

Toronto Community Housing



## Review of Q1 2025 Financial Results

Item 12

May 26, 2025

Building Investment, Finance and Audit Committee

**Report:** BIFAC:2025-42

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

**From:** Chief Financial Officer

**Date:** May 5, 2025

### PURPOSE:

This report provides an update on Toronto Community Housing Corporation's ("TCHC") financial results as of Q1 2025. Beginning in 2025, and in alignment with the City of Toronto's request, this report will exclusively present results related to TCHC.

### RECOMMENDATION:

It is recommended that the Building Investment, Finance and Audit Committee receive this report for its information and forward it to the Board of Directors for its information.

### REASONS FOR RECOMMENDATION:

Per TCHC's Financial Control By-law, TCHC management commits to providing BIFAC with quarterly reports on financial results, including capital spend and operating expenses.

Pursuant to this, a summary presentation of the Q1 2025's results have been included in Attachment 1.

## Summary of Financial Results as of Q1 2025

Table 1: TCHC's Q1 Year-To-Date Financial Results

(In \$000s)	Q1 2025 Actuals	Q1 2025 Budget	Variance \$	Variance %
Q1 Results (before prior year surplus carryover)	(5,178)	(13,746)	8,568	(62%)
Q1 Results (after prior year surplus carryover)	0	(8,245)	8,245	(100%)
SOGC Capital (in-year spend)	57,487	84,976	27,488	32%
Development Capital Spend	9,081	25,439	16,358	64%
IT/Corporate Capital Spend	1,443	4,942	3,499	70%
Swansea Mews Spend	69	125	56	44%

### Operational Spend Highlights

The Q1 YTD with a break-even result after carryover prior year surplus funding of \$5.2M is due to the following factors:

- A favorable variance of \$2.1M from Rent-Geared-to-Income ("RGI"), and \$0.6M from Market rent revenue, driven by RGI households being charged market rent due to loss of eligibility (LOE) and Ministry guideline increase of 2.5%.
- Favorable variances from:
  - \$5.7M in Operations, driven by timing of repairs from the three Regions; Tenant Action Fund (TAF) program as well as other tenant activities underspending; staffing vacancies in the Business Operations division (primarily on Call Centre Agent).
  - \$3.4M in Corporate Services, primarily driven by timing on expenses from ITS, People & Culture, and Legal.
  - \$1.6M in Facilities Management, due to vacancies and timing of maintenance work such as boilers furnaces & ground maintenance.
- The above underspend has been partially offset by over-expenditure on Utilities (\$4.1M), primarily on hydro due to higher residential rate.

## State of Good Repairs Building Capital Spend

*Table 1: SOGR Building Capital Spend Q1 2025 Year-To-Date Financial Results*

(In \$000s)	Q1 2025 Actuals	Q1 2025 Budget	Variance \$
Planned Capital	24,707	44,900	20,193
Demand Capital	26,087	26,850	763
Energy	2,091	3,694	1,602
Capital Other	4,602	9,532	4,930
<b>Total Spend vs. Budget</b>	<b>57,487</b>	<b>84,976</b>	<b>27,488</b>

- The Planned Capital year-to-date spend of \$24.7M is \$20.2M below budget. Compared to the same period prior year, it is \$18.7M below the spending rate for 2024.
- The Demand Capital of \$26.1M is \$0.8M lower than the budget. Compared to the same period prior year, the Demand Capital is under by \$6.7M.
- Energy Capital of \$2.1M is \$1.6M below budget. Compared to last year, \$0.8M more was spent, and this is mainly due to more energy projects starting in early 2025.

## Development Capital Spend

The overall development spend is \$16.4M below budget. All the projects are forecasted to remain on budget with some schedule adjustments required. Major variances are noted below:

- **Alexandra Park Phase 2 & Regent Park Phase 3:** underspend due to delay in construction draws processing
- **Firgrove:** underspend due to site plan & infrastructure costs being pushed out to Q3/Q4 of 2025 because of delay in timelines.
- **Lawrence Heights Phase 1:** underspend due to delay in infrastructure costs to Q2 2025.
- **Swansea:** demolition deferred to Q2 2025 due to delayed permit issuance by the City.
- **Regent Park phase 4/5:** underspend due to delayed construction start date for building 4A.

## IT and Corporate Capital Spend

The overall IT & Corporate capital spending is \$3.5M below budget.

- IT Capital spend \$1.9M favorable variance: due to timing of project implementation.
- Corporate Capital has no spend-to-date yet: Facilities Management team is currently working with internal and external stakeholders to complete scoping on commercial projects. The HRIS project is currently in RFP process and the bid is expected to close in May, spending expected to come in Q3-Q4.

## Other Capital Spend

- **Carbon** – Nothing spent yet for carbon budget projects (deep retrofits at Sparroway and Scarletwood sites). Procurement commencing shortly with spending planned for later in the year.
- **RPEI** – The current spend of \$1.46M includes Project Management Fee of \$182K and Water-Cooled Chiller of \$1.28M.
- **Tenant & Community Support: Malvern** – There are two buyback notices so far for 2025 estimated at \$0.3M.

## 2025 Year End Forecast

TCHC is expected to have a \$4.05M surplus at year end. This is a very preliminary forecast based on the known information, especially given the United States tariff impact on potential cost implications are still being assessed.

TCHC is proactively managing resources, implementing cost-containment measures and optimizing spending to ensure balanced budget by year-end.

## SIGNATURE:

*“Lily Chen”*

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Lily Chen  
Chief Financial Officer

**ATTACHMENTS:**

1. Q1 2025 Financial Results Presentation

**Confidential  
Attachment 2:  
Reason for  
Confidential  
Attachment:**

Q1 2025 Financial Results Presentation

The attachment to this report contains financial information which, if disclosed, could reasonably be expected to significantly prejudice the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization.

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Toronto Community Housing



# 2025 Q1 Financial Performance Update (Public Session)

BIFAC Committee  
May 26, 2025

# Q1/2025 – Operating Results Highlights

**TCHC (excluding TSHC): a deficit of (\$5.2M) vs. budget of (\$13.7M) (before prior year surplus carryover).**

**TCHC (excluding TSHC): on budget (after prior year surplus carryover).**

## **Revenue:**

- Favorable variance of RGI rent revenue \$2.1M mainly due to latest completed rent review, Market rent revenue \$0.6M driven by RGI households being charged market rent due to LOE (Loss of Eligibility), and Ministry guideline increase of 2.5%.  
*partially offset with*
- Bad debt unfavourable by (\$0.6M): actual bad debt at 3.17% of rent revenue vs. budget at 2.43%. The increased bad debt relates to the RGI households being charged market rent due to LOE (Loss of Eligibility).

## **Expenses:**

- Favourable YTD spending of \$8.6M, primarily resulting from:
  - Operations \$5.7M :
    - ❑ The 3 Regions \$4.5M mainly from maintenance underspend YTD;
    - ❑ Business Operations \$0.5M due to payroll vacancies on Call Centre Agent; and
    - ❑ Engagement Refresh \$0.5M due to timing of Tenant Action Fund (TAF) program and other tenant activities.
  - Facilities Management \$1.6M: timing on maintenance work such as boilers furnaces & ground maintenance and payroll vacancies.
  - Corporate Services \$3.4M:
    - ❑ Information Technology \$1.4M, due to timing on software license fees & delayed billing on data communications lines
    - ❑ People & Culture \$1M, due to timing on staff training and lower than expected severance & retiring allowance;
    - ❑ Legal \$0.5M, due to timing on legal services spending & liability claims in house;*partially offset with*
  - Utilities (\$4.1M): primarily on hydro, driven by higher residential rate (YTD avg rate 0.178 vs. budgeted rate of 0.128).

# Q1/2025 – Operating Results

	YTD Actual	YTD Budget	Actual vs Budget		Prior Year Actual (March 2024)	Actual vs PY Actual	
(in \$000's)	TCHC	TCHC	TCHC \$ Change	TCHC % Change	TCHC	TCHC \$ Change	TCHC % Change
<b>CASH INFLOWS</b>							
Residential rent - RGI	50,411	48,315	2,096	4%	48,528	1,884	4%
Residential rent - Market	22,473	21,879	594	3%	21,555	918	4%
Bad Debt Expense	(2,310)	(1,707)	(603)	-35%	(1,465)	(845)	58%
Subsidies - City	80,366	80,366	(0)	0%	66,611	13,755	21%
Subsidies - Regent Park	614	1,500	(886)	-59%	614	-	0%
Subsidies - City (one-time)	-	-	-	0%	7,312	(7,312)	-100%
Parking, laundry and cable fees	3,953	4,053	(100)	-2%	3,921	32	1%
Commercial rent	4,886	4,897	(11)	0%	4,859	27	1%
Other revenue	401	477	(76)	-16%	404	(3)	-1%
RPEI revenue	1,946	1,967	(21)	-1%	1,742	205	12%
	<b>162,742</b>	<b>161,749</b>	<b>993</b>	<b>1%</b>	<b>154,081</b>	<b>8,661</b>	<b>6%</b>
<b>CASH OUTFLOWS</b>							
Utilities	42,253	38,140	(4,114)	-11%	34,721	(7,533)	-22%
Municipal taxes	5,407	5,458	51	1%	5,827	419	7%
Mortgage Interest & Principal	38,426	39,599	1,172	3%	39,091	664	2%
Operations	47,277	52,935	5,658	11%	43,904	(3,373)	-8%
Facilities Management	10,338	11,958	1,620	14%	9,827	(512)	-5%
Corporate Divisions	19,611	23,066	3,455	15%	15,627	(3,984)	-25%
Office of the Commissioner of Housing Equity	308	287	(21)	-7%	290	(18)	-6%
Senior Housing Unit	(1,250)	(1,250)	-	0%	(1,250)	-	0%
Development	-	-	-	0%	4	4	100%
Swansea Mews	69	125	56	45%	133	64	48%
Other	3,729	3,140	(589)	-19%	1,838	(1,891)	-103%
RPEI operating expenditure	1,750	2,037	287	14%	1,522	(228)	-15%
	<b>167,920</b>	<b>175,495</b>	<b>7,575</b>	<b>4%</b>	<b>151,533</b>	<b>(16,387)</b>	<b>-11%</b>
<b>Total Cash Surplus (Shortfall)</b>	<b>(5,178)</b>	<b>(13,746)</b>	<b>8,568</b>	<b>62%</b>	<b>2,547</b>	<b>(7,725)</b>	<b>-303%</b>
<b>Available Prior Year Surplus Carryover</b>							
	5,178	5,501	(323)	-6%			
<b>Total Cash Surplus (shortfall)</b>	<b>-</b>	<b>(8,245)</b>	<b>8,245</b>	<b>-100%</b>			



# Q1/2025 – Accomplishments

Division	Key Accomplishments
The Centre for Advancing the Interests of Black People (The Centre)	<ul style="list-style-type: none"> <li>Black History Month Event – This year’s theme is “Black Excellence – In Full Colour”</li> <li>Black History Month movie screening event</li> <li>Held two Lunch and Learn session – “Operation on Black Vote Canada” and “International Day for the Elimination of Racial Discrimination”</li> </ul>
Finance	<ul style="list-style-type: none"> <li>Finalized and uploaded the approved 2025 Budgets</li> </ul>
People & Culture	<ul style="list-style-type: none"> <li>Implementation of new Joint Health and Safety Committee Inspection Application and Training</li> <li>Semi-skill program: In collaboration with Operations 20 semi-skill (plumbing module) training sessions were delivered to 203 front line building services staff (Superintendents and Custodial maintenance Persons)</li> </ul>
Programs & Partnerships	<ul style="list-style-type: none"> <li>The Next Surgeon high school mentorship program partnership with the Unity Health Toronto</li> <li>Violence Reduction Program initiated the iHelp Centre project by providing community space to TCHC communities that have experienced high levels of gun violence at three sites and this strategy continues in 2025</li> <li>Implemented its first ever Girls skills-and-drills and basketball tournament with over 55 young women from all three TCHC regions participating</li> <li>Community Economic Development team provided support to tenants with income tax filing, participating in workshops, job-readiness sessions and computer training</li> </ul>
Engagement Refresh	<ul style="list-style-type: none"> <li>Engage Together Model officially launched, and first Tenant Circles convened</li> <li>Published a Tenant Leadership Survey, receiving nearly 500 tenant responses</li> </ul>

# 2025 Operating Forecast

**Full Year Preliminary Forecast reflects a \$4.05M surplus (after prior year surplus carryover).**

**Revenue:**

- Revenue favourable by \$2.3M due to higher RGI and Market rent revenues, partially offset by higher bad debt.

**Expenses:**

- Savings for Salaries & Benefits for \$2.7M due to delayed hiring on various positions.
- Mortgage P&I underspend of \$2.7M due to interest savings on decreased line of credit borrowing (*interest rate 4.95% vs. budget rate of 6.7%*) and delay on IO loan for Regent Park Phase 3 due to extended construction timeline.

*partially offset by*

- Post retirement benefit – reallocation of interest expense portion from non-cash to cash. Full year forecast to be \$2.7M over budget.
- Others - unfavourable by \$0.9M primarily due to False Fire Alarm and System Hardware/Software and License.

Implications of US Tariffs on building repairs and other items are being monitored and assessed, and will be managed throughout the year.

Increased Utilities cost due to higher hydro costs, driven by higher average rates and a reduction in the Ontario Electricity Rebate from 19.3% to 13.1%, as well as increased water expenses resulting from higher rates and consumption, will be offset by savings in natural gas expenditures, due to the removal of the natural gas carbon charge effective April 1, 2025.

# Q1/2025 – Full Year Forecast vs. Budget

	Full Year Forecast	Full Year Budget	Forecast vs Budget		Prior Year Forecast (March 2024)	FY Fcst vs. PY Fcst	
(in \$000's)	TCHC	TCHC	TCHC \$ Change	TCHC % Change	TCHC	TCHC \$ Change	TCHC % Change
<b>CASH INFLOWS</b>							
Residential rent - RGI	198,525	195,227	3,298	2%	190,702	7,824	4%
Residential rent - Market	89,327	88,349	977	1%	86,970	2,357	3%
Bad Debt Expense	(6,596)	(6,048)	(548)	-9%	(5,639)	(957)	-17%
Subsidies - City	321,466	321,466	(0)	0%	267,218	54,248	20%
Subsidies - Regent Park	4,819	6,000	(1,181)	-20%	6,000	(1,181)	-20%
Subsidies - City (one-time)	-	-	-	0%	29,248	(29,248)	-100%
Parking, laundry and cable fees	16,084	16,212	(128)	-1%	15,776	308	2%
Commercial rent	19,641	19,652	(11)	0%	19,168	473	2%
Other revenue	1,869	1,909	(40)	-2%	1,714	156	9%
RPEI revenue	8,023	8,044	(21)	0%	7,939	84	1%
	<b>653,157</b>	<b>650,811</b>	<b>2,346</b>	<b>0%</b>	<b>619,095</b>	<b>34,062</b>	<b>6%</b>
<b>CASH OUTFLOWS</b>							
Utilities	132,831	132,796	(35)	0%	126,544	(6,287)	-5%
Municipal taxes	22,095	21,834	(261)	-1%	21,610	(484)	-2%
Mortgage Interest & Principal	119,133	121,820	2,687	2%	119,907	774	1%
Operations	216,353	217,581	1,229	1%	200,526	(15,826)	-8%
Facilities Management	49,204	50,196	992	2%	47,368	(1,836)	-4%
Corporate Divisions	95,420	95,185	(236)	0%	76,208	(19,212)	-25%
Office of the Commissioner of Housing Equity	1,183	1,163	(20)	-2%	1,137	(46)	-4%
Senior Housing Unit	(5,000)	(5,000)	-	0%	(5,000)	-	0%
Development	0	-	(0)	100%	-	(0)	100%
Swansea Mews	500	500	-	0%	2,000	1,500	75%
Modern TO	115	115	(0)	0%	-	(115)	100%
Other	15,500	12,560	(2,940)	-23%	14,791	(710)	-5%
RPEI operating expenditure	7,275	7,562	287	4%	7,346	71	1%
	<b>654,609</b>	<b>656,312</b>	<b>1,703</b>	<b>0%</b>	<b>612,438</b>	<b>(42,171)</b>	<b>-7%</b>
<b>Total Cash Surplus (Shortfall)</b>	<b>(1,452)</b>	<b>(5,501)</b>	<b>4,049</b>	<b>74%</b>	<b>6,657</b>	<b>(8,109)</b>	<b>-122%</b>
Available Prior Year Surplus Carryover	5,501	5,501	-	0%			
<b>Total Cash Surplus (shortfall)</b>	<b>4,049</b>	<b>-</b>	<b>4,049</b>	<b>100%</b>			

# 2025 Variance by Feature Category

Category	2025 Budget	Yearend Forecast	Variance Fav / (Unfav)	Explanation
A. Revenue	650,811	653,157	2,346	Fav. RGI and Market rent revenue, partially offset with higher bad debt expense
B. Salaries and Benefits	(217,859)	(215,190)	2,669	Savings due to delayed hiring.
C. Mortgage P&I	(121,820)	(119,133)	2,687	P&I savings due to delay in IO RP 16N loan advance. Receipt of City advance funding has improved cashflow, leads to expected decrease on line of credit borrowing.
D. Post Retirement Benefits	(2,683)	(5,372)	(2,689)	Reallocation of interest expense on post-retirement benefits out of 'non-cash adjustments'.
E. Others	(313,950)	(314,914)	(964)	Primarily due to unfav. variance on Fire Alarm Tax Charges and System Hardware/Software and License.
<b>Total Surplus (Shortfall)</b>	<b>(5,501)</b>	<b>(1,452)</b>	<b>4,049</b>	
Available Prior Year Surplus Carryover	5,501	5,501	-	
<b>Adjusted Surplus (Shortfall)</b>	<b>(0)</b>	<b>4,049</b>	<b>4,049</b>	

# Q1/2025 – Business Case Tracking – New & Enhanced

Business Case #	Division	Project Name	City Subsidy (Base)	City Subsidy (One-Time)	2025 One-Time Bridging Strategy	Total (Full Year Budget)	YTD Budget	YTD Actual	Variance	Yearend Forecast	YE Forecast vs. FY Budget	Variance Commentary
OPS-09	OPS	Tenant Engagement System	0	535,099	386,443	921,542	229,203	0	229,203	921,542	0	New headcount under recruitment. In process to develop RFP for capacity building sessions for tenants and staff.
OPS-14	OPS	Rookie League	200,643	0	0	200,643	0	0	0	200,643	0	Anticipated spending to start in late Q2
OPS-17	OPS	Tenant Action Fund	0	0	1,018,243	1,018,243	254,291	0	254,291	995,953	(22,290)	YTD vacancy; anticipated spending to start in Q2
OPS-13	OPS	Supporting Communities with Chronic Violence	284,373	0	0	284,373	22,359	0	22,359	284,373	0	Anticipated spending to start in Q2
OPS-13	OPS	Supporting Communities with Chronic Violence	62,929	0	0	62,929	0	0	0	62,929	0	Anticipated spending to start in Q2
OPS-06	OPS	Semi-Skilled Training	0	169,602	169,602	339,205	84,801	0	84,801	254,404	(84,801)	YTD vacancy
OPS-06	OPS	Semi-Skilled Training	0	3,988	3,988	7,977	1,994	0	1,994	7,977	0	
OPS-12	OPS	Growing Vulnerable Tenant Supports	661,007	0	661,007	1,322,014	275,935	0	275,935	1,184,047	(137,968)	New headcount under recruitment and pest vendor & waste disposal spend anticipated in Q3/Q4.
OPS-12	OPS	Growing Vulnerable Tenant Supports	4,603	0	4,603	9,206	0	0	0	9,206	0	
OPS-15	OPS	Accessibility Program Staff Supplement	65,325	0	65,325	130,649	0	0	0	130,649	0	Anticipated spending to start in Q2
			1,278,880	708,690	2,309,213	4,296,782	868,584	0	868,584	4,051,723	(245,059)	

# Headcount Report by Division

Division	March 2025				Full Year Budget
	Actual	Budget	Vacancies	Vacancy %	
<b>OPERATIONS</b>	<b>1,449</b>	<b>1,598</b>	<b>149</b>	<b>9%</b>	<b>1,601</b>
Regional Operation East	324	349	25	7%	349
Regional Operation West	361	388	27	7%	388
Regional Operation Central	358	385	27	7%	385
Tenancy Resolution Office	26	31	5	16%	33
Engagement Refresh	4	9	5	56%	9
Programs and Partnerships	39	55	16	29%	56
Business Operations	96	118	22	19%	118
Chief Operating Office	2	2	-	0%	2
Community Safety Unit	239	261	22	8%	261
<b>FACILITY MANAGEMENT</b>	<b>263</b>	<b>297</b>	<b>34</b>	<b>11%</b>	<b>303</b>
Facility Management	254	288	34	12%	294
Commercial	9	9	-	0%	9
<b>CORPORATE</b>	<b>341</b>	<b>390</b>	<b>49</b>	<b>13%</b>	<b>407</b>
Legal	52	59	7	12%	59
People & Culture	62	67	5	7%	67
Information technology (IT)	75	87	12	14%	95
Finance	103	122	19	16%	129
Chief Executive Office	3	3	-	0%	3
Centre for Advancing Interests of Black People	10	11	1	9%	11
Strat. Planning & Communication	36	41	5	12%	43
<b>OFFICE of the COMMISSIONER of HOUSING EQUITY</b>	<b>12</b>	<b>12</b>	<b>-</b>	<b>0%</b>	<b>12</b>
<b>DEVELOPMENT</b>	<b>55</b>	<b>63</b>	<b>8</b>	<b>13%</b>	<b>63</b>
<b>TOTAL DIVISIONAL HEADCOUNT</b>	<b>2,120</b>	<b>2,360</b>	<b>240</b>	<b>10%</b>	<b>2,386</b>
Trades	48	58	10	17%	58
Summer Hires/Intern	30	35	5	14%	224
Maternity Leave	46	-	(46)	0%	-
<b>TOTAL HEADCOUNT</b>	<b>2,244</b>	<b>2,453</b>	<b>209</b>	<b>9%</b>	<b>2,668</b>

Average  
Divisional  
vacancy rate

- March overall vacancy rate at 10.2% (8.6% for base positions and 93.3% for business cases), compared to the gapping target of 6% in the 2025 budget for all divisions.

Operations  
vacancy rate

- Total Operations averaged at 9.3%, primarily on roles including CMP1, Sr. Superintendent (3 Regions), Call Centre Agent, Special Constables (CSU) and various business case headcount within Programs & Partnerships.

FM vacancy rate

- Facilities Management averaged at 11.4%, primarily on roles like Energy Management, Service Level Agreements (SLA) management and Interiors.

Corporate  
Services Divisions  
vacancy rate

- Corporate Services averaged at 12.6%, in Finance, Information Technology and Legal.

Development  
vacancy rate

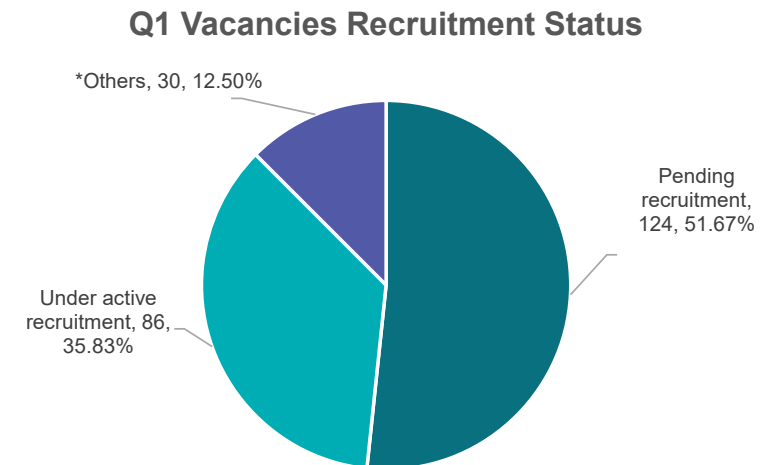
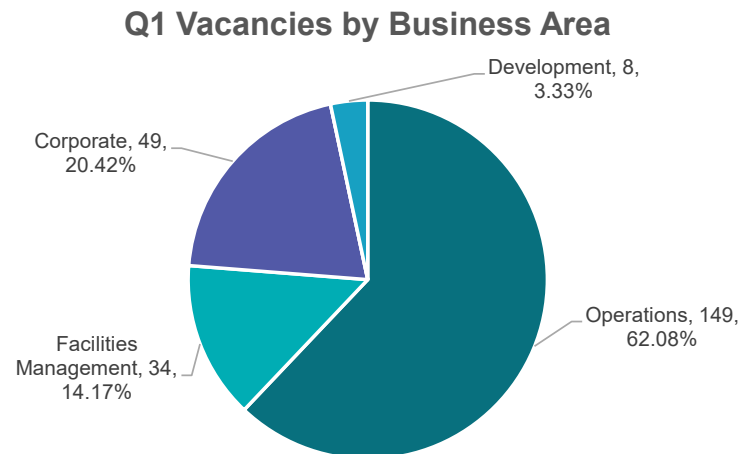
- Development at 12.7%; for roles including Associate Construction Manager, Program Supervisor, and Coordinator Tenant Participation.

Please note the difference between March budget and full year budget reflects seasonality (e.g. Programs and Partnerships had Interns/Youth Workers/Camp Site Leads) to be hired during the summer.

# Q1/2025 – Vacancies

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

- Total 240 vacancies compared to the budget. The charts below highlight vacancy data and recruitment status:
  - Q1 Vacancies by Business Area breaks down the 240 vacancies by major divisions
  - Q1 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



\* "Others" refers to base positions for employees currently under acting assignment, staff on leave without backfill or new hire pending to start.

# Q1/2025 – Capex Spend Report – Summary

## All Funding Sources

2025 Capital Variance Report		2025- Cash Flow & Project Status							
Project/Sub-Project Name (Level at which Council approved the budget)	2025 Plan	Actual \$	Accruals / Adjustment \$	Adjusted Actual \$	Unspent \$	% Spent	Projected YE Status at December 31, 2025 (use drop down list)	Projected Actuals \$ to Year-End	Projected Actuals % to Year-End
SOG	379,904,000	57,487,470		57,487,470	322,416,530	15.1%	On Track	379,904,000	100.0%
Development	175,509,350	9,081,301		9,081,301	166,428,049	5.2%	Delayed < 6 mths	125,103,506	71.3%
IT/Corporate Capital	17,000,478	1,442,772		1,442,772	15,557,707	8.5%	On Track	17,000,478	100.0%
Community and Tenant Support	650,000	5,530		5,530	644,470	0.9%	On Track	650,000	100.0%
Carbon Budget	28,470,000	0		-	28,470,000	0.0%	Delayed < 6 mths	28,470,000	100.0%
Regent Park Energy Inc. (RPEI)	10,115,000	1,459,342		1,459,342	8,655,658	14.4%	Delayed < 6 mths	10,115,000	100.0%
<b>Program Total</b>	<b>611,648,829</b>	<b>69,476,416</b>	<b>0</b>	<b>69,476,416</b>	<b>542,172,413</b>	<b>11.4%</b>		<b>561,242,985</b>	<b>91.8%</b>



# Q1/2025 – Building Renewal Capital Spend (TCHC/TSHC)

SOGR (Amount in \$000s)	Year-to-Date				Full Year			Mar 2024	Mar 2025 vs. Mar 2024
	Actual	Budget	Variance	% Variance	Forecast	Budget	% Budget **	Actual	Variance
Planned Capital	24,707	44,900	(20,193)	-82%	188,755	179,600	14%	43,401	(18,693)
Demand Capital	26,087	26,850	(763)	-3%	107,400	107,400	24%	32,809	(6,722)
Energy	2,091	3,694	(1,602)	-77%	15,590	14,775	14%	1,325	767
Capital Other	4,602	9,532	(4,931)	-107%	28,160	38,129	12%	4,402	200
<b>Subtotal</b>	<b>57,487</b>	<b>84,976</b>	<b>(27,489)</b>		<b>339,904</b>	<b>339,904</b>		<b>81,936</b>	<b>(24,449)</b>
Additional funding pending allocation	-	-	-		40,000	40,000		-	-
<b>Total</b>	<b>57,487</b>	<b>84,976</b>	<b>(27,489)</b>		<b>379,904</b>	<b>379,904</b>		<b>81,936</b>	<b>(24,449)</b>
2023 Advancement	-	-	-		-	-		31,119	
<b>Total Spend Against Adjusted Budget</b>	<b>57,487</b>	<b>84,976</b>	<b>(27,489)</b>		<b>379,904</b>	<b>379,904</b>		<b>113,055</b>	<b>(24,449)</b>

\*\* % Budget refers to percentage complete based on the 2025 annualized budget.

- Planned Capital: \$20.2M favorable variance below budget. Compared to last year, \$18.7M below the spending rate. This decrease is mainly due to more work completed in early 2024 compared to new jobs started and completed in the early part of 2025, weather dependent.
- Demand Capital: \$0.8M below the budget. Compared to last year, Demand Capital is under by approximately \$6.7M. This reflects the ongoing review and work of the cross-divisional Demand Working group's plans for managing Demand Capital. Ongoing monitoring will continue.
- Energy Capital: \$1.6M below budget. Compared to last year, spending is \$0.8M higher. This is mainly due to more energy projects starting in early 2025 compared to 2024.
- \$40M additional funding was provided by the City and is yet to be reallocated. Spending expected to start in Q2 onwards.

# Q1/2025 – Development Capital Spend Variances high level

## Summary of Outflows & Inflows:

	YTD Actual	YTD Budget	Variance	Full Year Forecast	Full Year Budget	Variance
Dev Outflows	9,081	25,439	16,358	125,127	140,953	15,827
Dev Inflows	24,565	12,379	(12,186)	82,114	69,928	(12,186)
<b>Funding from City</b>	<b>15,483</b>	<b>(13,060)</b>	<b>(28,544)</b>	<b>(43,013)</b>	<b>(71,025)</b>	<b>(28,013)</b>

### 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 3 & 4/5.
- Overall, the projects remain on budget with some schedule adjustments required, resulting in reduced outflow in Q1 of 2025.

### Inflow Commentary:

- Regent Park – final payment on block 1 received in Q1 2025. Remaining proceeds are due to completion timeline extension for block 16N to March 2025 and its subsequent IO loan proceeds being pushed out to March 2025.

# Q1/2025 – IT/Corporate Capital

<b>IT Capital</b> (Amount in \$000s)	<b>Actual</b>	<b>Year-to-Date Budget</b>	<b>Variance</b>	<b>% Budget</b>	<b>Forecast</b>	<b>Full Year Budget</b>	<b>Variance</b>	<b>% Budget</b>
IT Asset Management	-	-	-	0%	275	275	-	0%
NOVA 1.0	897	250	(647)	359%	1,000	1,000	-	90%
NOVA 2.0	-	750	750	0%	3,000	3,000	-	0%
End User Device Refresh with Windows 11	-	-	-	0%	2,880	2,880	-	0%
Firewall Replacement	423	125	(298)	339%	500	500	-	85%
Keep the Lights On	1	304	303	0%	1,215	1,215	-	0%
Next Gen Secure Network Planning	-	250	250	0%	1,000	1,000	-	0%
Carryforward from prior year	122	1,679	1,556	7%	1,226	793	(433)	15%
<b>Total IT Capital</b>	<b>1,443</b>	<b>3,358</b>	<b>1,915</b>	<b>43%</b>	<b>11,096</b>	<b>10,663</b>	<b>(433)</b>	

<b>Corporate Capital</b> (Amount in \$000s)	<b>Actual</b>	<b>Year-to-Date Budget</b>	<b>Variance</b>	<b>% Budget</b>	<b>Forecast</b>	<b>Full Year Budget</b>	<b>Variance</b>	<b>% Budget</b>
Commercial Support	-	663	663	0%	2,650	2,650	-	0%
HRIS (one-time)	-	762	762	0%	3,047	3,047	-	0%
Improving Capital Management	-	160	160	0%	640	640	-	0%
<b>Total Corporate Capital</b>	<b>-</b>	<b>1,584</b>	<b>1,584</b>	<b>0%</b>	<b>6,337</b>	<b>6,337</b>	<b>-</b>	

<b>TotalTotal IT &amp; Corporate Capital</b>	<b>1,443</b>	<b>4,942</b>	<b>3,499</b>	<b>29%</b>	<b>17,433</b>	<b>17,000</b>	<b>(433)</b>	
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- IT Capital spend is \$1.9M favourable compared to budget, mainly due to timing of project implementation.
- Corporate Capital projects have no spend-to-date. Facilities Management team is currently working with internal and external partners to complete scope tasks on commercial project and expect spending to come later in the year. HRIS project is currently in RFP process and the bid is expected to close in May, spending expect to come in Q3-Q4.

# Appendices

# Q1/2025 – Divisional Operating Expense Variances

(in \$000's)	March 2025				Mar 2024	Mar 2025 vs. Mar 2024	
	Actuals \$	Budget \$	Variance \$	Variance %	Actuals \$	Variance \$	Variance %
Operations	47,277	52,927	5,650	11%	43,904	3,373	8%
Facilities Management	10,338	11,970	1,632	14%	9,827	512	5%
Corporate Services	19,611	23,054	3,443	15%	15,627	3,984	25%
Office of the Commissioner of Housing Equity	308	287	(21)	-7%	290	18	6%
<b>Total Operating Expenses (All Divisions)</b>	<b>77,534</b>	<b>88,237</b>	<b>10,704</b>	<b>12%</b>	<b>69,647</b>	<b>7,886</b>	<b>11%</b>

- The favourable variance in Operations is mainly contributed by the 3 Regions \$4.4M, Engagement Refresh \$0.5M and Business Operations \$0.5M.
- Operations has stopped the formal triage process due to the operating surplus and proceeding to attend work orders as they happen while still prioritizing matters of health, safety, and emergency first. As at March 2025, there are work orders in the pipeline. Operations is now having bi-weekly meetings to track Work Orders and spend to Budget and reviewing trending.
- Savings in Corporate Services is mainly driven by Information Technology \$1.4M (due to timing on software license fees & data communications), People & Culture \$1M (timing on staff training and lower than expected severance and retiring allowance) and Legal \$0.5M (timing on legal services spending).
- Favourable variance in Facilities Management due to timing on maintenance work, such as boilers furnaces & ground maintenance and payroll vacancies.

# Q1/2025 – Swansea Mews Impact

<b>Swansea Mews</b> (Amount in \$000s)	<b>Year-to-Date Actual</b>	<b>Balance of Year Forecast</b>	<b>Full Year Total</b>	<b>Total Financial Impact to date (since May 2022)</b>
<b>EXPENSES</b>	<b>69</b>	<b>431</b>	<b>500</b>	<b>22,265</b>
Accommodation, per diem, moving and transportation	-	150	150	5,283
Security and Staff Overtime	69	281	350	2,617
Shoring, Abatement, Engineering	-	-	-	14,365
<b>Capital Assets Write off</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,031</b>
<b>Total Income/(Loss)</b>	<b>69</b>	<b>431</b>	<b>500</b>	<b>27,295</b>

## Insurance Update:

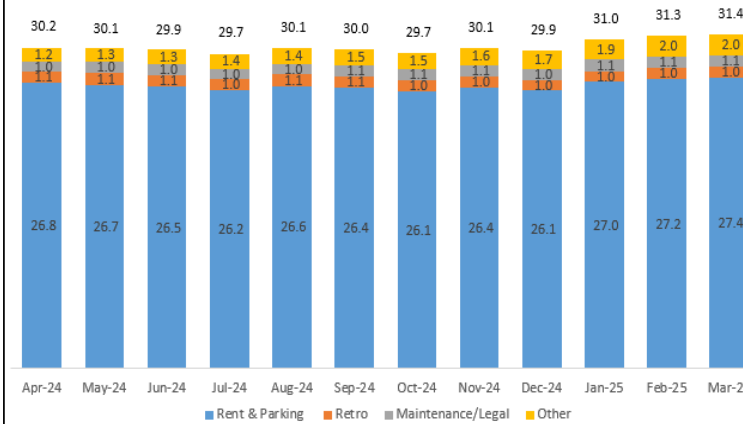
- In July 2023, both BIFAC and the Board approved and authorized the Chief Executive Officer and/or General Counsel & Corporate Secretary (or designate) to proceed to engage with TCHC's Insurer and pursue its claim for reimbursement in accordance with its policy entitlements.
- TCHC and Housing Services Corporation (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 other site safety related issues.

## Initial Development Plan approved by the City Council on April 23, 2025:

<https://secure.toronto.ca/council/agenda-item.do?item=2025.PH20.8>

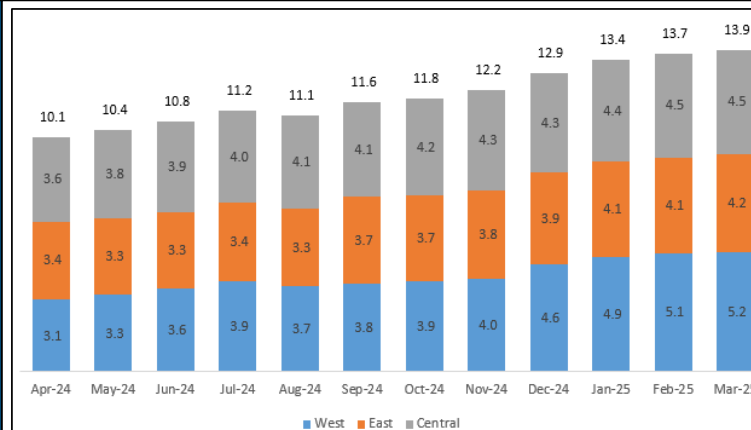
# Q1/2025 – Current Arrears

## 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 March, an allowance for bad debt was provided for \$24.8M of the current arrears

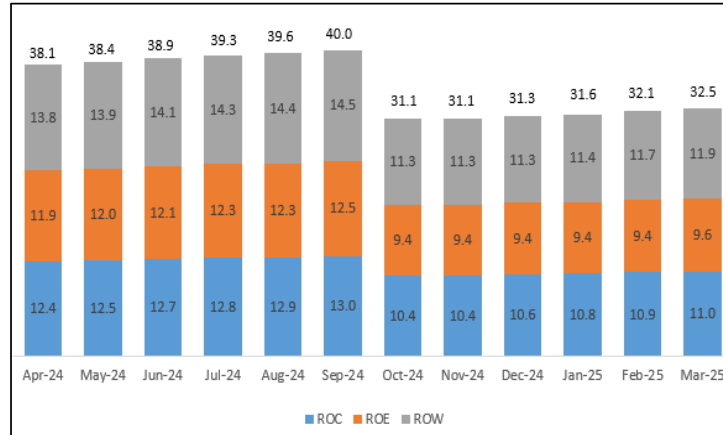
## Current Arrears in repayment plan (in \$M)



- Amounts collected are used to reduce the total current arrears and thus the bad debt allowance / provision for non-collectability
- Repayment agreements are powerful tool used by staff to address arrears. 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').

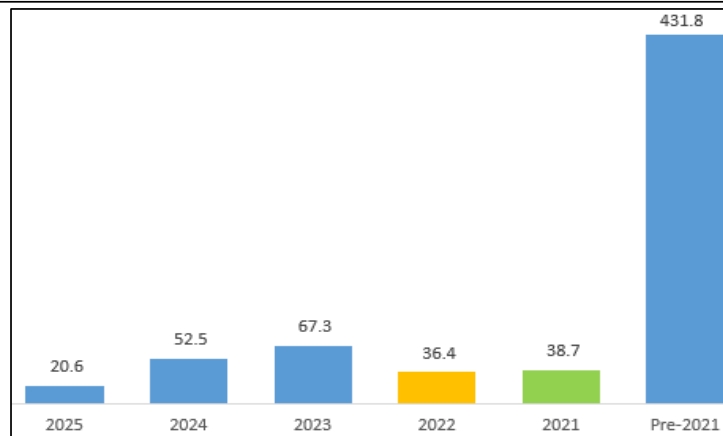
# Q1/2025 – Past Arrears

## 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 March, a bad debt allowance was established for all of the past arrears

## Past Arrears Collections (in \$000s)

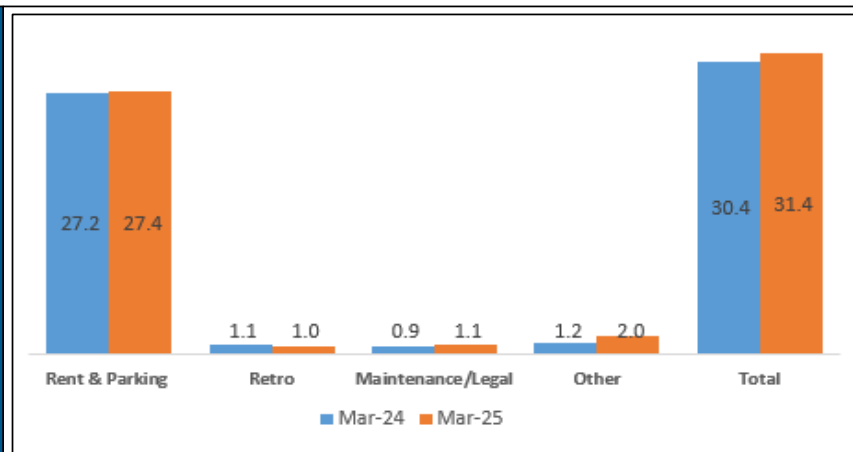


- Past tenant arrears are passed on to a collection agency if TCHC staff are unable to collect the outstanding balance within 90 days after move out
- As of the end of March, the Agency has collected about \$21K net from past tenant arrears in their care
- TCHC management is actively reviewing the collectivity of the legacy past tenant arrears, in line with the past tenant arrears write off policy, and certain past tenant arrears will be written off in 2025.

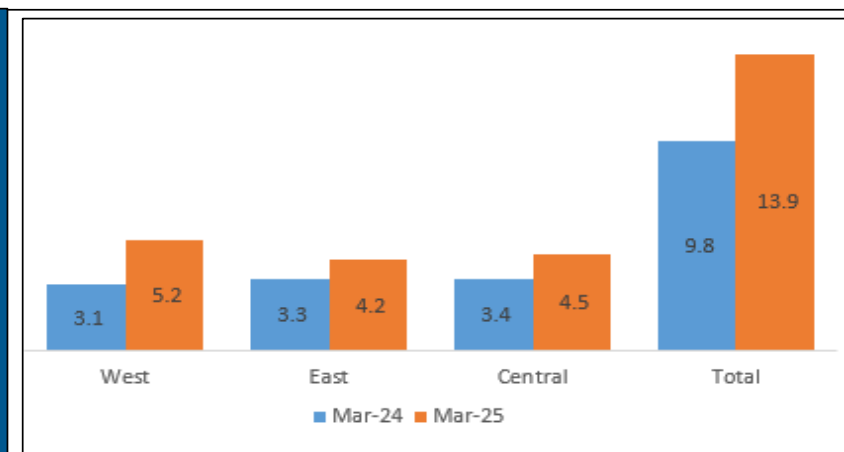


# Q1/2025 – Current & Past Arrears (vs. Q1/2024)

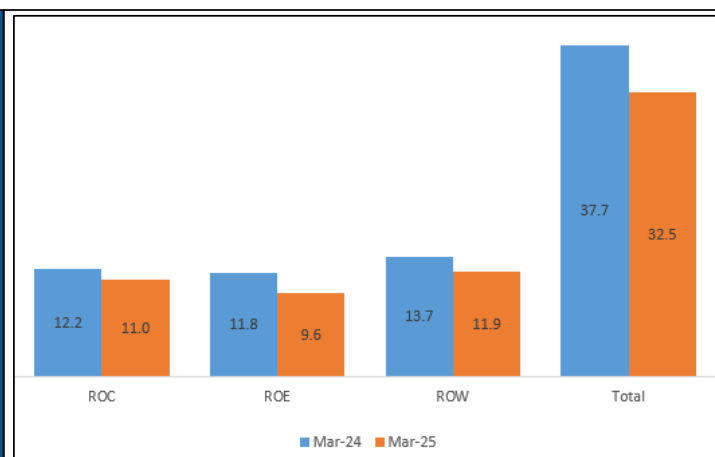
## Current Arrears (in \$M)



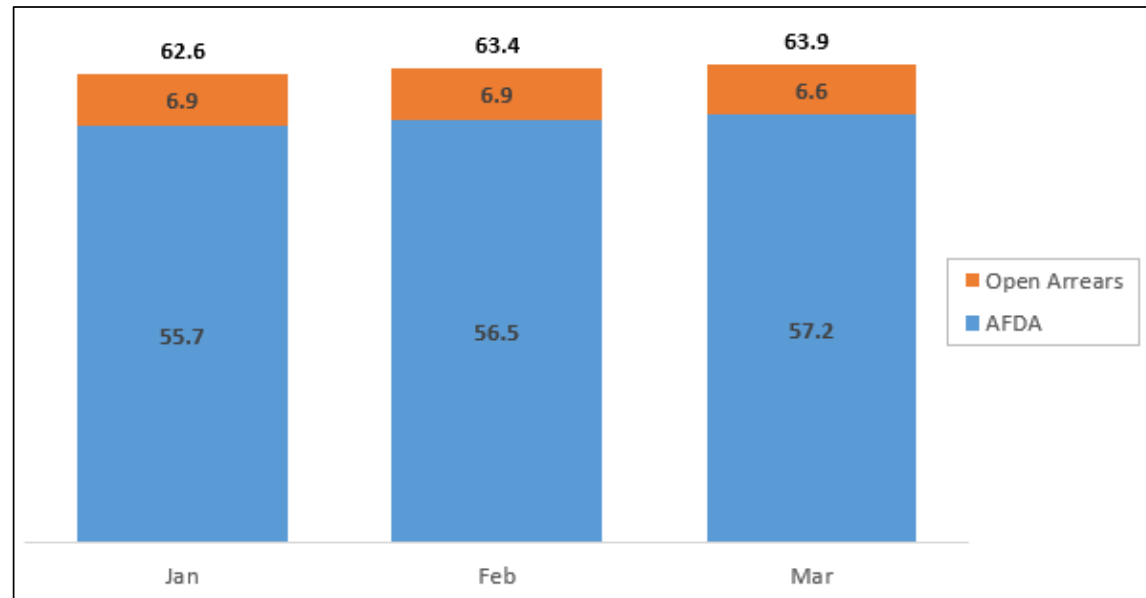
## Current Arrears in repayment plan (in \$M)



## Past Arrears (in \$M)



## Q1/2025 – Allowance for Doubtful Accounts (AFDA) (\$M)



- All past tenant arrears (\$32.5M) are fully recorded as potential bad debt expense. For current arrears of \$31.4M, we have recorded a potential bad debt expense of \$24.8M.
- Bad debt expense for Q1 2025 is at 3.2% of the total rent revenue.

# Q1/2025 – Operating Results (TCHC/TSHC)

(in \$000's)	YTD Actual			YTD Budget			Actual vs Budget		Prior Year Actual (March 2024)			Actual vs PY Actual	
	TCHC	TSHC	Total	TCHC	TSHC	Total	TCHC \$ Change	TCHC % Change	TCHC	TSHC	Total	TCHC \$ Change	TCHC % Change
<b>CASH INFLOWS</b>													
Residential rent - RGI	50,411	22,763	73,174	48,315	21,854	70,169	2,096	4%	48,528	21,394	69,922	1,884	4%
Residential rent - Market	22,473	1,304	23,778	21,879	1,260	23,139	594	3%	21,555	1,264	22,820	918	4%
Bad Debt Expense	(2,310)	(102)	(2,412)	(1,707)	(162)	(1,869)	(603)	-35%	(1,465)	(177)	(1,642)	(845)	58%
Subsidies - City	80,366	11,992	92,359	80,366	11,992	92,359	(0)	0%	66,611	10,088	76,699	13,755	21%
Subsidies - Regent Park	614	-	614	1,500	-	1,500	(886)	-59%	614	-	614	-	0%
Subsidies - City (one-time)	-	-	-	-	-	-	-	0%	7,312	1,083	8,395	(7,312)	-100%
Parking, laundry and cable fees	3,953	461	4,413	4,053	504	4,557	(100)	-2%	3,921	479	4,400	32	1%
Commercial rent	4,886	-	4,886	4,897	-	4,897	(11)	0%	4,859	-	4,859	27	1%
Other revenue	401	63	464	477	29	506	(76)	-16%	404	45	450	(3)	-1%
RPEI revenue	1,946	-	1,946	1,967	-	1,967	(21)	-1%	1,742	-	1,742	205	12%
	<b>162,742</b>	<b>36,480</b>	<b>199,222</b>	<b>161,749</b>	<b>35,477</b>	<b>197,226</b>	<b>993</b>	<b>1%</b>	<b>154,081</b>	<b>34,176</b>	<b>188,257</b>	<b>8,661</b>	<b>6%</b>
<b>CASH OUTFLOWS</b>													
Utilities	42,253	8,494	50,748	38,140	6,812	44,952	(4,114)	-11%	34,721	6,541	41,261	(7,533)	-22%
Municipal taxes	5,407	97	5,504	5,458	78	5,536	51	1%	5,827	156	5,983	419	7%
Mortgage Interest & Principal	38,426	10,147	48,573	39,599	10,507	50,106	1,172	3%	39,091	10,351	49,442	664	2%
Operations	47,277	3,108	50,385	52,935	3,366	56,301	5,658	11%	43,904	2,694	46,598	(3,373)	-8%
Facilities Management	10,338	2,054	12,392	11,958	2,622	14,580	1,620	14%	9,827	1,952	11,779	(512)	-5%
Corporate Divisions	19,611	2,769	22,380	23,066	3,389	26,455	3,455	15%	15,627	2,688	18,315	(3,984)	-25%
Office of the Commissioner of Housing Equity	308	95	402	287	89	376	(21)	-7%	290	89	379	(18)	-6%
Senior Housing Unit	(1,250)	12,940	11,690	(1,250)	13,026	11,776	-	0%	(1,250)	11,750	10,500	-	0%
Development	-	-	-	-	-	-	-	0%	4	-	4	4	100%
Swansea Mews	69	-	69	125	-	125	56	45%	133	-	133	64	48%
Other	3,729	-	3,729	3,140	-	3,140	(589)	-19%	1,838	-	1,838	(1,891)	-103%
RPEI operating expenditure	1,750	-	1,750	2,037	-	2,037	287	14%	1,522	-	1,522	(228)	-15%
	<b>167,920</b>	<b>39,703</b>	<b>207,624</b>	<b>175,495</b>	<b>39,890</b>	<b>215,385</b>	<b>7,575</b>	<b>4%</b>	<b>151,533</b>	<b>36,221</b>	<b>187,755</b>	<b>(16,387)</b>	<b>-11%</b>
<b>Total Cash Surplus (Shortfall)</b>	<b>(5,178)</b>	<b>(3,223)</b>	<b>(8,401)</b>	<b>(13,746)</b>	<b>(4,413)</b>	<b>(18,159)</b>	<b>8,568</b>	<b>62%</b>	<b>2,547</b>	<b>(2,044)</b>	<b>503</b>	<b>(7,725)</b>	<b>-303%</b>
Available Prior Year Surplus Carryover	5,178	3,223	8,401	5,501	3,597	9,098	(323)	-6%	*The TSHC allocation amounts are subject to annual reconciliation and may be adjusted based on final year-end assessments.				
<b>Total Cash Surplus (shortfall)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8,245)</b>	<b>(815)</b>	<b>(9,061)</b>	<b>8,245</b>	<b>-100%</b>					

# Q1/2025 – Full Year Forecast vs. Budget (TCHC/TSHC)

(in \$000's)	Full Year Forecast			Full Year Budget			Forecast vs Budget		Prior Year Forecast (March 2024)			FY Fcst vs. PY Fcst	
	TCHC	TSHC	Total	TCHC	TSHC	Total	TCHC \$ Change	TCHC % Change	TCHC	TSHC	Total	TCHC \$ Change	TCHC % Change
<b>CASH INFLOWS</b>													
Residential rent - RGI	198,525	87,123	285,648	195,227	87,416	282,643	3,298	2%	190,702	83,689	274,391	7,824	4%
Residential rent - Market	89,327	4,701	94,028	88,349	5,040	93,389	977	1%	86,970	4,577	91,547	2,357	3%
Bad Debt Expense	(6,596)	(643)	(7,239)	(6,048)	(647)	(6,696)	(548)	-9%	(5,639)	(1,752)	(7,391)	(957)	-17%
Subsidies - City	321,466	47,970	369,435	321,466	47,970	369,435	(0)	0%	267,218	39,577	306,795	54,248	20%
Subsidies - Regent Park	4,819	-	4,819	6,000	-	6,000	(1,181)	-20%	6,000	-	6,000	(1,181)	-20%
Subsidies - City (one-time)	-	-	-	-	-	-	-	0%	29,248	4,332	33,580	(29,248)	-100%
Parking, laundry and cable fees	16,084	2,000	18,084	16,212	2,016	18,228	(128)	-1%	15,776	1,854	17,629	308	2%
Commercial rent	19,641	-	19,641	19,652	-	19,652	(11)	0%	19,168	-	19,168	473	2%
Other revenue	1,869	113	1,983	1,909	116	2,025	(40)	-2%	1,714	112	1,826	156	9%
RPEI revenue	8,023	-	8,023	8,044	-	8,044	(21)	0%	7,939	-	7,939	84	1%
	<b>653,157</b>	<b>141,264</b>	<b>794,421</b>	<b>650,811</b>	<b>141,910</b>	<b>792,721</b>	<b>2,346</b>	<b>0%</b>	<b>619,095</b>	<b>132,389</b>	<b>751,485</b>	<b>34,062</b>	<b>6%</b>
<b>CASH OUTFLOWS</b>													
Utilities	132,831	24,180	157,011	132,796	24,173	156,970	(35)	0%	126,544	23,035	149,579	(6,287)	-5%
Municipal taxes	22,095	331	22,425	21,834	310	22,144	(261)	-1%	21,610	307	21,917	(484)	-2%
Mortgage Interest & Principal	119,133	29,537	148,670	121,820	30,362	152,182	2,687	2%	119,907	29,774	149,681	774	1%
Operations	216,353	13,441	229,794	217,581	13,465	231,046	1,229	1%	200,526	13,853	214,379	(15,826)	-8%
Facilities Management	49,204	10,360	59,564	50,196	10,489	60,685	992	2%	47,368	9,677	57,044	(1,836)	-4%
Corporate Divisions	95,420	13,449	108,870	95,185	13,557	108,742	(236)	0%	76,208	11,498	87,706	(19,212)	-25%
Office of the Commissioner of Housing Equity	1,183	363	1,546	1,163	357	1,520	(20)	-2%	1,137	349	1,487	(46)	-4%
Senior Housing Unit	(5,000)	52,707	47,707	(5,000)	52,793	47,793	-	0%	(5,000)	48,249	43,249	-	0%
Development	0	-	0	-	-	-	(0)	100%	-	-	-	(0)	100%
Swansea Mews	500	-	500	500	-	500	-	0%	2,000	-	2,000	1,500	75%
Modern TO	115	-	115	115	-	115	(0)	0%	-	-	-	(115)	100%
Other	15,500	-	15,500	12,560	-	12,560	(2,940)	-23%	14,791	-	14,791	(710)	-5%
RPEI operating expenditure	7,275	-	7,275	7,562	-	7,562	287	4%	7,346	-	7,346	71	1%
	<b>654,609</b>	<b>144,367</b>	<b>798,977</b>	<b>656,312</b>	<b>145,507</b>	<b>801,819</b>	<b>1,703</b>	<b>0%</b>	<b>612,438</b>	<b>136,741</b>	<b>749,180</b>	<b>(42,171)</b>	<b>-7%</b>
<b>Total Cash Surplus (Shortfall)</b>	<b>(1,452)</b>	<b>(3,103)</b>	<b>(4,555)</b>	<b>(5,501)</b>	<b>(3,597)</b>	<b>(9,098)</b>	<b>4,049</b>	<b>74%</b>	<b>6,657</b>	<b>(4,351)</b>	<b>2,305</b>	<b>(8,109)</b>	<b>-122%</b>
Available Prior Year Surplus Carryover	5,501	3,597	9,098	5,501	3,597	9,098	-	0%					
<b>Total Cash Surplus (shortfall)</b>	<b>4,049</b>	<b>494</b>	<b>4,543</b>	<b>-</b>	<b>-</b>	<b>(0)</b>	<b>4,049</b>	<b>100%</b>					

\*The TSHC allocation amounts are subject to annual reconciliation and may be adjusted based on final year-end assessments.