

AGENDA

Durham Regional Local Housing Corporation (DRLHC)
Board of Directors Meeting
Wednesday, June 3, 2020
9:00 a.m.

Meeting Room 1G/Microsoft Teams
Regional Headquarters
605 Rossland Road East, Whitby

Please note: In an effort to help mitigate the spread of COVID-19, and to generally comply with the direction from the Government of Ontario whereby all organized public events of more than five people are prohibited, the Regional Chair has requested in the strongest terms that Members participate in the meeting electronically. DRLHC By-law No. 1, section 4.01 states that any director may attend through telephone or electronic means as long as ALL the directors attending or participating in the meeting consent.

1. Approval of Electronic Meeting
 2. Adoption of the Agenda
 3. Declarations of Conflict of Interest
 4. Review of Minutes January 29, 2020
 5. Appointment of DRLHC Deputy Chief Executive Officer
 6. DRLHC Audited Financial Statements – December 31, 2019
 7. Other Business
-

Board Members 2018-22

Regional Chair John Henry
Councillor David Pickles
Councillor Elizabeth Roy
Councillor Wilma Wotten

Councillor Kevin Ashe
Councillor Debbie Bath-Hadden
Councillor Bob Chapman

DURHAM REGIONAL LOCAL HOUSING CORPORATION (DRLHC)

MINUTES OF MEETING

January 29, 2020

Present: Councillor B. Chapman (Board Chair)
Regional Chair J. Henry
Councillor K.G. Ashe
Councillor D. Pickles
Councillor D. Bath-Hadden
Councillor W. Wotten

Guests: None

Staff Present:

Ms. E. Baxter-Trahair, Chief Executive Officer
Ms. S. Danos-Papaconstantinou, Commissioner
Mr. L. Coe, Supervisor, Facilities Maintenance
Ms. E. MacDonald, General Manager
Mr. A. Robins, Secretary
Ms. N. Taylor, Treasurer
Mr. J. Tighe, Legal
Ms. C. McCreight, Administrative Assistant

1. ADOPTION OF THE AGENDA

Moved by Councillor Bath-Hadden, "THAT the Agenda be adopted." Seconded by Councillor Wotten.

CARRIED

2. CONFLICTS OF INTEREST

There were no declarations of conflict of interest.

3. REVIEW OF MAY 29, 2019 MINUTES

Moved by Councillor Pickles, "THAT the May 29, 2019 minutes be approved." Seconded by Councillor Ashe.

CARRIED

4. APPROVAL OF 2020 DRLHC BUDGET

The Treasurer and Secretary responded to questions from Councillors Ash and Bath-Hadden related to Federal/Provincial capital grants and the impact of legislative changes on the Corporation's Proposed Business Plan and Budget for 2020.

Moved by Councillor Pickles "THAT the Durham Regional Local Housing Corporation Board of Directors approve the 2020 DRLHC Budget and refer it to the Finance and Administration Committee for consideration during the 2020 General Tax Business Plans and Budget deliberations." Seconded by Councillor Wotten.

CARRIED

5. OTHER BUSINESS

None

6. ADJOURNMENT

Moved by Councillor Henry, "THAT the meeting be adjourned."

Seconded by Councillor Bath-Hadden.

CARRIED



Alan Robins
Director of Housing Services

Secretary, DRLHC
January 29, 2020



The Regional Municipality of Durham Report

To: The Board of Directors
From: Nancy Taylor, Treasurer, DRLHC
Report: DRLHC Audited Financial Statements – December 31, 2019
Date: June 3, 2020

Subject:

Durham Regional Local Housing Corporation Audited Financial Statements for the year ended December 31, 2019

Recommendation:

That the Durham Regional Local Housing Corporation Board of Directors approve the attached Audited Financial Statements as at December 31, 2019 for submission to the Shareholder.

Report:

1. Purpose

1.1 This report is presented for the purpose of obtaining the Board's approval of the audited Financial Statements of the Durham Regional Local Housing Corporation (DRLHC) for 2019 for submission to the Shareholder.

2. 2019 Financial Statements

2.1 The attached 2019 financial statements for the DRLHC have been prepared in accordance with generally accepted accounting principles for public sector organizations and are consistent with the reporting standards used for the Region's consolidated accounts. Under public sector accounting standards, the value of DRLHC's historical investment in the housing stock is recognized as tangible capital assets in these statements. The accumulated surplus of the corporation is essentially the DRLHC's previous investment in tangible capital assets, plus funding committed for future investments in on-going capital projects.


2.2 The DRLHC's property management operations, including its investment in tangible capital assets, are delivered under two major programs:

- A) Social Housing – 1,275 units
- B) Affordable Housing – 17 units

- 2.3 The status of the annual investment in tangible capital assets is provided on Schedule 1 to the financial statements. The results of in-year property management operations by segment are detailed in Schedule 2.
- 2.4 The financial records of the DRLHC are maintained by staff of the Region's Finance Department, who ensure the systems for accounting, business planning and budgeting and internal controls are in place. These systems provide assurance that the transactions reflected in these financial statements are appropriately authorized and recorded accurately, that assets are secured and accounted for, and that the integrity and completeness of financial records are maintained.
- 2.5 The financial statements have been audited by Deloitte LLP. Upon approval of these statements by the Board of Directors, Deloitte will provide their final audit report, included as a draft in the attached financial statements, indicating that the financial statements present fairly the financial position of the DRLHC and the results of its operations in accordance with Canadian public sector accounting standards.
- 2.6 Accordingly, I respectfully request that the audited financial statements be approved by the Board of Directors for submission to the Shareholder.

3. Attachment

Attachment #1: Financial Statements of Durham Regional Local Housing Corporation



Nancy Taylor, BBA, CPA, CA
Treasurer, DRLHC

Financial statements of

**Durham Regional Local Housing
Corporation**

December 31, 2019

Independent Auditor's Report

To the Board of Directors of
Durham Regional Local Housing Corporation

Opinion

We have audited the financial statements of the Durham Regional Local Housing Corporation (the "Corporation"), which comprise the statement of financial position as at December 31, 2019, and the statements of operations and changes in net financial assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2019, and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards ("PSAS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants
Licensed Public Accountants
June 3, 2020

Durham Regional Local Housing Corporation

Statement of Financial Position

Year ended December 31, 2019

	2019	2018
	\$	\$
FINANCIAL ASSETS		
Cash	3,753,805	3,046,670
Accounts receivable	1,588,675	1,049,154
Region of Durham subsidy receivable	1,521,612	1,661,532
	6,864,092	5,757,356
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities	2,153,439	2,112,906
Deferred grant	-	152,509
Rent received in advance	74,450	73,147
	2,227,889	2,338,562
NET FINANCIAL ASSETS	4,636,203	3,418,794
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 3)	10,870,086	10,339,357
ACCUMULATED SURPLUS (Note 4)	15,506,289	13,758,151

The accompanying notes and schedules are an integral part of these financial statements.

Durham Regional Local Housing Corporation

Statement of Operations and Accumulated Surplus

Year ended December 31, 2019

	2019		2018
	Budget	Actual	Actual
	\$	\$	\$
REVENUES			
Rent	7,215,815	7,361,626	7,156,571
Region of Durham subsidy	6,878,884	9,128,146	8,099,951
Other	170,000	211,604	510,937
Federal grant (Note 5)	-	81,202	362,506
Provincial grant (Note 5)	-	294,087	374,454
	14,264,699	17,076,665	16,504,419
EXPENSES			
Purchased services	3,325,643	3,410,145	3,235,157
Property taxes	2,542,040	2,537,749	2,446,806
Utilities	2,271,436	2,137,938	2,090,408
Property maintenance, materials and supplies	1,700,785	5,350,944	4,677,834
Renovations and replacements	1,346,250	759,887	613,298
Amortization	713,000	751,437	738,425
Insurance	224,000	224,000	216,000
Administration	132,014	115,638	116,105
Rental write-offs	40,000	40,789	23,877
	12,295,168	15,328,527	14,157,910
ANNUAL SURPLUS	1,969,531	1,748,138	2,346,509
ACCUMULATED SURPLUS, BEGINNING OF YEAR	13,758,151	13,758,151	11,411,642
ACCUMULATED SURPLUS, END OF YEAR	15,727,682	15,506,289	13,758,151

The accompanying notes and schedules are an integral part of these financial statements.

Durham Regional Local Housing Corporation

Statement of Change in Net Financial Assets

Year ended December 31, 2019

	2019	2018
	\$	\$
OPERATING		
Annual surplus	1,748,138	2,346,509
Acquisition of tangible capital assets	(1,282,166)	(954,634)
Amortization of tangible capital assets	751,437	738,425
Gain on disposal of tangible capital assets	-	(298,057)
Proceeds on disposal of tangible capital assets	-	303,975
Increase in Net Financial Assets	1,217,409	2,136,218
NET FINANCIAL ASSETS, BEGINNING OF YEAR	3,418,794	1,282,576
NET FINANCIAL ASSETS, END OF YEAR	4,636,203	3,418,794

The accompanying notes and schedules are an integral part of these financial statements.

Durham Regional Local Housing Corporation

Statement of Cash Flows

Year ended December 31, 2019

	2019	2018
	\$	\$
OPERATING ACTIVITIES		
Annual surplus	1,748,138	2,346,509
Non-cash charges to operations		
Amortization of tangible capital assets	751,437	738,425
Gain on disposal of tangible capital assets	-	(298,057)
Change in non-cash assets and liabilities		
Accounts receivable	(539,521)	(369,431)
Region of Durham subsidy receivable	139,920	(906,605)
Accounts payable and accrued liabilities	40,533	659,003
Deferred grant	(152,509)	(1,171,305)
Rent received in advance	1,303	(11,007)
Net increase in cash from operating activities	1,989,301	987,532
CAPITAL ACTIVITY		
Acquisition of tangible capital assets	(1,282,166)	(954,634)
Proceeds on disposal of tangible capital assets	-	303,975
Net decrease in cash from capital activities	(1,282,166)	(650,659)
NET INCREASE IN CASH	707,135	336,873
CASH, BEGINNING OF YEAR	3,046,670	2,709,797
CASH, END OF YEAR	3,753,805	3,046,670

The accompanying notes and schedules are an integral part of these financial statements.

Durham Regional Local Housing Corporation

Notes to the Financial Statements

December 31, 2019

1. Incorporation

As part of the provincial local services realignment program, the Regional Municipality of Durham (the “Region”) acts as service manager for social housing located in the municipality. To facilitate the transfer of social housing units of the Ontario Housing Corporation (“OHC”) located in the Region, on January 1, 2001, the Durham Regional Local Housing Corporation (“LHC”) was established under the provisions of the Ontario Business Corporations Act, with the Region as its sole shareholder. Nominal consideration was given for the 100 common shares issued upon incorporation.

Under the provisions of a transfer order prepared under authority of the Social Housing Reform Act, 2000, the LHC was the recipient on January 1, 2001 of assets, liabilities, rights and obligations previously owned by the OHC. Effective on the date of the transfer, the Region, as service manager, and the LHC are responsible for the management and operation of the housing projects transferred and are bound by the requirements set out in the legislation.

Income-producing properties acquired as a result of the transfer were originally financed by the Province of Ontario (the “Province”) through general obligation provincial debentures. At the time of the transfer of ownership of the assets from the OHC to the LHC, the Province did not transfer the responsibility for the repayment of the debentures. Accordingly, the value of the related provincial debentures was not recorded in the LHC’s financial statements.

2. Significant Accounting Policies

The financial statements of the LHC are representations of management prepared in accordance with generally accepted accounting principles as recommended by the Public Sector Accounting Board (“PSAB”) of the Chartered Professional Accountants of Canada.

The focus of PSAB financial statements is on the financial position of the LHC and changes thereto. The Statement of Financial Position reports financial assets and liabilities, and the non-financial assets of the LHC. Financial assets are available to provide resources to discharge existing liabilities or finance future operations. Accumulated surplus represents the financial position of the LHC and is the difference between assets and liabilities.

(a) *Basis of accounting*

i. *Accrual basis of accounting*

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which transactions or events occurred that gave rise to the revenues; expenses are recognized in the period the goods and services are acquired and a liability is incurred or transfers are due.

ii. *Non-financial assets*

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations.

Durham Regional Local Housing Corporation

Notes to the Financial Statements

December 31, 2019

2. Significant Accounting Policies (continued)

(a) Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of tangible capital assets, excluding land, is amortized on a straight line basis over their estimated useful lives as follows:

	Useful life - years
Land improvements	20
Buildings and building improvements	15 - 55
Vehicles	5
Machinery and equipment	10

Annual amortization is charged in the year of acquisition and in the year of disposal. Tangible capital assets under construction are not amortized until the tangible capital assets are in service.

iii. Government transfers

Government transfers are recognized in the period during which the transfers are authorized and any eligibility criteria are met. Government transfers are deferred if they are restricted through stipulations that require specific actions to be carried out in order to recognize the transfer. For such transfers, revenue is recognized when the stipulation has been met.

iv. Use of estimates

In preparing the financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Accounts requiring significant estimates and assumptions include accounts receivable, tangible capital assets, accounts payable and accrued liabilities.

v. Segment disclosure

Revenues and expenses of the segments identified below include amounts that are directly attributable to the segment and amounts that can be allocated on a reasonable basis. The accounting policies used in these segments are consistent with the accounting policies noted above.

(a) Social housing

Represents the property management and operating costs pertaining to the 1,275 social housing units transferred to the LHC from the OHC.

Durham Regional Local Housing Corporation

Notes to the Financial Statements

December 31, 2019

2. Significant Accounting Policies (continued)

(b) Affordable housing

The LHC received funding under the “Canada-Ontario Affordable Housing Program (“AHP”): Rental and Supportive Component” for the development and construction of 12 one bedroom units at the Lakeview Harbourside site in the City of Oshawa, and 5 one bedroom units at the Perry Street site in the Township of Uxbridge. Property management and operating costs charged to this segment are recovered from tenant rents and rent supplements.

3. Tangible Capital Assets

The net book value of tangible capital assets is comprised of the following:

	2019	2018
	\$	\$
Land	46	46
Land improvements	559,157	525,929
Building and building improvements	9,080,331	8,430,084
Vehicles	48,015	72,693
Machinery and equipment	161,809	171,650
	9,849,358	9,200,402
Work in progress	1,020,728	1,138,955
	<u>10,870,086</u>	<u>10,339,357</u>

The Schedule of Tangible Capital Assets (Schedule 1) discloses the changes in cost and accumulated amortization by category.

(a) *Work in progress*

Work in progress, having a carrying value of \$1,020,728 (2018 - \$1,138,955), has not been amortized. Amortization of these assets will commence when the assets are put in service.

(b) *Tangible capital assets recognized at nominal value*

Land has been assigned a nominal value due to the difficulty in determining a tenable valuation on these assets.

(c) *Works of art or historical treasures*

No works of art or historical treasures are held by the LHC.

(d) *Other*

During the year there were no write-downs of assets (2018 - \$Nil), no interest was capitalized (2018 - \$Nil), and there are no capital lease obligations (2018 - \$Nil).

Durham Regional Local Housing Corporation

Notes to the Financial Statements

December 31, 2019

4. Accumulated Surplus

The accumulated surplus consists of the following:

	2019	2018
	\$	\$
Tangible capital assets	10,870,086	10,339,357
Affordable housing capital reserve	366,431	359,232
Unexpended capital financing for approved capital expenditures	4,269,772	3,059,562
Accumulated surplus	15,506,289	13,758,151

5. Government Transfers

The LHC received approval for one time federal and provincial grant funding for the repair of the social housing units through the 2016 Social Infrastructure Fund, Social Housing Improvement Program (“SHIP”), under the Agreement for Investment in Affordable Housing (“IAH”). The housing units funded must remain affordable for a ten-year period after the program end date of March 31, 2019. Grant revenue is recognized as project expenditures are incurred and the remaining balance was recognized in 2019. Grant funding deferred is \$Nil (2018 - \$152,509).

The LHC received approval for one time provincial grant funding for the repair and retrofit to social housing units to improve living conditions and fight climate change through Ontario’s Climate Action Change Plan, Social Housing Apartment Improvement Program (“SHAIP”). The grant funding can only be spent on approved projects and the housing units funded must remain affordable for a ten-year period after the completion of the repair/retrofit activity. Grant funding is recognized as expenditures are incurred.

The following summarizes the eligible costs incurred for approved projects and the grant funding recognized:

	2019	2018
	\$	\$
Program costs		
SHIP		
Balcony repair at 315 Colborne St., Whitby	88,870	336,330
Balcony repair at 155 King St., Oshawa	73,533	388,682
SHAIP		
Building envelope replacements at 155 King St., Oshawa	154,897	11,948
Windows and door replacements at 655 Harwood Ave., Ajax	57,989	-
Total	375,289	736,960
Program funding		
Federal grant	81,202	362,506
Provincial grant	294,087	374,454
Total	375,289	736,960

Durham Regional Local Housing Corporation

Schedule of Tangible Capital Assets

Year ended December 31, 2019

Schedule 1

	Land	Land improvements	Buildings and building improvements	Vehicles	Machinery and equipment	Work in progress	2019 Total
	\$	\$	\$	\$	\$	\$	\$
COST							
Balance, beginning of year	46	1,217,386	31,266,343	342,378	342,638	1,138,955	34,307,746
Additions	-	70,756	1,329,637	-	-	1,282,166	2,682,559
Work in process completed	-	-	-	-	-	(1,400,393)	(1,400,393)
BALANCE, END OF YEAR	46	1,288,142	32,595,980	342,378	342,638	1,020,728	35,589,912
ACCUMULATED AMORTIZATION							
Balance, beginning of year	-	691,457	22,836,259	269,685	170,988	-	23,968,389
Amortization	-	37,528	679,390	24,678	9,841	-	751,437
BALANCE, END OF YEAR	-	728,985	23,515,649	294,363	180,829	-	24,719,826
NET BOOK VALUE, END OF YEAR	46	559,157	9,080,331	48,015	161,809	1,020,728	10,870,086

Durham Regional Local Housing Corporation

Schedule of Tangible Capital Assets

Year ended December 31, 2018

Schedule 1 - Continued

	Land	Land improvements	Buildings and building improvements	Vehicles	Machinery and equipment	Work in progress	2018 Total
	\$	\$	\$	\$	\$	\$	\$
COST							
Balance, beginning of year	46	1,218,269	31,298,793	324,074	342,638	233,217	33,417,037
Additions	-	-	750	48,146	-	954,634	1,003,530
Work in process completed	-	-	-	-	-	(48,896)	(48,896)
Disposals	-	(883)	(33,200)	(29,842)	-	-	(63,925)
BALANCE, END OF YEAR	46	1,217,386	31,266,343	342,378	342,638	1,138,955	34,307,746
ACCUMULATED AMORTIZATION							
Balance, beginning of year	-	654,812	22,193,954	278,058	161,147	-	23,287,971
Amortization	-	37,528	669,587	21,469	9,841	-	738,425
Disposals	-	(883)	(27,282)	(29,842)	-	-	(58,007)
BALANCE, END OF YEAR	-	691,457	22,836,259	269,685	170,988	-	23,968,389
NET BOOK VALUE, END OF YEAR	46	525,929	8,430,084	72,693	171,650	1,138,955	10,339,357

Durham Regional Local Housing Corporation

Schedule of Segment Disclosure
Year ended December 31, 2019

Schedule 2

	Social Housing	Affordable Housing	2019 Total
	\$	\$	\$
REVENUES			
Rent	7,182,966	178,660	7,361,626
Region of Durham subsidy	9,128,146	-	9,128,146
Other	210,293	1,311	211,604
Federal grant funding	81,202	-	81,202
Provincial grant funding	294,087	-	294,087
	16,896,694	179,971	17,076,665
EXPENSES			
Purchased services	3,364,379	45,766	3,410,145
Property taxes	2,518,827	18,922	2,537,749
Utilities	2,107,881	30,057	2,137,938
Property maintenance, materials and supplies	5,259,577	91,367	5,350,944
Renovations and replacements	759,887	-	759,887
Amortization	631,735	119,702	751,437
Insurance	221,159	2,841	224,000
Administration	114,627	1,011	115,638
Rental write-offs	40,789	-	40,789
	15,018,861	309,666	15,328,527
ANNUAL SURPLUS/(DEFICIT)	1,877,833	(129,695)	1,748,138
ACCUMULATED SURPLUS, BEGINNING OF YEAR	10,791,863	2,966,288	13,758,151
ACCUMULATED SURPLUS, END OF YEAR	12,669,696	2,836,593	15,506,289

Durham Regional Local Housing Corporation

Schedule of Segment Disclosure

Year ended December 31, 2018

Schedule 2 - Continued

	Social Housing	Affordable Housing	2018 Total
	\$	\$	\$
REVENUES			
Rent	6,968,700	187,871	7,156,571
Region of Durham subsidy	8,099,951	-	8,099,951
Other	509,726	1,211	510,937
Federal grant funding	362,506	-	362,506
Provincial grant funding	374,454	-	374,454
	16,315,337	189,082	16,504,419
EXPENSES			
Purchased services	3,192,315	42,842	3,235,157
Property taxes	2,428,826	17,980	2,446,806
Utilities	2,061,521	28,887	2,090,408
Property maintenance, materials and supplies	4,585,216	92,618	4,677,834
Renovations and replacements	612,498	800	613,298
Amortization	618,723	119,702	738,425
Insurance	213,255	2,745	216,000
Administration	114,781	1,324	116,105
Rental write-offs	23,877	-	23,877
	13,851,012	306,898	14,157,910
ANNUAL SURPLUS/(DEFICIT)			
	2,464,325	(117,816)	2,346,509
ACCUMULATED SURPLUS, BEGINNING OF YEAR	8,327,538	3,084,104	11,411,642
ACCUMULATED SURPLUS, END OF YEAR	10,791,863	2,966,288	13,758,151