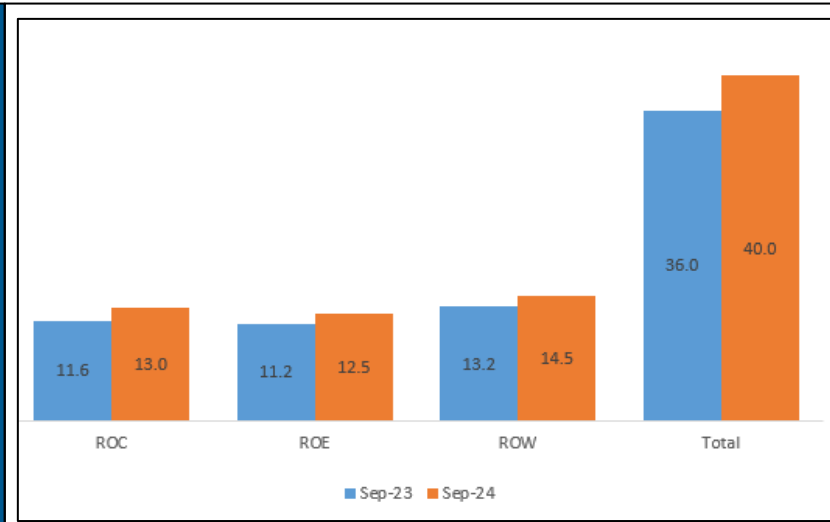
Current Arrears (in \$M)



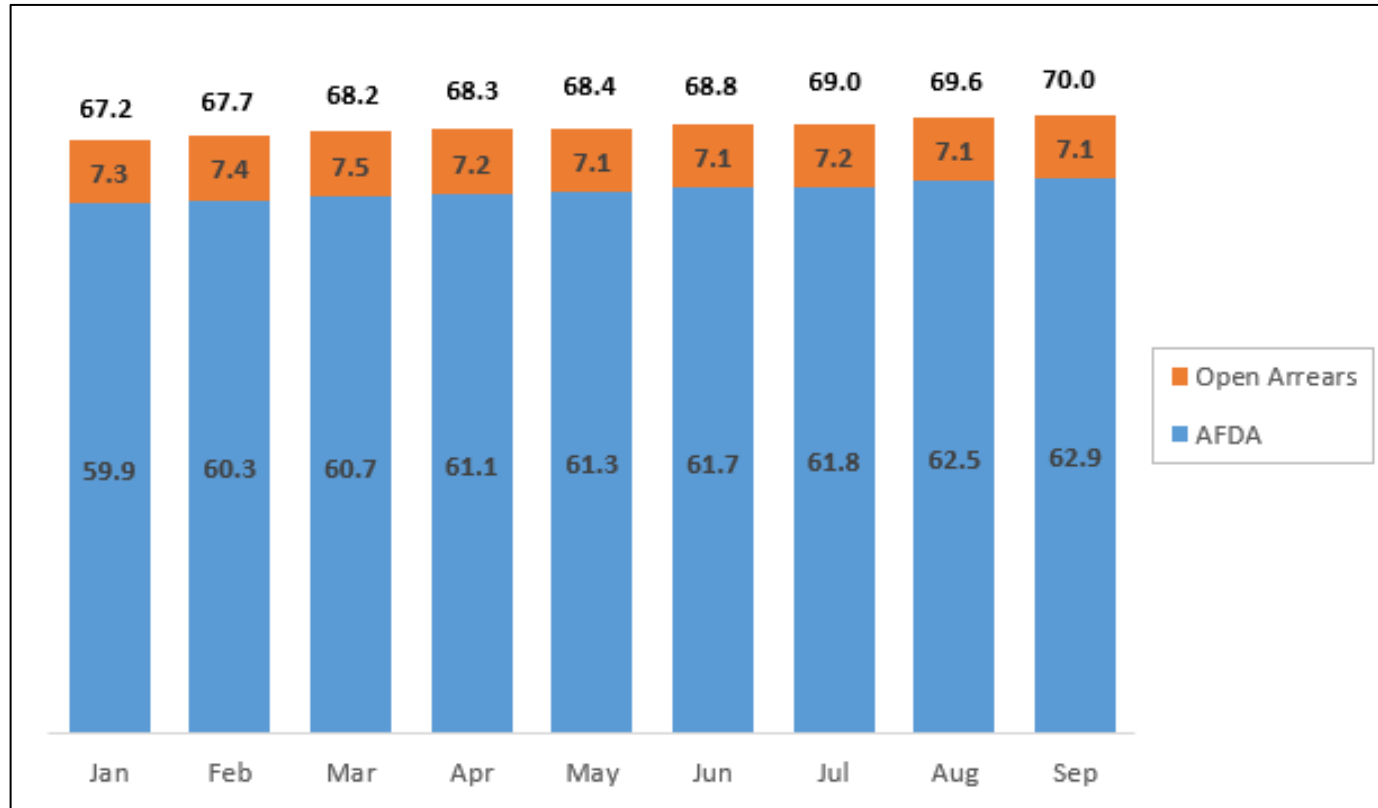
Current Arrears in repayment plan (in \$M)



Past Arrears (in \$M)



Q3/2024 – Allowance for Doubtful Accounts (AFDA) (\$M)



- All past tenant arrears (\$40.0M) as well as current tenant arrears of \$30.0M greater than 45 days old, of which \$22.9M has been recorded as potential Bad Debt
- Bad debt expense for Q3 2024 is at 1.75% of the total rent revenue.