



2014 Housing York Inc. Annual Report & Financial Statements

Presentation to
Housing York Inc. Board

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Presentation Purpose

To present the Board of Directors with a summary of the 2014 Annual Report and Financial Statements

Outline

- Housing York Tenant & Portfolio Information
- Strategic Plan Initiatives
- Key Accomplishments
- Financial Statements

Housing York Portfolio



PORTFOLIO

2,441 housing units

8 townhouse communities, 28 apartment buildings, 1 shelter

Seniors: 1,518 units

Families: 755 units

Single Individuals: 168 units

133 modified or accessible units for people with disabilities

Portfolio value of \$523 million

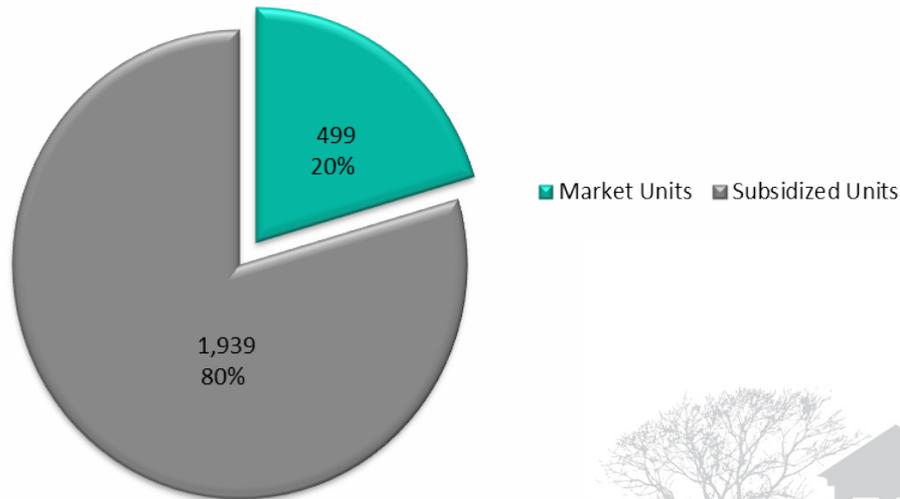
Operating budget of \$29 million

Building age range: 1966 to 2014



A Mix of Subsidized & Market Rentals Creates Balanced, Sustainable Communities

2014 Unit Mix



The Portfolio Grew by 4.1% in 2014



In 2014, Lakeside Residences added 97 units of affordable housing to the community.

Lakeside Residences

17 The Queensway South, Keswick



Total Units	97
Bachelor	5
One Bedroom	72
Two Bedroom	20
Accessible	12

Housing York's Tenant Mix at a Glance



TENANTS

4,000 tenants

30 percent of tenants are families

70 percent of tenants are seniors or single individuals

Average length of tenancy: 7 years

80 percent of tenants receive rent subsidy

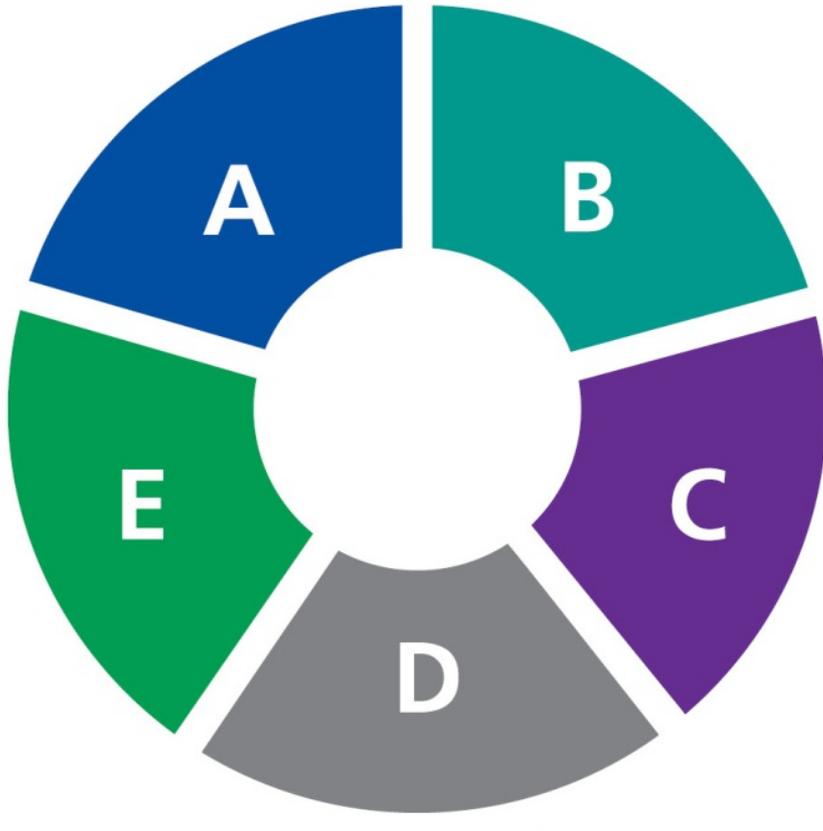
20 percent of tenants pay market rent

Monthly Rental Rates

Tenant Portion
2012 to 2014

	2012	2013	2014
SENIOR Average subsidized rent	\$491	\$492	\$499
FAMILY Average subsidized rent	\$345	\$391	\$443
SINGLE PERSON Average subsidized rent	\$334	\$436	\$390
ONE BEDROOM Average market rent	\$908	\$965	\$968
TWO BEDROOM Average market rent	\$1,108	\$1,151	\$1,133

Strategic Directions Drive Housing York's Activities



A) Sustain Healthy Communities

- Enhanced tenant engagement
- Proactive community partnerships
- Enhanced tenant economic opportunities

B) Manage Properties Effectively

- Appropriate income mix
- Strategic portfolio management
- Regeneration and expansion

C) Manage Finances Proactively

- Long-term financial health
- Revenue maximization and fiscal management

D) Provide User Friendly Services

- Effective tenant communications
- Accessible quality service
- Culturally appropriate services

E) Strengthen Governance and Organizational Capacity

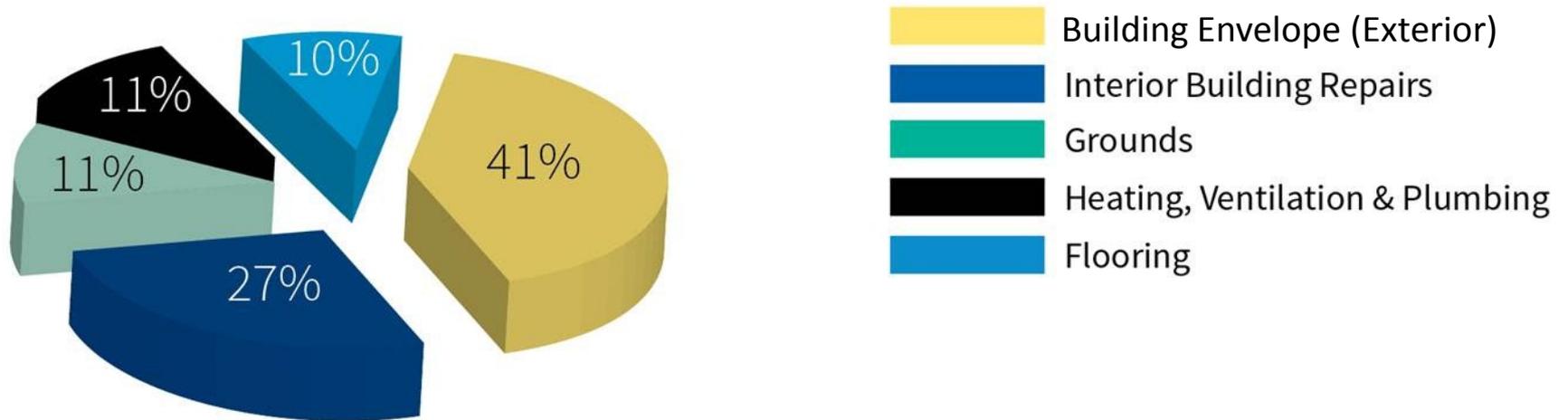
- Enhanced reporting
- Renewed governance framework
- Appropriate staffing

A Year Of Expansion & Continuous Improvement

Sustain Healthy Communities	Manage Properties Effectively	Provide User-Friendly Services	Strengthen Governance & Organizational Capacity	Manage Finances Proactively
<ul style="list-style-type: none"> • Introduced smoke-free and tenant insurance policies • Collaborated with tenants on community engagement • Renewed emergency preparedness plans 	<ul style="list-style-type: none"> • Completed \$3.2 million in major renovations and improvements across the housing portfolio • Opened Lakeside Residences in the Town of Georgina 	<ul style="list-style-type: none"> • Introduced new tenant communication and feedback channels • Broadened partnerships to deliver services • Enhanced customer service using Access York Contact Centre 	<ul style="list-style-type: none"> • New governance framework in place • Increased staffing services to meet growing needs 	<ul style="list-style-type: none"> • Added \$1.9 million to capital reserves to cover major repairs and improvements • Created new monitoring tools that streamline the move-in process and shorten vacancy times

2014 Capital Expenditures

\$3.2 Million Capital Expenditures for 2014



Note: \$3.2 Million Capital Expenditures Forecast for 2014



2014 Financial Highlights

Key Financial Highlights

Housing York maintains a positive financial position and has a healthy balance sheet with significant increases in assets and equity:

- Total **net assets** are 9% or \$13,490,495 higher than 2013, mainly due to the addition of Lakeside Residences
- Total **liabilities** are lower by 7.2% or \$6,523,879, mainly because of debt payments reducing mortgage liability balances and lower intercompany transactions due to the repayment of subsidy amounts back to the Region
- **Equity** balance increased by 37.4% or \$19,405,805 due to the debt-free transfer of Lakeside Residences from the Region to Housing York
- Housing York experienced another successful year in 2014 by generating an **operating surplus** of \$457,214

The Auditors have provided an unqualified opinion on
Housing York's 2014 Financial Statements

Balance Sheet

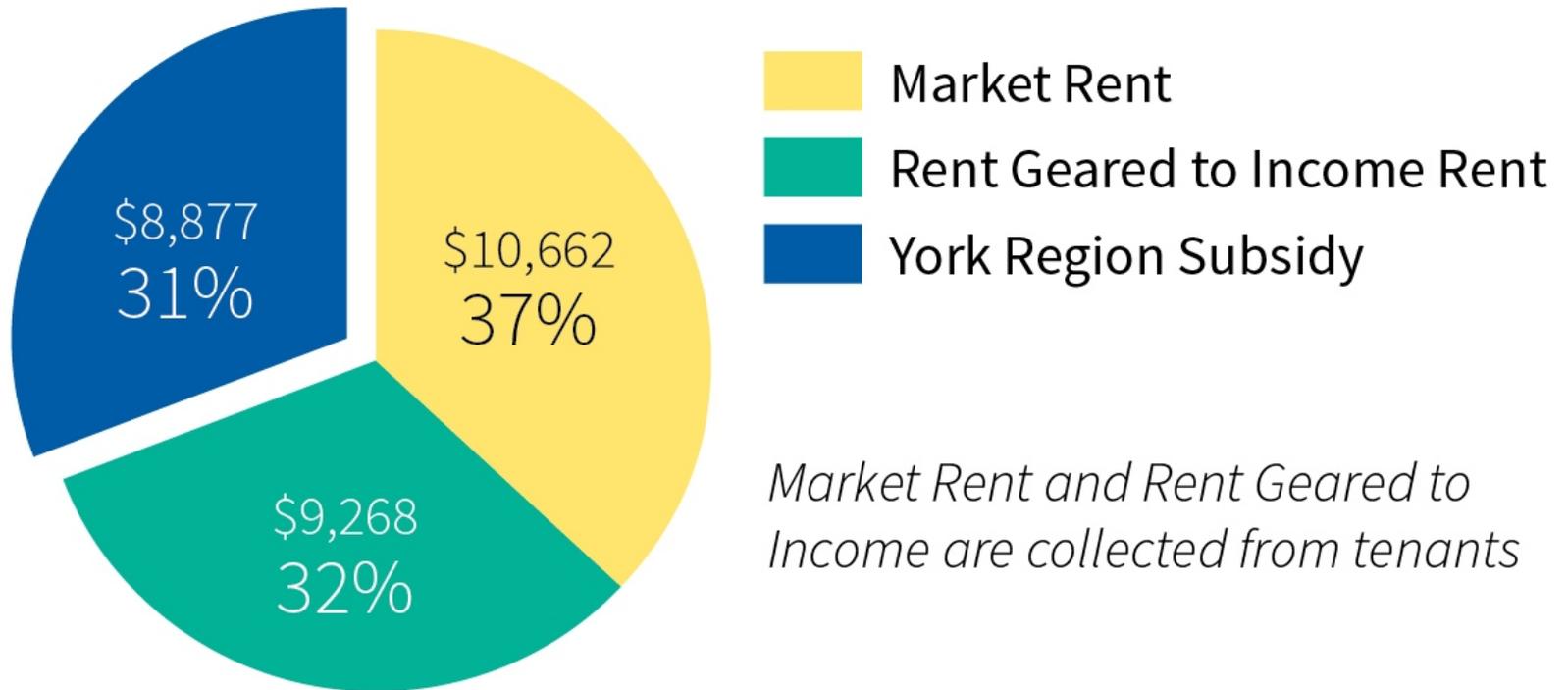
Assets	2014	2013
Current Assets	6,592,806	7,974,488
Restricted Cash and Investments	7,206,178	7,238,678
Property Holdings	150,232,624	135,327,947
	164,031,608	\$150,541,113
Liabilities and Equity		
Current Liabilities	33,959,246	11,391,242
Mortgages and Loans Payable	50,355,495	79,447,378
Equity:		
Reserve Fund for Capital Equipment Replacement	4,952,608	4,772,990
Other Reserves	71,711,423	52,333,881
Retained Earnings	3,052,836	2,595,622
	79,716,867	59,702,493
	164,031,608	\$150,541,113

Despite concerns around the condition of social housing in Ontario, Housing York received a positive rating of “B” on its *State of Infrastructure Report*. This indicates assets are in overall good state.

Statement of Revenue, Expenses and Retained Earnings

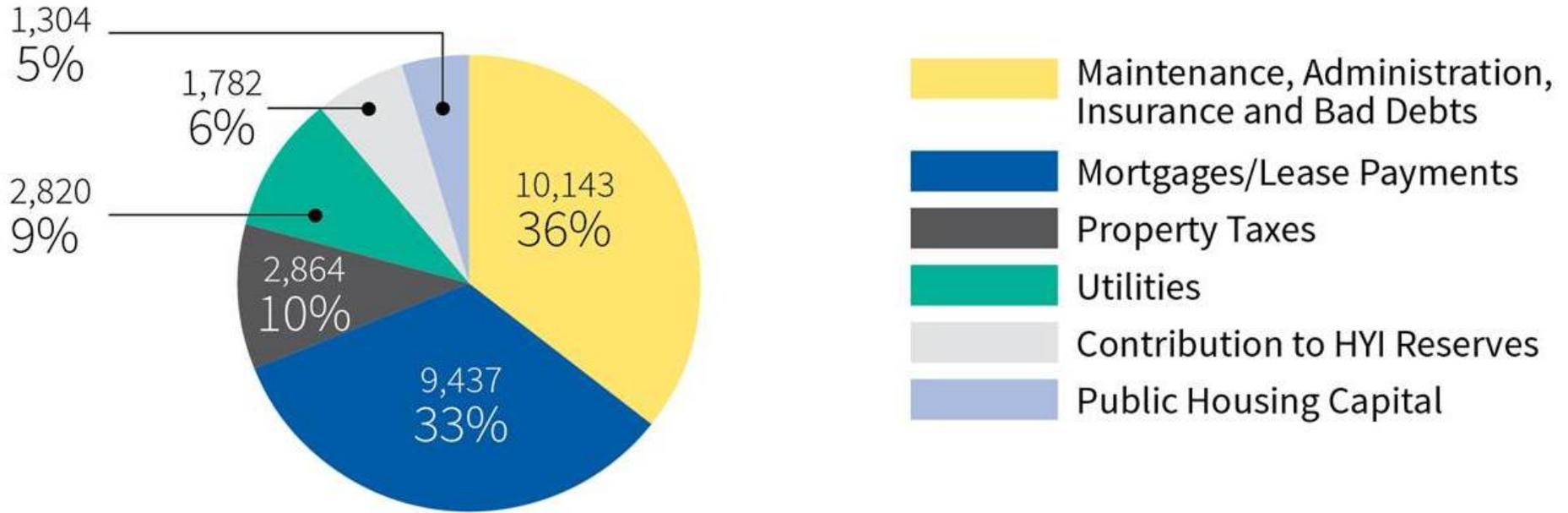
	2014 Actual	2013 Actual
Revenue:		
Rents and Other Operating Income	\$20,143,587	\$18,988,402
Operating Subsidies	8,663,987	7,953,431
	\$28,807,574	\$26,941,833
Expenditures		
Mortgage / Lease Payments	\$9,437,377	\$9,211,125
Administration and Maintenance	9,466,070	8,404,916
Property Taxes	2,864,464	2,681,639
Utilities	2,820,420	2,542,310
Capital	1,304,261	1,125,957
Insurance Expense	443,408	397,163
Shelter Costs	105,120	176,999
Bad Debts	52,950	58,098
	\$26,494,070	\$24,598,207
Excess of revenue over expenditures before the undernoted	\$2,313,504	\$2,343,626
Contribution to Capital Reserve	1,782,441	1,640,022
Contribution to Operations Reserve	23,700	
Excess of Revenue over Expenditures	\$507,363	\$703,604
Non Program Transactions		
Building Depreciation Expense		
Retained Earnings beginning of year	2,595,622	1,032,469
Internal allocations	(50,149)	859,549
Retained Earnings, end of year	\$3,052,836	\$2,595,622

2014 Revenue Mix \$000s



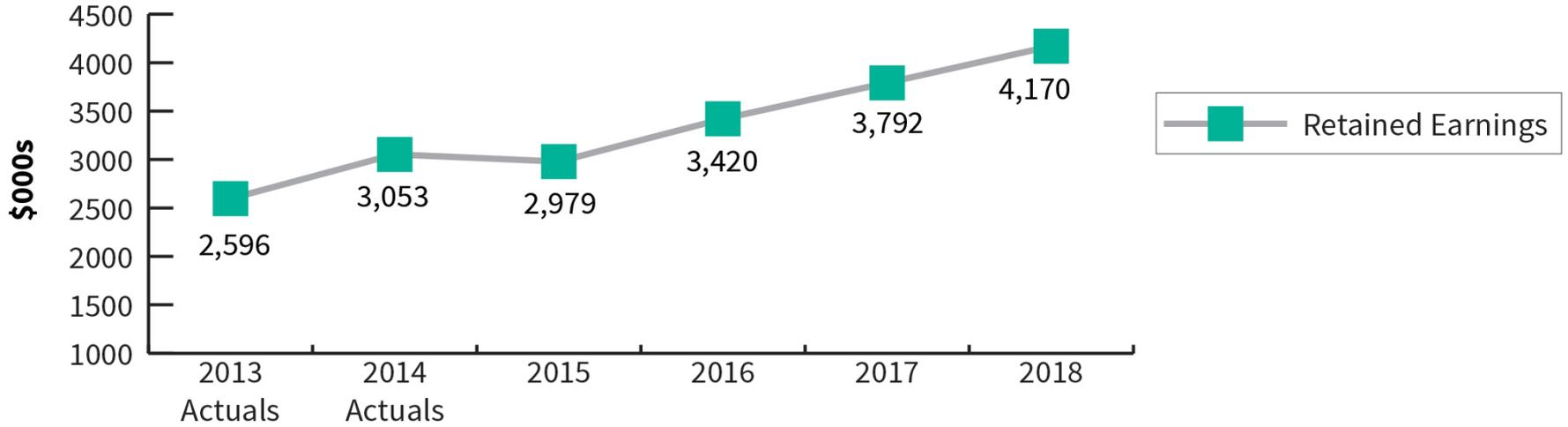
Total Operating Revenue \$28,807

2014 Operating Expenses \$000s



Total Operating Expenses \$28,350

2013 to 2018 Retained Earnings



Closing

It is recommended that the Board of Directors approve:

- 2014 Financial Statements and Explanatory Notes
- 2014 Annual Information Return
- 2014 Annual Report

Thank you

