

The Regional Municipality of York

Housing York Inc.
June 9, 2016

Report of the
General Manager
and
Chief Financial Officer

2015 Financial Statements

1. Recommendations

It is recommended that:

1. The Board approve the draft 2015 Financial Statements and explanatory notes for Housing York Inc. and submit them to York Region, in its role as Service Manager and Shareholder of the Corporation.
2. The Board approve the 2015 Annual Information Return for the Housing York Inc. Provincial Reform Program and submit them to York Region, in its role as Service Manager and Shareholder of the Corporation.
3. The Board approve the 2015 Annual Report for Housing York Inc.

2. Purpose

This report presents the annual draft Financial Statements for Housing York Inc. (Housing York) (Attachment 1), along with the Annual Information Return (Attachment 2), a housing program report mandated under the *Housing Services Act, 2011*, and the 2015 Annual Report (Attachment 3), for the Board of Directors' approval.

3. Background

Housing York's annual audit and financial statements comply with Regional and legislative requirements

Housing York prepares audited financial statements that are consolidated in the Regional financial statements. The Housing York audit is performed concurrently

with the Region’s audit ensuring that related-party transactions, such as subsidy transfers and payroll costs, are fully examined at the corporate and shareholder level.

Annually, the Board approves Housing York financial statements, which are consolidated across all housing portfolios facilitating accurate year-over-year financial comparisons.

In addition to consolidated financial statements, the auditors review an Annual Information Return which is prepared for the Provincial Reform portfolio properties as required under the *Housing Services Act, 2011*. The Annual Information Return is a summary of the Provincial Reform portfolio financial, operating, and statistical information for the fiscal year. The Service Manager uses this information to verify subsidy entitlement, assess compliance with the *Housing Services Act, 2011*, and for forecasting and budgeting purposes.

The audited financial statements and audited Annual Information Return are presented to the Board in draft. Board approval is required prior to submission to the Region in its role as Service Manager and funder.

The external auditors will be present at the Board meeting to answer questions for Board members. There will be an opportunity, as Board governance best practice, to ask questions of the auditors without staff being present.

Housing York’s Annual Report that highlights accomplishments for the year and future strategic direction is also presented to the Board in draft, independently of the Regional Annual Report, and requires Board approval.

Housing York’s portfolio operates under three distinct funding formulas

Each portfolio has different funding rules and eligibility for subsidy depending on which legislation governs the portfolio. Table 1 summarizes Housing York’s eligibility for subsidy funding.

Table 1
Summary of Housing York’s 2015 Portfolios and Subsidy Eligibility

Portfolio	No. of Buildings	Construction	No. of Units	Unit Mix	Subsidy Eligibility
Public Housing	17	1967 – 1979	872	Subsidy 100%	Operating, which includes Capital
Provincial Reform	12	1986 – 1994	1,038	Subsidy 71% Market 29%	Mortgage, Taxes, RGI Subsidy and Mandatory Contribution to

Portfolio	No. of Buildings	Construction	No. of Units	Unit Mix	Subsidy Eligibility
					Capital Reserve
Regional Housing	7	2004 – 2014	531	Subsidy 62% Market 38%	Construction capital contribution No operating subsidy Rent assistance
Total	36		2,441	Subsidy 80% Market 20%	

4. Analysis and Options

Housing York's financial statements follow the typical format used by non-profit organizations

The financial statements are comprised of a:

- Balance Sheet
- Statement of Revenue, Expenditures and Retained Earnings
- Statement of Cash Flows
- Supplementary notes and tables

The financial results are consolidated at the corporate level of Housing York as is customary for financial statement presentation.

Housing York generated a healthy operating surplus of \$534,601 in 2015

Table 2
Housing York's 2015 Operating Surplus

	2015 Budget (\$)	2015 Actual (\$)
Total Rental and Other Income	20,108,794	20,656,902
Government Subsidies	10,373,323	8,913,430
Total Revenues	30,482,117	29,570,332
Total Operating Expenses*	30,151,642	29,035,731
Excess Revenue over Expenditures	\$ 330,475	\$ 534,601

* Includes contributions to the capital reserve of \$1,991,252

The Statement of Revenue, Expenditures and Retained Earnings shows a surplus of \$534,601 following the mandatory contributions to capital reserve.

Although both total revenue and total operating expenses were lower than anticipated, the surplus is \$204,126 higher than budgeted because of the significant net savings experienced both in the operating and public housing capital areas of the budget.

Housing York receives a subsidy from the Region to cover the gap between rental revenue and operating costs for certain properties. In 2015, revenue was higher than expected and operating expenses were lower than expected, resulting in a lower regional subsidy. In addition, a subsidy is provided for the provincial reform portfolio to supplement the difference between rent-geared-to-income rents and market rents. In 2015, the subsidy needs related to rent-geared-to income rents were less than anticipated.

Rental revenue slightly above budget

In 2015, rental revenue was \$548,108 higher than budget mainly due to full year of operations for Lakeside Residences. The property was added to Housing York's portfolio in mid-2014 and had a significant positive impact on 2015 rental revenue along with some increases from miscellaneous revenue.

Table 3 provides a revenue summary for 2015.

Table 3
Summary of 2015 Revenues

Revenue Summary	2015 Budget (\$)	2015 Actual (\$)	\$ Var. F/(U)	% Var. F/(U)
Rental & Other Income	20,108,794	20,656,902	548,108	2.7%
Government Subsidies	10,373,323	8,913,430	(1,459,893)	(14.1)%
Total Revenues	\$30,482,117	\$29,570,332	\$(911,785)	(3.0)%

Operating expenditures lower than budget due to savings from mortgages renewal and utility costs

Overall, 2015 operating expenses were \$1,043,796 or 3.7% lower than budget as shown in Table 4.

Table 4
Summary of 2015 Expenses

Expenditure Summary	2015 Budget (\$)	2015 Actual (\$)	\$ Var. F/(U)	% Var. F/(U)
Mortgage/Lease Payments	9,453,596	9,140,458	313,138	3.3%
Administration and Maintenance	10,206,214	9,969,447	236,767	2.3%
Utilities	3,523,465	3,112,389	411,076	11.7%
Property Taxes	2,749,659	3,004,072	(254,413)	(9.3)%
Public Housing Capital	1,403,506	1,126,851	276,655	19.7%
Insurance	497,250	466,149	31,101	6.3%
Shelter Costs	108,137	128,640	(20,503)	(19.0)%
Bad Debts	97,748	47,773	49,975	51.1%
Total Expenditures	\$28,039,575	\$26,995,779	\$1,043,796	3.7%

There are several drivers that have created the largest variance in the operating expense section of the budget.

Housing York renewed four mortgages and paid out one mortgage in 2015. The mortgages were renewed at advantageous interest rates that led to major interest cost savings.

The positive variance experienced in utility costs is due mainly to the mild weather conditions experienced in the second part of the year. The cooler summer months led to savings in energy costs while the mild winter months led to savings in heating costs.

Housing York received additional charges via property taxes from King City for the sewer system construction connection of the old wing of Kingview Court to the city sewer system as well as an adjustment for the new wing of Kingview Court. These charges amounted to \$278,000 which was not included in the budget.

Public Housing capital costs were under budget by almost 20% as a result of several jobs being rescheduled. Unused Public Housing capital funds are returned to the Region as part of the subsidy reconciliation.

Unexpected costs related to the septic tank maintenance at Porter/Leeder site resulted in shelter costs being higher than budget.

The bad debt qualifying for write-off that was approved by the President and by the Board was lower than the amount estimated in the budget.

Prudent financial management requires contributions to reserves and Retained Earnings

In 2015, the contribution to capital reserve is \$1,991,252 bringing the balance at the end of the year to \$4,762,354.

The 2015 surplus of \$534,601 surplus was allocated to Retained Earnings. In the 2015 Budget, \$404,000 was approved by the Board to be transferred from Retained Earnings to an Emergency Power Project reserve resulting in a Retained Earnings balance of \$3,183,437.

The balance sheet remains healthy

As at December 31, 2015, Housing York has total assets of \$159,598,067 (cost basis) of which 90% (92% in 2014) are in property holdings, net of accumulated amortization.

Total net assets are \$4,433,541 or 3% lower than 2014. This decrease is due mainly to the payment of the current portion of the outstanding mortgages payable. Table 5 summarizes the three main asset categories.

Table 5
Asset Summary

Balance Sheet – Assets Categories	2015	2014
Current Assets	7,554,461	6,592,806
Restricted Cash and Investments	8,025,880	7,206,178
Property Holdings	144,017,726	150,232,624
Total Assets	\$159,598,067	\$164,031,608

A \$500, 000 BC Province bond that reached maturity on December 18, 2015 was redeemed having a a positive impact on the current assets balance, while the increase in Restricted Cash and Investments is due to the contribution to the Emergency Power Project reserve.

Restricted cash and investment items include tenant rental deposits, capital reserve, internal reserves, and investments related to surplus operating funds.

Lower liability obligations than 2014

On December 31, 2015, Housing York had total liabilities of \$79,559,856 (down 5.6% from 2014) comprised of current liabilities of \$11,328,401 or 14% and building financing of \$68,231,455 or 86%.

Table 6 summarizes the liability categories.

Table 6
Liability Summary

Balance Sheet – Short and Long Term Liabilities	2015	2014
Accounts Payable and Accrued Liabilities	2,739,130	2,176,168
Deferred Revenue	1,028,628	988,890
Amounts Due to York Region	2,559,617	1,702,304
Current Portion of Mortgage Payable	5,001,026	29,091,884
Current Liabilities	\$11,328,401	\$33,959,246
Loan Agreements	5,834,000	5,834,000
Mortgages Payable	62,397,455	44,521,495
Building Financing	\$68,231,455	\$50,355,495
Total Liabilities	\$79,559,856	\$84,314,741

The largest liabilities shown on the Balance Sheet consist of mortgages payable and loan agreements. They represent various financing obligations on buildings within the Provincial Reform and Regional Housing portfolios.

The current portion of mortgage payable is lower than last year due to five mortgages renewed in 2015. These mortgages were reclassified as long-term liabilities and only the portion payable within the first 12 months after the renewal are included in current liabilities. This reclassification between current and long-term liability is done in accordance with generally accepted accounting principles.

The amount owing to the Region consists of various payroll, administrative, and subsidy settlement charges.

Housing York continues to have a healthy equity balance

In 2015 total equity increased by \$321,344 for a total equity of \$80,038,211.

Table 7 summarizes the equity categories.

Table 7
Summary of Equity

Balance Sheet Equity	2015	2014
Reserve Fund for Capital Equipment Replacement	4,762,354	4,952,608
Reserve for Operating Contingency	47,400	23,700
Reserve Fund for Emergency Power Project	598,090	276,117

Balance Sheet Equity	2015	2014
Reserve Fund for Insurance Deductibles	185,324	180,000
Reserve Fund for Shelter Furniture Replacement	30,000	-
Shareholder Contribution	71,231,606	71,231,606
Retained Earnings	3,183,437	3,052,836
Total Equity	\$80,038,211	\$79,716,867

Statement of Cash Flows validates reported Balance Sheet results

This statement monitors the movement of funds in and out of Housing York throughout the year. The amount of \$6,639,587 at the end of 2015 reconciles to the cash account identified on the Balance Sheet and is viewed to be sufficient cash flow to maintain normal operations. There are no unusual cash flow activities reported during the period.

Housing York is committed to maintaining a quality housing asset pool

Over 90 capital projects were completed during the fiscal year representing a \$3.38 million investment in capital repairs/replacement. This is reflective of Housing York’s commitment to manage its properties effectively according to the Housing York Strategic Plan 2012 – 2016. Capital reserves decreased from \$4,952,608 at the beginning of the year to \$4,762,354 at the end of the year, as noted in Table 7.

Highlights of the 2015 Annual Report

Housing York had a busy and productive 2015. Key accomplishments highlighted in the annual report include:

- Opened Belinda’s Place, York Region’s first emergency housing facility for homeless women
- Invested more than \$3.4 million in capital projects to maintain buildings in top condition and make improvements that benefit tenants
- Collaborated with partners to connect tenants with more services and programs and to encourage community engagement
- Developed a five-year plan to maximize building safety and security

- Saved energy and utility costs by introducing energy conservation programs at select older buildings and upgrading appliances
- Conducted a review of information technology systems to support innovation and optimize future investments

Link to key Council-approved plans

Housing York's 2015 Financial Statements support and complement the Region's housing goals as outlined in corporate policies such as Vision 2051, the Sustainability Strategy, the Region's 2011-2015 Strategic Plan and the Regional Official Plan.

5. Financial Implications

Housing York ended the year in a positive position and the following are indicators of its net financial position as at December 31, 2015:

- Total liabilities decreased by 5.6% or \$4,754,885 improving debt to equity ratio by 7% mainly due to mortgages payable and loan agreements repayment.
- Retained Earnings increased from \$3,052,836 to \$3,183,437 due to surplus allocation net of Emergency Power project reserve contribution. An increasing level of Retained Earnings will better position Housing York to address future financial needs.
- Capital reserve balance decreased from \$4,952,608 to \$4,762,354 mainly due to the increased level of investment in capital repairs/replacement.

6. Local Municipal Impact

Housing York provides safe, well-maintained affordable housing throughout local municipalities in York Region.

7. Conclusion

Housing York continues to operate in accordance with program requirements and funding formula expectations. Prudent financial management focused on maintaining solid rental revenue performance and expenditure optimization lead to \$534,601 surplus in 2015 fostering the company's strong financial health. The \$3.38 million in major repairs and retrofits completed during the year is reflective

of Housing York's commitment to manage its properties effectively and maintain a quality asset pool.

For more information on this report, please contact Michelle Musgrave, Acting Chief Financial Officer at ext. 72746.

The Senior Management Group has reviewed this report.

Recommended by:

Rick Farrell
General Manager

Michelle Musgrave
Acting Chief Financial Officer

Approved for Submission:

Adelina Urbanski
President

May 25, 2016

Attachments (3)

#6714007

Accessible formats or communication supports are available upon request

DRAFT #5
April 14, 2016

Financial Statements of

HOUSING YORK INC.

Year ended December 31, 2015

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Housing York Inc.

We have audited the accompanying financial statements of Housing York Inc., which comprise the balance sheet as at December 31, 2015, the statements of revenue, expenditures and retained earnings and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information. The financial statements have been prepared by management in accordance with the financial reporting provisions of Section 80(2) of the Housing Services Act, 2011 and guidance in its application issued by the Housing and Long Term Care Branch of the Regional Municipality of York.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Section 80(2) of the Housing Services Act, 2011 and guidance in its application issued by the Housing and Long Term Care Branch of the Regional Municipality of York, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Housing York Inc. as at December 31, 2015, and its results of operations and its cash flows for the year then ended in accordance with the financial reporting provisions of Section 80(2) of the Housing Services Act, 2011 and guidance in its application issued by the Housing and Long Term Care Branch of the Regional Municipality of York.

Basis of Accounting

Without modifying our opinion, we draw attention to note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist Housing York Inc. to meet the requirements of the Housing and Long Term Care Branch of the Regional Municipality of York. As a result, the financial statements may not be suitable for another purpose.

Restriction on Use

Our report is intended solely for Housing York Inc. and Housing and Long Term Care Branch of the Regional Municipality of York and should not be used by parties other than Housing York Inc. or the Housing and Long Term Care Branch of the Regional Municipality of York.

DRAFT

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada

HOUSING YORK INC.

DRAFT Balance Sheet

December 31, 2015, with comparative figures for 2014

	2015	2014
Assets		
Current assets:		
Cash	\$ 6,639,587	\$ 5,671,563
Accounts receivable:		
Rents	266,839	289,475
Harmonized sales tax	161,700	81,273
Other	83,058	95,246
Prepaid expenses	403,277	455,249
	<u>7,554,461</u>	<u>6,592,806</u>
Restricted cash and investments:		
Rental deposits	635,923	629,002
Reserve fund deposits	1,942,771	1,033,603
Emergency Power Plan Reserve	598,090	276,117
Insurance Reserve	185,324	180,000
Operations Reserve	47,400	23,700
Shelter Furniture Replacement Reserve	30,000	-
Reserve fund investments (note 5)	3,081,583	3,026,717
Operating fund investments (note 5)	1,504,789	2,037,039
	<u>8,025,880</u>	<u>7,206,178</u>
Property holdings (note 2)	143,782,094	149,996,991
Furniture and fixtures	235,632	235,633
	<u>\$ 159,598,067</u>	<u>\$ 164,031,608</u>

2015

2014

Liabilities and Shareholder's Equity

Current liabilities:

Accounts payable and accrued liabilities	\$ 2,739,130	\$ 2,176,168
Deferred revenue	1,028,628	988,890
Amounts due to Regional Municipality of York, without interest or terms of repayment	2,559,617	1,702,304
Current portion of mortgages payable (note 3)	5,001,026	29,091,884
	<u>11,328,401</u>	<u>33,959,246</u>

Building financing:

Loan agreements (note 3)	5,834,000	5,834,000
Mortgages payable (note 3)	62,397,455	44,521,495
	<u>68,231,455</u>	<u>50,355,495</u>

Shareholder's Equity (note 4):

Reserve fund for Capital Repair and Replacement	4,762,354	4,952,608
Reserve fund for Emergency Power Plan Project	598,090	276,117
Reserve fund for Insurance Reserve	185,324	180,000
Reserve for Operations	47,400	23,700
Reserve Fund for Shelter Furniture Replacement	30,000	-
Shareholder's equity	71,231,606	71,231,606
Retained earnings	3,183,437	3,052,836
	<u>80,038,211</u>	<u>79,716,867</u>

 \$ 159,598,067

 \$ 164,031,608

See accompanying notes to financial statements.

On behalf of the Board:

_____ Director

_____ Director

HOUSING YORK INC.

DRAFT Statement of Revenue, Expenditures and Retained Earnings

Year ended December 31, 2015, with comparative figures for 2014

	2015 Budget	2015 Actual	2014 Actual
Revenue:			
Rental	\$ 19,255,996	\$ 19,576,265	\$ 18,899,997
Non-rental	600,516	902,246	786,376
Operating subsidies (note 6)	10,295,130	8,557,220	8,663,987
Operating surplus	330,475	534,601	457,214
	<u>30,482,117</u>	<u>29,570,332</u>	<u>28,807,574</u>
Expenditures:			
Mortgage payments (note 3)	9,453,596	9,140,458	9,437,377
Administration and maintenance	10,206,214	9,969,447	9,466,070
Property taxes	2,749,659	3,004,072	2,820,420
Utilities	3,523,465	3,112,389	2,864,464
Capital	1,403,506	1,126,851	1,304,261
Insurance	497,250	466,149	443,408
Shelter	108,137	128,640	105,120
Bad debts	97,748	47,773	52,950
	<u>28,039,575</u>	<u>26,995,779</u>	<u>26,494,070</u>
Excess of revenue over expenditures before the undernoted	2,442,542	2,574,553	2,313,504
Contribution to Capital Reserve (note 4)	2,102,367	1,991,252	1,782,441
Contribution to Operations Reserve (note 4)	9,700	23,700	23,700
Excess of revenue over expenditures	\$ 330,475	559,601	507,363
Retained earnings, beginning of year		3,052,836	2,595,622
Internal allocations:			
Contribution from Insurance Reserve (note 4)		(25,000)	(50,149)
Emergency Power Plan - additional contribution (note 4)		(404,000)	—
Retained earnings, end of year		<u>\$ 3,183,437</u>	<u>\$ 3,052,836</u>

See accompanying notes to financial statements.

HOUSING YORK INC.

DRAFT Statement of Cash Flows

Year ended December 31, 2015, with comparative figures for 2014

	2015	2014
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenditures	\$ 559,601	\$ 507,363
Amortization of income-producing properties which does not involve cash	6,214,898	4,501,130
Cash contributions to/from reserves	(238,257)	101,206
Change in non-cash operating working capital:		
Accounts receivable	(45,603)	520,763
Prepaid expenses	51,972	(50,979)
Accounts payable and accrued liabilities	562,962	(218,355)
Deferred revenue	39,738	65,158
Amounts due to/from Regional Municipality of York	857,313	(1,869,553)
	8,002,624	3,556,733
Financing activities:		
Principal repayment	(6,214,898)	(4,501,130)
Investing activities:		
Increase in restricted cash - rental deposits	(6,921)	(58,499)
Increase in restricted cash - reserve fund deposits	(909,168)	89,886
Decrease in restricted cash - reserve fund investments	(54,866)	(60,019)
Decrease in restricted cash - Emergency Power Plan Reserve	(321,973)	41,746
Decrease in restricted cash - Insurance Reserve fund	(5,324)	—
Increase in restricted cash - Operations Reserve	(23,700)	(23,700)
Decrease (increase) in restricted cash - Strategic Projects	—	10,217
Decrease in restricted cash - Shelter Furniture Replacement Reserve	(30,000)	—
Increase in operating fund investments	532,250	32,869
	(819,702)	32,500
Increase (decrease) in cash	968,024	(911,897)
Cash, beginning of year	5,671,563	6,583,460
Cash, end of year	\$ 6,639,587	\$ 5,671,563
Supplemental cash flow information:		
Property holdings donated	\$ —	\$ 19,405,805

See accompanying notes to financial statements.

HOUSING YORK INC.

DRAFT Notes to Financial Statements

Year ended December 31, 2015

Housing York Inc. (the "Corporation") was incorporated in accordance with Section 182 of the Ontario Business Corporations Act on January 1, 2003. The Regional Municipality of York (the "Region") is the sole shareholder of the Corporation.

1. Significant accounting policies:

(a) Basis of presentation:

The financial statements have been prepared in accordance with accounting policies that comply with Section 80(2) of the Housing Services Act, 2011 (the "Act") and guidance in its application issued by the Housing and Long Term Care Branch of the Region. Canadian generally accepted accounting principles ("Canadian GAAP") has been interpreted to mean Canadian public sector accounting standards and the 4200 standards for government not-for-profit organizations.

The basis of accounting used in these financial statements materially differs from Canadian GAAP because:

(i) Amortization:

Beginning in 2012, amortization is not provided on property holdings and furniture and fixtures over the estimated useful lives of these assets. This currently includes Tom Taylor Place, Leeder Place family shelter, Kingview Court Expansion, Mackenzie Green, and Lakeside Residences.

Amortization is not provided on Provincial Reform Program property holdings over the estimated useful lives of these assets but rather at a rate equal to the annual principal repayments on these mortgages.

(ii) Income-producing properties:

Income-producing properties that were transferred to the Public Housing Program on December 14, 2000 by the Province of Ontario are carried at a nominal value of \$1 as the fair value of the properties was not readily available at the time of the transfer.

Income-producing properties that are reported for the Provincial Reform Program include land, buildings, equipment and other capitalized costs and are recorded at cost, net of any government grants or contributions.

HOUSING YORK INC.

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2015

1. Significant accounting policies (continued):

As described in the Act, costs incurred by the Provincial Reform Program to modernize or improve existing income-producing properties, which have the effect of extending the useful life of the property or increasing its value, are funded from the Capital Repair and Replacement Reserve. The Public Housing Program has no Capital Repair and Replacement Reserve; therefore, these expenses are reflected as operating expenses. The Regional Housing Program is expected to be self-sustaining and funds its own Capital Repair and Replacement Reserve through surplus operating funds.

(iii) Other property holdings:

The Corporation owns the Blue Door Shelters site, a non-revenue-producing property location with multiple buildings that serve as emergency shelters. Porter Place, the men's shelter, receives subsidy under the Act and is, therefore, reported in the same manner as the Corporation's other Provincial Reform Program locations.

In 2009, the Corporation added a new family shelter building known as Leeder Place to the Blue Door Shelters site. The old Leeder Place family shelter has been closed and its disposition is under review.

During 2004, the Region implemented the Regional Housing Program which the Corporation manages on behalf of the shareholder. A long-term lease agreement was created for each leased property. The land, building and equipment for the leased sites are not reflected in the Corporation's book of accounts.

Property	Addition year	Ownership type
Armitage Garden	2004	Leased
Blue Willow	2006	Leased
Tom Taylor Place	2008	Owned
Kingview Court Expansion	2011	Owned
Mapleglen Residences	2012	Leased
Mackenzie Green	2013	Owned
Lakeside Residences	2014	Owned

The sites owned by the Corporation are recorded on the books at transfer cost between the shareholder and the Corporation.

HOUSING YORK INC.

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2015

1. Significant accounting policies (continued):

(iv) Appropriations to/from Capital Repair and Replacement Reserve fund:

Appropriations to/from the Capital Repair and Replacement Reserve fund are reported on the statement of revenue, expenditures and retained earnings. Expenditures made from Capital Repair and Replacement Reserve fund are reported within this fund and not on the statement of revenue, expenditures and retained earnings. Interest income earned on investments of Capital Repair and Replacement Reserve fund is credited directly to the Capital Repair and Replacement Reserve fund and is not reported on the statement of revenue, expenditures and retained earnings.

(v) Financial instruments:

Financial instruments are recorded at fair value on initial recognition.

Under Program Instruction 2008-02 issued by the Region, the Corporation subsequently records its investments at book value. Gains or losses associated with capital reserve investments are recognized at redemption.

Financial instruments are adjusted by transaction costs incurred on acquisition and financing costs.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statements of revenue, expenditures and retained earnings.

Long-term debt is recorded at cost.

(b) Other reserve funds:

The Corporation established reserve funds from retained earnings for expenditures approved by the Board of Directors. These funds are specifically restricted for emergency power plan and insurance deductible expenditures. These are discussed further in note 4.

HOUSING YORK INC.

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2015

1. Significant accounting policies (continued):

(c) Bad debts:

The funding formula does not recognize a provision for doubtful accounts. Therefore, bad debts are recognized as an expense in the year that write-off has occurred. The Corporation applies a collection of tenant accounts policy, which indicates that former tenant arrears that meet certain criteria are eligible for write-off annually.

(d) Operations:

As of December 31, 2015, the portfolio consists of 37 multi-residential buildings and an emergency shelter site. While the Corporation owns the shelter site, daily operations are provided by Blue Door Shelter through an operating agreement.

(e) Subsidy reconciliation - operating subsidies:

The Corporation is subsidized for certain occupancy costs relating to Provincial Reform Program and Public Housing Program properties administered by the Corporation. Any surplus funding received must be repaid in full to the Region. The Regional Housing Program is not eligible to receive operating subsidy.

The final subsidy amount to be received by the Corporation for the current fiscal year will not be determined until the Service Manager reviews the Corporation's financial and statistical returns. Corporation's management considers the subsidy receivable (payable) to include all appropriate adjustments for non-allowable costs. Any adjustments to the subsidy will be accounted for in the year it is determined.

(f) Furniture and fixtures:

Furniture and fixtures are recorded at cost.

HOUSING YORK INC.

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2015

1. Significant accounting policies (continued):

(g) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the year. Significant items subject to such estimates and assumptions include the carrying amount of property holdings. Actual results could differ from those estimates.

	2015	2014
Incoming-producing properties:		
Land	\$ 25,232,345	\$ 25,232,345
Buildings	96,232,555	96,232,555
	121,464,900	121,464,900
Less accumulated amortization	54,066,419	47,851,522
Net book value	\$ 67,398,481	\$ 73,613,378
Other properties:		
Land	\$ 8,439,742	\$ 8,439,742
Buildings	68,703,864	68,703,864
	77,143,606	77,143,606
Less accumulated amortization	759,993	759,993
Net book value	\$ 76,383,613	\$ 76,383,613

2. Property holdings:

	2015	2014
Total property holdings:		
Land	\$ 33,672,087	\$ 33,672,087
Buildings	164,936,419	164,936,419
	198,608,506	198,608,506
Less accumulated amortization	54,826,414	48,611,515
Net book value	\$ 143,782,094	\$ 149,996,991

HOUSING YORK INC.

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2015

3. Mortgages payable:

(a) Mortgages payable applicable to buildings in the Provincial Reform Program:

Property	Particulars	2015	2014
Glenwood Mews	Mortgage payable, bearing interest at 1.120% per annum with blended monthly payments of \$33,423, maturing February 1, 2020	\$ 3,402,224	\$ 3,753,120
Keswick Gardens	Mortgage payable, bearing interest at 6.996% per annum with blended monthly payments of \$70,011, maturing January 1, 2025	6,464,662	6,844,633
Springbrook Gardens	Mortgage payable, bearing interest at 5.912% per annum with blended monthly payments of \$87,877, maturing January 1, 2024	8,538,753	9,077,413
Mulock Village	Mortgage payable, bearing interest at 4.547% per annum with blended monthly payments of \$80,593, maturing March 1, 2017	8,525,820	9,094,934
Heritage East	Mortgage payable, bearing interest at 1.850% per annum with blended monthly payments of \$73,639, maturing October 1, 2020	9,151,260	9,828,110
Hadley Grange	Mortgage payable, bearing interest at 4.486% per annum with blended monthly payments of \$43,297, maturing February 1, 2018	4,875,983	5,171,665
Brayfield Manor	Mortgage payable, bearing interest at 5.940% per annum with blended monthly payments of \$70,757, maturing July 1, 2028	7,546,576	7,940,245
Oxford Village	Mortgage payable, bearing interest at 1.830% per annum with blended monthly payments of \$14,781, maturing June 1, 2025	2,224,522	2,347,509
Rose Town	Mortgage payable, bearing interest at 1.880% per annum with blended monthly payments of \$39,771, maturing December 1, 2022	3,128,727	3,543,175

HOUSING YORK INC.

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2015

3. Mortgages payable (continued):

Property	Particulars	2015	2014
Woodbridge Lane	Mortgage payable, bearing interest at 4.742% per annum with blended monthly payments of \$11,214, maturing April 1, 2015	–	1,463,301
Trinity Square	Mortgage payable, bearing interest at 2.315% per annum with blended monthly payments of \$68,160, maturing March 1, 2025	8,098,982	8,701,330
Thornhill Green	Mortgage payable, bearing interest at 2.112% per annum with blended monthly payments of \$36,679, maturity December 1, 2017	4,721,341	5,058,365
Blue Door Shelter - Porter Place	Mortgage payable, bearing interest at 4.443% per annum with blended monthly payments of \$8,609, maturing September 1, 2018	719,631	789,579
		67,398,481	73,613,379
Less current portion		5,001,026	29,091,884
		<u>\$ 62,397,455</u>	<u>\$ 44,521,495</u>

Principal repayments are as follows:

2016	\$ 5,001,026
2017	16,518,439
2018	8,762,625
2019	4,093,267
2020	11,190,490
Thereafter	21,832,634
	<u>\$ 67,398,481</u>

(b) Tom Taylor Place:

Tom Taylor Place, a 50-unit facility in the Town of Newmarket, opened October 1, 2008. The building was constructed by the Region through the New Affordable Housing Program, which offers funding partnerships with the federal and provincial governments. The building is owned by the Corporation; however, the financial reporting does not fall under the Act like the other income-producing properties owned by the Corporation.

HOUSING YORK INC.

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2015

3. Mortgages payable (continued):

The Corporation purchased the land for this building in January 2006 for \$315,000. Financing for the building was structured in 2009, which includes Regional debentures and other loan agreements which are described below:

Amounts payable to shareholder (i)	\$ 4,434,000
Federal forgivable loan (ii)	1,400,000
	<hr/> 5,834,000
Shareholder contribution (iii)	3,720,635
	<hr/> \$ 9,554,635

(i) The amount payable to the shareholder is made up of two components:

A long-term loan in the amount of \$2,334,000 is repayable to the Region from rent revenue generated at the building. The Region has debentured this amount on the Corporation's behalf. Repayment terms are based on a 30-year amortization schedule.

The remaining amount payable to shareholder is \$2,100,000 for a second debenture financed by the Region. Under the New Affordable Housing Program, the province flows funds to the Corporation which, in turn, forwards the funds to the Region to pay the debenture. These provincial contributions are forgivable advances subjected to similar terms and conditions applicable to federal forgivable loan as discussed below. The term of the Regional debenture is 20 years.

(ii) The federal forgivable loan of \$1,400,000 is provided through the Canada - Ontario New Affordable Housing Program agreement. This loan is to be fully forgiven on the last day of the month at the end of the term of the loan. The term of the loan is 20 years maturing in 2028 and the amounts are forgiven provided all terms and conditions of the agreement are satisfied by the Corporation. The loan is interest-bearing with the interest rate, being the higher of the average posted rate offered by major Canadian lending institutions for a commercial first mortgage having a five-year term, plus 2% or the interest rate applicable to the first mortgage registered against title to the property, plus 2%. The interest, however, is to be fully forgiven on an annual basis provided all terms and conditions of the agreement are satisfied by the Corporation.

HOUSING YORK INC.

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2015

3. Mortgages payable (continued):

(iii) The shareholder contribution in the amount of \$3,720,635 represents a gift from the Region to the Corporation to fully finance the cost of the Tom Taylor Place not covered by the Canada - Ontario New Affordable Housing Program.

(c) Blue Door Shelters - Leeder Place:

The new Leeder Place family shelter, with a construction cost valued at \$2,836,826, was developed by the Region on existing lands owned the Corporation. It was gifted to the Corporation without any financing obligations.

(d) Kingview Court Expansion:

Kingview Court Expansion, a 39-unit facility in the Town of King, opened October 26, 2011. The building was constructed through the New Affordable Housing Program, which offers funding partnerships with the federal and provincial governments by the Region with a cost of \$7,847,469, including \$98,644 in furniture and fixtures. The building is owned by the Corporation and it was gifted without any financing obligations. The financial reporting does not fall under the Act like the other income-producing properties owned by the Corporation.

(e) Mackenzie Green:

Mackenzie Green, a 140-unit facility in the Town of Richmond Hill, opened March 15, 2013. The building was constructed with funding provided through: Canada-Ontario Affordable Housing Program 2009 Extension \$16,800,000; York Region Investing in Ontario Funding \$11,011,000; Developing Opportunities for Ontario Renters Funding \$2,409,000; and Social Housing Development Charges Reserve \$1,350,871. The building is owned by the Corporation and it was gifted with a \$5,850,000 financial obligation serviced through tenants rent. The financial reporting is similar to the other properties not covered by the Act.

HOUSING YORK INC.

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2015

3. Mortgages payable (continued):

(f) Lakeside Residences:

Lakeside Residences, a 97-unit facility in the Town of Georgina, purchased on June 15, 2014. The building was constructed with funding provided through: Investment in Affordable Housing for Ontario Program \$12,489,748; York Region Investing in Ontario Funding; \$5,788,386; York Region Social Housing Development Reserve \$1,178,795 and the Sundry Revenue account \$17,393. The building is owned by the Corporation and it was gifted with no financial obligation. The financial reporting is similar to the other properties not covered by the Act.

4. Reserve funds:

In addition to the Capital Reserve fund that has always been maintained by the Corporation, the Board of Directors and the Region have approved additional reserves for specified purposes.

(a) Capital Repair and Replacement Reserve fund:

In accordance with the Act, the use of the Capital Repair and Replacement Reserve fund is limited to the replacement, enhancement or repair of existing capital assets, or the purchase of new capital assets for the Provincial Reform Program. Funding for capital expenditures is obtained through the Region, through the subsidy payment process, and through an annual operating surplus sharing agreement.

Buildings in the Regional Housing Program contribute a significant portion of annual surplus operating funds to a Capital Repair and Replacement Reserve fund for future major repairs and replacements within this program. For presentation purposes, all capital reserve funds are reported on a consolidated basis.

The Corporation does not maintain a Capital Repair and Replacement Reserve fund account for the Public Housing Program.

HOUSING YORK INC.

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2015

4. Reserve funds (continued):

The Corporation has a 10-year capital plan for managing expenses from capital reserves, which has been approved through a separate process.

	2015	2014
Balance, beginning of year	\$ 4,952,608	\$ 4,772,990
Funding from Region	329,085	205,078
Transfer in from operating	1,662,167	1,782,441
Interest earned	68,772	77,495
Capital expenditures	(2,250,278)	(1,885,396)
Net activity	(190,254)	179,618
Balance, end of year	\$ 4,762,354	\$ 4,952,608

(b) Emergency Power Plan:

Following the examination of the Corporation's emergency power capabilities in a long-term power outage, the Board of Directors approved the use of \$910,500 from retained earnings to fund emergency power upgrades in several apartment buildings. The multi-year plan addresses operational and tenant safety issues. A major generator installation was scheduled for completion in 2014, which was later deferred to 2015 along with a second major generator installation. An additional \$404,000 from retained earnings was requested and approved in the 2015 budget to cover the cost of the two installations.

	2015	2014
Balance, beginning of year	\$ 276,117	\$ 317,863
Direct costs	(82,027)	(41,746)
Additional Contribution	404,000	-
Balance, end of year	\$ 598,090	\$ 276,117

HOUSING YORK INC.

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2015

4. Reserve funds (continued):

(c) Insurance Reserve:

The Corporation maintains property insurance on all buildings through the Social Housing Services Corporation. This is a pooled insurance program available for housing providers in Ontario.

The Corporation takes all reasonable measures to mitigate insurance claims through aggressive risk management strategies. However, the unpredictable nature of insurance claims has the potential to create unforeseen impacts on operating expenses on a year-over-year basis as frequency and severity of incidents cannot be forecasted.

As an alternative to using operating funds on an as-required basis for insurance-related costs, the Board of Directors approved the establishment of a reserve fund to facilitate a more predictable draw on operating expenses. The initial contribution to the reserve from retained earnings was \$200,000 in 2006 with a budgeted annual contribution thereafter.

Based on reserve activity from prior years, the Board of Directors approved adjustments to the threshold balance of the reserve, as well as the annual contribution limit in 2010. The reserve balance will continue to be monitored yearly for adequacy against claims costs.

Insurance costs related to deductibles on claims and small settlements will be paid from the Insurance Reserve fund. The combination of the insurance policy and the Insurance Reserve fund provides financial protection from catastrophic loss.

	2015	2014
Balance, beginning of year	\$ 180,000	\$ 180,000
Contribution to reserve	25,000	25,000
Discretionary contribution to reserve	–	25,149
Claims paid, net of recoveries	(19,676)	(50,149)
Net activity	5,324	–
Balance, end of year	\$ 185,324	\$ 180,000

HOUSING YORK INC.

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2015

4. Reserve funds (continued):

(d) Operating Contingency Reserve:

Management sets up a Contingency Fund for maintenance costs for two properties: Mackenzie Green and Lakeside Residences.

	2015	2014
Balance, beginning of year	\$ 23,700	\$ —
Contribution to reserve	23,700	23,700
Balance, end of year	\$ 47,400	\$ 23,700

(e) Shareholder's equity:

Mackenzie Green was constructed by the Region and was gifted to the Corporation with a \$5,850,000 financing obligation serviced through tenants rent. As amortization is not provided on Mackenzie Green, the contribution of Mackenzie Green is recognized as a direct increase in shareholder's equity in the amount of \$37,420,871 in 2013.

Lakeside Residences was constructed by the Region and was gifted to the Corporation. As amortization is not provided on Lakeside Residences, the contribution of Lakeside Residences is recognized as a direct increase in the shareholder's equity in the amount of \$19,405,805.

	2015	2014
Balance, beginning of year	\$ 71,231,606	\$ 51,825,801
Contributions	—	19,405,805
Balance, end of year	\$ 71,231,606	\$ 71,231,606

HOUSING YORK INC.

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2015

5. Restricted investments:

During 2005, the Corporation adopted an Investment Strategy Policy, which includes the management of mandatory investment of the Capital Repair and Replacement Reserve fund, as well as the investment of surplus operating funds. The policy prescribes to a conservative investment approach that carries a low to moderate risk tolerance similar to investment strategies adopted by the Region.

(a) Reserve fund investments:

Under the requirements of the Act, housing providers are required to invest their Capital Repair and Replacement Reserve fund in an investment pool designed for housing providers. The Corporation has participated in this mandatory program since its inception and, from time to time, adjusts its investment mix to reflect its risk profile and to improve its overall returns.

Reserve fund investments are comprised of the following:

	2015	2014
Security description:		
Social Housing Canadian Short Term Bond Fund	\$ 3,072,375	\$ 3,017,979
Social Housing Canadian Bond Fund	3,394	3,232
Social Housing Canadian Equity Fund	5,814	5,506
Total reserve fund investments	\$ 3,081,583	\$ 3,026,717

HOUSING YORK INC.

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2015

5. Restricted investments (continued):

(b) Operating fund investments:

Surplus operating funds are invested to improve upon the return that would otherwise be made earning bank interest. Surplus operating funds would include restricted funds from retained earnings and short-term cash flow excesses not needed to support operations. Investments of this nature typically fall into a short-term investment horizon of three months to four years. Operating fund investments are comprised of the following:

2015	Par value	Maturity date	Yield to maturity
Security description:			
CIBC Bank Deposit Note	\$ 1,000,000	January 14, 2016	2.302%
Province of Ontario Bond	500,000	September 8, 2016	1.736%
Unamortized premiums (discounts)	4,789		
Total operating fund investments	\$ 1,504,789		

2014	Par value	Maturity date	Yield to maturity
Security description:			
CIBC Bank Deposit Note	\$ 1,000,000	January 14, 2016	2.302%
Province of British Columbia Bond	500,000	December 18, 2015	1.531%
Province of Ontario Bond	500,000	September 8, 2016	1.736%
Unamortized premiums (discounts)	37,039		
Total operating fund investments	\$ 2,037,039		

HOUSING YORK INC.

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2015

6. Related party transactions:

(a) During the year, the Corporation received net subsidies as summarized below:

	2015	2014
Subsidies:		
Provincial Reform Program	\$ 6,565,280	\$ 6,584,529
Public Housing Program	2,725,002	2,413,236
Blue Door Shelters	115,644	115,587
Other	80,702	50,435
	9,486,628	9,163,787
Less surplus subsidy payable to System Service Manager	929,408	499,800
	\$ 8,557,220	\$ 8,663,987

The Region provided contracted services of personnel, rental of office space and other administrative costs. The cost of these services, aggregating \$7,393,339 (2014 - \$5,888,218), was charged to administration and maintenance.

(b) Buildings in the Regional Housing Program are financed by the Region. The collection of tenants' rent is used to pay the financing costs and the Corporation issued payments to the Region to fund the debentures payable. The payments issued for Armitage Garden, Blue Willow Terrace, Tom Taylor Place, Mapleglen Residences and Mackenzie Green amounted to \$1,532,316 (2014 - \$1,532,316).

7. Financial risks and concentration of credit risk:

(a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Corporation is exposed to credit risk with respect to the accounts receivable and cash.

The Corporation assesses, on a continuous basis, accounts receivable and writes off any amounts that are not considered to be collectible during the year. The maximum exposure to credit risk of the Corporation at December 31, 2015 is the carrying value of these assets.

HOUSING YORK INC.

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2015

7. Financial risks and concentration of credit risk (continued):

(b) Liquidity risk:

Liquidity risk is the risk that the Corporation will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Corporation manages its liquidity risk by monitoring its operating requirements. The Corporation prepares a budget to ensure it has sufficient funds to fulfill its obligations.

Accounts payable and accrued liabilities are generally due immediately within receipt of an invoice.

8. Subsequent events:

A new development, Belinda's Place Women Shelter, will be added to the Corporation's portfolio in the first quarter of 2016. This building in the Town of Newmarket will be owned by the Corporation but operated by a third party provider through an operating agreement. This building will feature 28 emergency beds and 9 transitional units.

The Richmond Hill Hub building will be added to the portfolio in the Town of Richmond Hill in Q1 of 2016. This building will feature 202 mixed units and a youth shelter.

**SOCIAL HOUSING - ANNUAL INFORMATION RETURN
THIRD AND SUBSEQUENT YEARS
PROVINCIAL REFORMED AND OTHER HOUSING PROGRAMS**

Identification

Page A1

Corporation name	
Housing York Inc.	
CMSM/DSSAB	
The Regional Municipality of York	
Corporation address	Mailing address
1091 Gorham Road Newmarket, Ontario L3Y 8X7	- same -

I.D. No.	Year end (dd/mm/year)
	December 31, 2015

Program type	Y/N	# of units
(A) PROVINCIAL REFORMED	Y	1,038
(B) OTHER PROGRAMS		
1. Sect 95 - MNP		
2. Sect 95 - Private		
3. Sect 26/27		
4. Limited Dividend		
5. Public Housing	Y	872
6. Regional Program	Y	528
7. Post 85 urban native		

Contact name	Position
Cristian Cupen	Finance Program Manager
	e-mail address
	cristian.cupen@york.ca

Telephone number	Fax number
905-830-4444 x72742	905-895-5724
SHRA Section 103	SHRA Section 110 Market & RGI
No	Yes
	SHRA Section 106 100 % RGI
	No

Board of Directors DECLARATION (Must be signed by two members of the Board.)

We declare that, to the best of our knowledge and belief, the information provided in this Annual Information Return and the representations on Page 2 is true and correct.

Signature	Name	Position	Date
	Jack Heath	Chair	
Signature	Name	Position	Date
	Gino Rosati	Vice-Chair	

Note to auditors:

Auditors are required to complete the "Accountant's Report on Applying Specified Auditing Procedures in Respect of the Annual Information Return" and "Appendix A" per SHB Notification 05-02. These reports are available in the AIR Guide.

Instructions

This form to be used by all Private Non-Profit Housing Corporations, Municipal Non-Profit Housing Corporations, and Co-operative Housing Corporations to reconcile operations for the third and subsequent benchmark year's. This form applies principally to provincially transferred housing groups who are subject to benchmarks. Service Managers at their discretion can use this form for LHC's and Federal Unilateral Projects. Form is prescribed by the Minister, SHRA 113(2).

Social Housing Annual Information Return

Year End: December 31, 2015

Housing York Inc.

Management Representation Report

Page A2

Note 1: The Social Housing Reform Act and its regulations are referred to as SHRA throughout these representations.

Note 2: If the answer to any question, other than number 5, is "No", please provide explanatory details.

Note 3: All questions are to be answered as of the end of the fiscal year. Question 11 to 13 should cover the fiscal year as well as the months preceding the filing of this report.

The following questions relate to the Provincially Reformed projects. The questions should be answered with respect to the provisions of the SHRA.

GOVERNANCE

1) Does the corporation follow the required conflict of interest provisions? Y N NA

RESIDENT RELATIONS

2) Did the corporation select applicants as required? Y N

3) Were all RGI households charged the required correctly calculated rent? Y N NA

4) Did the corporation comply with its mandate and targeting plan in housing applicants, if applicable? Y N NA

FINANCIAL MANAGEMENT

5) Did the corporation receive a management letter from its auditors reporting deficiencies in internal controls or operations?
(If yes, attach a copy of the letter.) Y N

6) Were all revenue and expenses properly allocated to any non-shelter component as required? Y N NA

7) Was the shelter component of the corporation's revenue used only for shelter purposes? Y N NA

8) Did the corporation fully invest its Capital/Replacement Reserve Fund under the SHSC program or in accordance with the project Operating Agreement? Y N NA

9) Did the corporation transfer the annual allocation to the Capital/Replacement Reserve and only expense eligible costs? Y N NA

10) Did the corporation comply with the requirement in the SHRA to participate in a system for group insurance of housing providers? Y N NA

11) Is the corporation free and clear of material contingent liabilities and legal disputes? Y N NA

MORTGAGE

12) Is the corporation in compliance with its obligation not to mortgage or encumber, replace or amend the mortgage? Y N

13) Are all other mortgages the corporation may have in good standing? Y N

14) Was the sector support mortgage cost excluded from shelter expenses and offset against sector revenue? (Co-ops only) Y N NA

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Social Housing Annual Information Return

Year end: December 31, 2015

Housing York Inc.

Statement of Financial Position (Corporate Balance Sheet)

Page A3

ASSETS

Cash and investments - capital reserve fund	<small>Balance Sheet Notes & Details - A35</small>	310	0
-other (describe) _____		312	

Subsidies receivable from the service manager		320	
Accounts receivable-tenants	<small>Balance Sheet Notes & Details - A35</small>	321	0
Accounts receivable-other (describe) _____		322	

Capital Assets (at cost):			
Shelter - devolved prior federal and provincial projects		325	
Non-shelter - devolved prior federal and provincial projects		327	
Sector support devolved prior co-ops only		328	
Other programs (describe) _____		329	
Total	<small>Lines 325 to 329</small>	330	0

Accumulated amortization - federal and provincial projects		334	
- other programs		335	
Net capital assets	<small>Lines 330 - 334, 335</small>	336	0

Subsidy Advance from Service Manager		350	
Other assets (describe) _____		351	

TOTAL ASSETS	<small>Lines 310 + 312 + 320 + 321 + 322 + 336 + 350</small>	355	0
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LIABILITIES

Subsidies payable to the service manager		360	
Mortgage loans		368	
Loan Payable to York Region		369	
Other loans (describe) _____		370	
Other liabilities (describe) _____		375	

SURPLUS

Contributed surplus		380	
Capital reserve fund housing		384	
Other reserves (describe) _____		386	
Accumulated surplus/(deficit)	<small>Balance Sheet Notes & Details - A35</small>	390	0

TOTAL LIABILITIES AND SURPLUS	<small>Lines 360 to 390</small>	395	0
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Social Housing Annual Information Return

Year end: December 31, 2015

Housing York Inc.

Supplemental Information (Corporate Balance Sheet)

Page A3S

Balance Sheet Notes and Details

Capital Reserve Fund

- Invested in SHSC
- To be transferred (current yr. cont.)
- Federal Groups (funds invested in GIC's, etc.)
- Other (describe)
- Total Capital Reserves

310 A	
310 B	
310 C	
310 D	
310	0

Accounts Receivable

- Current Tenants
- Former Tenants
- Allowance for Bad Debts
- Other (describe)
- Other (describe)
- Total Accounts Receivable - Tenants

321 A	
321 B	
321 C	
321 D	
321 E	
321	0

Internal Allocations

Accumulated Surplus/(Deficit)

- Provincially Reformed
- Federal Programs
- Total Accumulated Surplus/(Deficit)

390 C	
390 A	
390 B	
390	0

* Comprised of Shareholders Contribution and Retained Earnings of 3,554,879 and 1,818,118 respectively.

Social Housing Annual Information Return

Year end: December 31, 2015

Housing York Inc.

Statement of Operations and Accumulated Surplus (Corporate)

Page A4

(A) Statement of Operations (Revenue and Expenses) Provincial Reformed (Section 106 and 110)

Shelter Occupancy revenue				
Rent-geared-to-income units		501	3,921,482	
Market units		502	4,527,911	
Gross occupancy revenue		Lines 501 + 502	8,449,394	
Less: Vacancy loss on market units		505	58,131	
Subtotal		Lines 504 - 505	8,391,263	
Investment income (includes interest)		521	70,398	
Non-rental revenue (parking, laundry, etc.)	Coin Laundry, Parking, Tenant Recoveries	522	293,482	
Net Subsidy Entitlement for the Year		Line 789 or Line 819	6,040,770	
Total Revenue		Lines 510 to 525	14,795,913	
Shelter expenses				
Maintenance and administration		From A4 - Schedules Below	541	3,797,042
Utilities		From A4 - Schedules Below	542	1,034,260
Insurance			543	163,037
Bad debts			544	43,258
Mandatory transfer to capital reserve fund		From SM Subsidy Estimate/Approved Budget	547	686,956
Subtotal Operating expenses		Lines 541 to 547	548	5,724,552
Property taxes			549	1,253,944
Mortgage principal and interest (excluding Sector Support and/or non-shelter component)			560	7,488,332
Total Shelter Expenses		Lines 548 to 550	585	14,466,828
NET INCOME (LOSS) - Provincial Reformed -Shelter		Lines 526 - 565	570	329,085
Gifts and donations - (describe)			575	
Non shelter revenue (net)		Line 629 Col 3	576	27,125
Sector support (net) (co-ops only)			577	
Non-Shelter Net Income (Loss)		Lines 575 to 577	578	27,125
Net Income(Loss)-Provincial Reformed Total		Line 579 + Line 578	580	356,210

(B) Net Income (Loss)- Other Programs

Section 95(federal)MNP		From B1 - Line 1980	581	0
Section 95(federal)PNP			582	0
Section 26/27(federal)			583	0
Limited Dividend			584	0
Public Housing			585	(0)
Regional Program			586	178,391
Post-85 Urban Native(federal)			587	0
Consolidated Net Income(Loss)		Line 580 + Lines 581 - 587	589	534,601

CORPORATE STATEMENT OF ACCUMULATED SURPLUS (DEFICIT)

	Provincial Reformed			
	Shelter	Non-Shelter	Other Programs	Consolidated
BALANCE, BEGINNING OF YEAR	590			0
Net income for the year	591	329,085	178,391	534,601
Other *	592			0
BALANCE, END OF YEAR	599	329,085	178,391	534,601

* Approved Spending as per Board of Directors.

Social Housing Annual Information Return

Year end: December 31, 2015

Housing York Inc.

Statement of Operations and Accumulated Surplus (Corporate)

A4 - Schedules

Line - 541 - Maintenance and Administration

Maintenance

Maintenance salaries, wages and benefits	541 A	1,058,810
Building and equipment	541 B	604,089
Elevators	541 C	27,030
Electrical systems	541 D	37,812
Heating, air, ventilation and plumbing	541 E	129,441
Grounds	541 F	313,465
Painting	541 G	95,602
Waste Removal	541 H	127,490
Security	541 I	33,031
Other - (describe) <u>Life Safety Systems</u>	541 J	49,114
Other - (describe)	541 K	
Other - (describe)	541 L	
Subtotal Maintenance	541 P	2,475,885

Administration

Salaries, wages and benefits	541 Q	1,064,212
Management fees	541 R	
Materials and Services	541 S	256,945
Other - (describe)	541 T	
Other - (describe)	541 U	
Other - (describe)	541 V	
Subtotal Administration	541 Y	1,321,157
TOTAL MAINTENANCE AND ADMINISTRATION	541 Z	3,797,042

LINE - 542 - UTILITIES

Electricity	542 A	546,684
Fuel	542 B	113,652
Water and Sewage	542 C	373,924
Other - (describe)	542 D	
TOTAL UTILITIES	542 H	1,034,260

Social Housing Annual Information Return

Year end: December 31, 2015

Housing York Inc.

Non-Shelter Income (Loss) - Provincial Reformed

Page A5

NON-SHELTER REVENUE	Care 01	Commercial & Other 02	Total 03
Commercial rent	610		0
Grants from Ministry of Health	611		0
Grants from Ministry of Community & Social Ser.	612		0
Other (describe) <u>ACL/Keswick Day Care</u>	613		58,195
Other (describe) _____	614		0
Total non-shelter revenue <small>Lines 610 to 614</small>	615	0	58,195
NON-SHELTER EXPENSES			
Operating costs			
Maintenance salaries, wages and benefits	620		2,921
Maintenance materials and services	621		2,921
Utilities	622		4,179
Administration	623		974
Other (describe) <u>Grounds Keeping</u>	624		412
Subtotal Non-Shelter Operatng Exp <small>Lines 620 to 624</small>	625	0	11,407
Property taxes	626		2,904
Mortgage principal and interest	627		16,759
Total non-shelter expenses <small>Lines 625 to 627</small>	628	0	31,070
NET NON-SHELTER INCOME (LOSS) <small>Lines 615 - 628</small>	629	0	27,125

Social Housing Annual Information Return

Year end: December 31, 2015

Housing York Inc.

Capital Reserve Fund (Housing)

Page A6

See Attached Schedule for Capital Reserve Activity

BALANCE, BEGINNING OF YEAR

Previous year's line 660

	Provincial Reformed	Blue Door	Regional Program	Total
651	1,861,325			1,861,325

Revenue

Mandatory transfer from operations

Line 947 / 947

652	686,956			686,956
-----	---------	--	--	---------

Investment income/(loss)

654	25,846			25,846
-----	--------	--	--	--------

Other Surplus Subsidy Share - 2015

655	329,085			329,085
-----	---------	--	--	---------

Total

Lines 652 to 655

660	2,903,212	0	0	2,903,212
-----	-----------	---	---	-----------

Expenses (by item or category)

Roofing

671	(3,689)			(3,689)
-----	---------	--	--	---------

Building

672	963,140			963,140
-----	---------	--	--	---------

Flooring

673	150,548			150,548
-----	---------	--	--	---------

Elevators

674	611			611
-----	-----	--	--	-----

Electrical

675	0			0
-----	---	--	--	---

Equipment

676	0			0
-----	---	--	--	---

Grounds

677	89,830			89,830
-----	--------	--	--	--------

Heating & Ventilation

678	270,207			270,207
-----	---------	--	--	---------

Plumbing Capital

679	0			0
-----	---	--	--	---

Life Safety

680	13,466			13,466
-----	--------	--	--	--------

Minor Capital

681	56,811			56,811
-----	--------	--	--	--------

Capital Overheads

682	328,043			328,043
-----	---------	--	--	---------

683				0
-----	--	--	--	---

Total expenses

Lines 671 to 683

685	1,868,967	0	0	1,868,967
-----	-----------	---	---	-----------

BALANCE, END OF YEAR

Lines 651 + 660 - 685

690	1,034,245	0	0	1,034,245
-----	-----------	---	---	-----------

ASSETS, END OF YEAR

Cash and investments

Line 310

695				
-----	--	--	--	--

DIFFERENCE Under (Over) Funded

Lines 690 - 695

699	1,034,245	0	0	1,034,245
-----	-----------	---	---	-----------

Instructions:

If the difference on line 699 is greater than \$1,000, provide an explanation for the difference and the corporation's plan to bring the fund into balance.

**Social Housing
Annual Information Return
Third and Subsequent Year Return
Housing York Inc.**

Year end: December 31, 2015

Unit Activity Data Report - Section 110, 106, Rent Supp.

Project	Unit Type	1st Month		2nd Month		3rd Month		4th Month		5th Month		6th Month		7th Month		8th Month		9th Month		10th Month		11th Month		12th Month		Total
		Occ	Vac	Occ	Vac	Occ	Vac	Occ	Vac	Occ	Vac	Occ	Vac	Occ	Vac	Occ	Vac	Occ	Vac	Occ	Vac	Occ	Vac	Occ	Vac	
Glenwood Mews	2 B TH	11		11		11		11		11		11		11		10		10		10		10		10		127
	3 B TH	38		38		38		38		38		38		38	2	38	1	37	2	39		39		39		481
Keswick Gardens	4 B TH	2		2		2		2		2		2		2		2		2		2		2	1	2	1	28
	1 B Apt	72	2	74		74		74		73	1	74		74	1	73	2	75		75		74	1	74	1	894
Springbrook Gardens	2 B Apt	14		13	1	12	1	13		13		13		13		12		12		12		12		12		154
	2 B TH	29		28		27		27		27		27		25	1	25	1	26		25	1	25	1	25	1	321
Mulock Village	3 B TH	34		34		33		32	1	32	1	33		33		33		33	1	34		34		34		402
	4 B TH	2		2		2		2		2		2		2		2		2		2		2		2		24
Heritage East	2 B TH	23		23		23		23		23		23		23		24		23	1	23	1	23	1	24		280
	3 B TH	58		58		57	1	58		57		57		57		56	1	57		57		56		56	1	688
Hadley Grange	4 B TH	3		3		3		3		3		3		3		3		3		3		3		3		36
	1 B Apt	35	-	35	-	35	-	34	-	34	-	34	1	35	-	33	2	33	2	35	-	35	-	35	-	418
Brayfield Manor	2 B Apt	53	1	53	1	54	-	54	-	54	-	54	-	53	1	53	-	52	1	52	1	51	2	51	2	643
	3 B Apt	5	-	5	-	5	-	5	-	5	-	5	-	5	-	5	1	5	1	6	-	6	-	6	-	65
Oxford Village	1 B Apt	46		46		46		46		45	1	46		45	1	45	1	46		45	1	45	1	45	1	552
	2 B Apt	8		8		9		9	1	10		10		10		10		10		10		10		10		115
Rose Town	2 B TH	12		12		12		12		12		12		12		12		12		12		12		12		144
	3 B TH	44	1	44	1	45		45		45		45		45		43		43		43		43		42	2	531
Woodbridge Lane	4 B TH	4		4		4		4		4		4		4		4		4		4		4		4		48
	1 B Apt	22		22		22		22		22		22		22		22	1	20	2	21	1	21	1	21	1	254
Trinity Square (67813)	2 B Apt	3		3		3		3		3		3		3		3		3		3		3		3		36
	1 B Apt	70	2	71	1	71	1	72		72		72		70	2	72	1	73		72	1	72	1	73		889
Trinity Square (67814)	2 B Apt	24	1	25		25	1	26		26		26		26		26		26		26		26		26		308
	2 B Apt	3		3		3		3		3		3		3		3		3		3		3		3		36
Thomhill Green (67868)	3 B Apt	4	3	4	3	4	3	4	3	3	4	3	4	3	4	3	4	3	4	3	4	3	4	3	4	64
	4 B Apt	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	24
Trinity Square (67813)	2 B TH	16		16		16		16		16		16		15		15		15		15		15		15		188
	3 B TH	22		22		22		22		22		22		22		22		22		22		22		22		284
Trinity Square (67814)	3 B TH (G)	5		5		5		6		6		6		6		6		6		6		6		6		69
	4 B TH																									
Thomhill Green (67868)	2 B TH	10	1	11		11		11		11		11		11		11		11		11		11		11		132
	3 B TH	5		5		5		5		5		5		5		5		5		5		5		5		60
Total RGI Units	3 B TH	37		37		37		37		37		37		37		37		37		37		37		37		445
	4 B TH S	3		3		3		3		3		3		3		3		3		3		3		3		36
	4 B TH L																									-
Total RGI Units		718	12	721	6	720	7	722	7	720	8	723	8	717	11	711	16	716	12	714	14	716	14	716	15	8,742

Project	Unit Type	1st Month		2nd Month		3rd Month		4th Month		5th Month		6th Month		7th Month		8th Month		9th Month		10th Month		11th Month		12th Month		Total	
		Occ	Vac	Occ	Vac	Occ	Vac	Occ	Vac	Occ	Vac	Occ	Vac	Occ	Vac	Occ	Vac	Occ	Vac	Occ	Vac	Occ	Vac	Occ	Vac		
Glenwood Mews	2 B TH		1																							17	
	3 B TH	10		10		10		10		10		10		10		9		9		9		9		9		9	118
Kaewick Gardens	4 B TH	2		2		2		2		2		2		2		2		2		2		1		1		22	
	1 B Apt	13		13		13		13		13		13		12		12		12		12		11	1	11	1	150	
Springbrook Gardens	2 B Apt	19		19		20		20		20		20		20		21		21		21		21		21		242	
	3 B TH	7		8		8	1	9		9		9		10		10		10		10		10		10		111	
Molock Village	3 B TH	20		20		21		21		21		21		21		21		20		20		20		20		248	
	4 B TH	1		1		1		1		1		1		1		1		1		1		1		1		12	
Heritage East	2 B TH	10		10		10		10		10		10		10		10		9		9		9		9		118	
	4 B TH	10		10		9	1	10		11		11		11		11		11		11		11		10	1	126	
Hadley Grange	1 B Apt	8	-	8	-	8	-	8	1	8	1	7	1	8	-	8	-	8	-	8	-	8	-	8	-	8	98
	2 B Apt	16	1	16	1	16	1	17	-	17	-	17	-	17	-	18	-	18	-	18	-	18	-	18	-	200	
Brayfield Manor	3 B Apt	1	-	1	-	1	-	1	-	1	-	1	-	1	-	-	-	-	-	-	-	-	-	-	-	7	
	1 B Apt	10		10		10		10		10		10		10		10		10		10		10		10		120	
Oxford Villages	2 B Apt	18		18		15		14		14		14		14		14		14		14		14		14		173	
	2 B TH	4		4		4		4		4		4		4		4		4		4		4		4		48	
Rose Town	3 B TH	14	1	15		15		15		15		15		15		16	1	16	1	16	1	16	1	16	1	188	
	4 B TH	1		1		1		1		1		1		1		1		1		1		1		1		12	
Woodoridge Lane	1 B Apt	6		6		6		6		6		6		6		6		6		6		6		6		72	
	2 B Apt	5		5		5		5		5		5		5		5		5		5		5		5		60	
Trinity Square (87913)	1 B Apt	21		21		21		21		21		21		21		20		20		20		20		20		247	
	2 B Apt	7		7		7		6		6		6		6		6		6		6		6		6		75	
Trinity Square (67814)	2 B Apt	1		1		1		1		1		1		1		1		1		1		1		1		12	
	4 B TH	1		1		1		1		1		1		1		1		1		1		1		1		12	
Thornhill Green (87908)	2 B TH	12		12		12		11	1	12		12		13		12	1	12	1	12	1	13		12	1	150	
	3 B TH (G)	23	1	22	2	21	3	21	3	22	2	23	1	24		23	1	23	1	24		24		24		288	
Trinity Square (67814)	4 B TH	1		1		1		1		1		1		1		1		1		1		1		1		8	
	2 B TH	1		1		1		1		1		1		1		1		1		1		1		1		12	
Thornhill Green (87908)	3 B TH	3		3		3		3		3		3		3		2	1	2	1	2	1	2	1	2	1	38	
	3 B TH	56		56		56		56		56		55	1	56		56		56		56		55	1	56		672	
Total Market Units	4 B TH S	5		5		5		5		5		5		5		5		5		5		5		5		60	
	4 B TH L																										
Total Market Units		304	4	305	4	304	7	304	6	307	3	306	3	310	-	307	4	306	4	305	4	305	4	303	5	3,714	
Total Portfolio Units		1,038		1,038		1,038		1,038		1,038		1,038		1,038		1,038		1,038		1,038		1,038		1,038		12,456	

Instructions:
(1) Include the number of units available at the end of each period (whether occupied or vacant) for each classification.
(2) A unit which becomes vacant retains its classification until it becomes occupied, at which time it assumes the classification of the new occupant.
(3) See the Guide to the Annual Information Return for the definition of an RGI and Market unit.

Social Housing Annual Information Return

Year end: December 31, 2015

Housing York Inc.

General Subsidy – Part VI SHRA – RGI Rental Schedule

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Project	Unit Type	Total Units	Prev. Year Total Indexed Benchmark Mkt Rents (Prev. AIR)	Curr. Year Market Rent Index (1,000x)	Curr. Year Indexed Benchmark Market Rent (Col 3 x Col. 4)	Current Actual Market Rent Per Month	Current RGI Months (A7 Total)	Actual Market Rents RGI Units (Col 5 x Col. 7)	Indexed Benchmark Market Rents RGI Units (Col 5 x Col. 7)	Current Rental Income RGI Units
	1	2	3	4	5	6	7	8	9	10
Glenwood Mews	2 B TH	12	892	1.016	906	988	127	125,476	115,062	
	3 B TH	48	1,020	1.016	1,036	1,059	481	488,199	477,596	
	4 B TH	4	1,087	1.016	1,104	1,177	26	30,602	28,704	
Keswick Gardens	1 B Apt	87	797	1.016	810	926	894	827,844	724,140	
	2 B Apt	33	907	1.016	922	1,062	154	163,548	141,988	
Springbrook Gardens	2 B TH	36	1,122	1.016	1,140	1,241	321	398,361	365,940	
	3 B TH	54	1,259	1.016	1,279	1,381	402	555,162	514,158	
	4 B TH	3	1,383	1.016	1,375	1,514	24	36,336	33,000	
Mulock Village	2 B TH	33	1,073	1.016	1,090	1,195	280	334,600	305,200	
	3 B TH	68	1,211	1.016	1,230	1,328	688	913,664	846,240	
	4 B TH	3	1,300	1.016	1,321	1,499	36	53,964	47,556	
Heritage East	1 B Apt	43	850	1.016	864	971	418	405,878	361,152	
	2 B Apt	71	987	1.016	1,003	1,132	643	727,876	644,929	
	3 B Apt	6	1,121	1.016	1,139	1,248	65	81,120	74,035	
Hadley Grange	1 B Apt	56	874	1.016	888	1,025	552	565,800	490,176	
	2 B Apt	24	1,012	1.016	1,026	1,187	115	136,505	116,220	
Brayfield Manor	2 B TH	16	1,075	1.016	1,092	1,204	144	173,376	157,248	
	3 B TH	60	1,214	1.016	1,233	1,343	531	713,133	654,723	
	4 B TH	5	1,300	1.016	1,321	1,485	48	71,280	63,408	
Oxford Village	1 B Apt	28	761	1.016	773	857	264	226,248	204,072	
	2 B Apt	8	880	1.016	894	1,017	36	36,612	32,184	
Rose Town	1 B Apt	93	896	1.016	910	999	869	868,131	790,790	
	2 B Apt	32	1,024	1.016	1,040	1,157	309	357,513	321,360	
Woodbridge Lane	2 B Apt	3	878	1.013	889	998	36	35,928	32,004	
	3 B Apt	8	989	1.013	1,002	1,101	84	92,484	84,168	
	4 B Apt	3	1,054	1.013	1,068	1,176	24	28,224	25,632	
Trinity Square (57813)	2 B TH	28	1,130	1.016	1,148	1,203	186	223,758	213,528	
	3 B TH	46	1,278	1.016	1,298	1,347	264	355,608	342,672	
	3 B TH (G)	6	1,318	1.016	1,339	1,441	69	99,429	92,391	
	4 B TH	0	1,386	1.016	1,406	1,500				
Trinity Square (57814)	2 B TH	12	1,114	1.016	1,132	1,182	132	156,024	149,424	
	3 B TH	8	1,261	1.016	1,281	1,320	80	79,200	76,860	
Thornhill Green (57868)	3 B TH	93	1,231	1.016	1,251	1,377	444	611,388	555,444	
	4 B TH S	8	1,299	1.016	1,320	1,452	36	52,272	47,520	
Total		1,038					6,742	10,025,543	9,131,524	3,921,482

For 2008 See
Specification 01-06
(Enter as 0.00 or -0.00)

All Total Columns

Line 501

Social Housing Annual Information Return

Year end: December 31, 2015

Housing York Inc.

General Subsidy - Part VI SHRA (Section 110)

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I. Operating subsidy

Total indexed benchmark operating costs	From SM Subsidy Estimate/Approved Budget	701	5,647,617
Mortgage principal and interest payment (shelter component only)	Line 550	703	7,488,332
Less total indexed benchmark revenue	From SM Subsidy Estimate/Approved Budget	705	13,230,079
Operating subsidy	Lines 701 + 703 - 705	709	(94,130)

II. RGI subsidy

Indexed benchmark market rents for RGI units	A8 Col. 09	713	9,131,524
Actual market rents for RGI units	A8 Col. 08	714	10,025,543
Lesser of Line 713 or Line 714		715	9,131,524
Actual rental income from RGI households	A8 Col. 10	718	3,921,482
RGI subsidy	Line 715 - 718	719	5,210,042

III. Surplus repayment Revenue

Shelter occupancy revenue	Line 510	741	8,391,263
Investment income & non rental revenue	Line 521 + 522	742	363,880
Net subsidy entitlement for the year	Line 549, 709, 719	743	6,369,855
Total revenue	Line 741 to 743	744	15,124,998
Less:			
Total shelter expenses	Line 585	750	14,466,828
Net income/loss - provincial reformed-shelter	Lines 744 - 750	751	658,170
Operating reserve allowance	D1 Line 3085 or 3085	755	0
Surplus/(Deficit)	Lines 751 - 755	759	658,170
Surplus repayable	50% of Line 759 (only if surplus)	760	329,085
Less: Service manager approved reduction	Enter \$ (up to the value in Line 760)	764	0
Net surplus repayable	Line 760 - 764	769	329,085

Social Housing Annual Information Return

Year end: December 31, 2015

Housing York Inc.

General Subsidy - Part VI SHRA (Section 110)

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A9 - CONTINUED

V. Subsidy for the year

Operating subsidy

Line 709 771 (94,130)

RGI subsidy

Line 719 772 5,210,042

Property taxes

Line 549 773 1,253,944

Additional subsidy

774

Subtotal

Line 771 to 774 779 6,369,855

Less:

Surplus repayment

Line 769 782 329,085

Reduction in subsidy (Section 113 (9) SHRA)

783

Subtotal

Line 782 to 783 785 329,085

Net subsidy entitlement for the year

Line 779 - 785 789 6,040,770

V. Current year settlement

Net subsidy for the year

Line 789 791 6,040,770

Less Subsidy received the year

792 6,565,278

Settlement - subsidy payable to Group (repayable to SM)

795 (524,508)

Social Housing Annual Information Return

Housing York Inc.

Year end: December 31, 2015

General Subsidy - Part VI SHRA - 100% RGI (Section 106)

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I. Subsidy for the year

Indexed Benchmark operating costs

From SM Subsidy Estimate/Approved Budget 801

Property taxes

line 549 806 0

Mortgage principal and interest

line 550 807 0

Subtotal

Line 801 to 807 809 0

Less:

Actual rents for RGI units

line 501 811 0

Non-Rental Revenue (including interest)

line 521 and 522 812 0

Surplus repayment (from below)

Line 829 813 0

Reduction in subsidy (Section 113 (9) SHRA)

814

Subtotal

Line 811 to 814 816 0

Additional Subsidy

817

Net subsidy entitlement for the year

Line 809 - 816 + 817 819 0

II. Surplus repayment

Indexed Operating costs

Line 801 821 0

Less:

Operating costs (actual)

line 548 822 0

Operating reserve allowance

Line 2107 or 3112 823 0

Subtotal

Line 822 to 823 825 0

Surplus

Line 821 - 825 826 0

Surplus repayable

50% of Line 826 827 0

Less: Service manager approved reduction

Enter \$ (up to the value in Line 827) 828

Net surplus repayment

Line 827 - 828 829 0

III. Current year settlement

Net subsidy for the year

Line 819 831 0

Less Subsidy received for the year

832

Current year settlement

Line 831 - 832 833 0

Social Housing Annual Information Return

Housing York Inc.

Year end: December 31, 2015

Revenue and Expenses-All programs except Provincial Reformed

Page B1

Program		Line	Provincial Reformed	Federal Unilateral	Federal Unilateral	Federal Unilateral	Public Housing	Region Program	Federal Unilateral
			MNP (Sec95)	PNP(Sec95)	Sec26/27	Limited/Dividend			UNative-Post85
Revenue			581	582	583	584	585	586	587
Occupancy Revenue (Shelter)									
	RGI-Income Tested Units	1501					5,002,224		
	Market Rent	1502						6,203,727	
	Gross occupancy revenue	Line 1501 to 1502 1504	0	0	0	0	5,002,224	6,203,727	0
	Less: vacancy loss on market units	1505						14,379	
	Subtotal	Line 1504 - 1505 1510	0	0	0	0	5,002,224	6,189,348	0
Investment income									
		1521					36,521	30,169	
Non-rental revenue/income									
		1522					220,929	206,158	
Subsidy - Rent Supp (i.e. OCHAP & CHSP)									
		1523							
Subsidy - Operating Subsidy									
		1525					2,725,002	0	
Subsidy - Capital Subsidy									
		1526							
Subsidy- Other (describe)									
	AHP Provincial Funding	1527						164,786	
	Total Revenue	Line 1510 to 1525 1530	0	0	0	0	7,984,675	6,590,460	0
Shelter Expenses:									
	Maint & Admin (see B1 schedules below)	1541	0	0	0	0	4,029,244	2,271,869	0
	Utilities(see B1 schedules below)	1542	0	0	0	0	1,329,753	744,197	0
	Insurance	1543					199,617	103,165	
	Bad Debts	1544					6,569	4,515	
	Other	1545						1,532,316	
	Lease Payments								
	Capital reserve contribution	1547						904,774	
	Subtotal Operating Expenses	1548	0	0	0	0	5,565,182	5,560,835	0
	Municipal property taxes	1549					915,347	827,534	
	Mortgage principal and interest	1550							
	Other (describe)	1551					1,126,851		
	Capital Expenditures								
	Other (describe)	1561						23,700	
	Opns Rsv Contribution								
	Total Shelter Expenses	Line 1546 to 1561 1565	0	0	0	0	7,607,380	6,412,069	0
	Net income (loss) - Shelter	Line 1530 - 1565 1570	0	0	0	0	377,295	178,391	0
	Subsidy settlement-pay (repayable to SM)	MNP-B3 line 1600 1571	0				377,295		
	Shelter Surplus(Deficit) after settlement	Line 1570 - 1571 1572	0	0	0	0	(0)	178,391	0
Gifts and Donations									
		1575							
	Non-Shelter Surplus(Deficit) Net	B2 Non-Shelter Line 1629 1576	0	0	0	0	0	0	0
	Program Net Income (Loss)	1580	0	0	0	0	(0)	178,391	0

Social Housing Annual Information Return

Housing York Inc.

Year end: December 31, 2015

Revenue and Expenses-All programs except Provincial Reformed

B1 Schedules

Line - 1541 - Maintenance and Administration

Maintenance

		Provincial Reformed	Federal Unilateral	Federal Unilateral	Federal Unilateral	Federal Unilateral	Federal Unilateral	
		MNP (Sec95)	PNP(Sec95)	Sec26/27	Limited/Dividend	Public Housing	Region Program	UNative-Post85
		581	582	583	584	585	586	587
Maintenance salaries, wages and benefits	1541 A					1,223,389	628,180	
Building and equipment	1541 B					480,482	370,151	
Elevators	1541 C					82,036	48,645	
Electrical systems	1541 D					36,367	21,434	
Heating, air, ventilation and plumbing	1541 E					76,659	100,208	
Grounds	1541 F					160,750	117,351	
Painting	1541 G					53,774	30,808	
Waste Removal	1541 H					77,459	72,189	
Security	1541 I					24,266	12,680	
Other _____ Life Safety Systems	1541 J					66,943	42,055	
Other _____ Shelter	1541 K					128,640		
Other _____	1541 L							
Subtotal Maintenance	1541 P	0	0	0	0	2,410,767	1,443,701	0

Administration

Salaries, wages and benefits	1541 R					1,307,461	668,933	
Management fees	1541 S							
Materials and Services	1541 T					311,016	159,235	
Other (describe) _____	1541 U							
Other (describe) _____	1541 V							
Other (describe) _____	1541 W							
Subtotal Administration	1542 Y	0	0	0	0	1,618,477	828,168	0
Total Maintenance and Administration	1541 Z	0	0	0	0	4,029,244	2,271,869	0

LINE - 1542 - UTILITIES

Electricity	1542 A					869,788	391,523	
Fuel	1542 B					203,981	191,580	
Water and Sewage	1542 C					255,983	161,094	
Other (describe) _____	1542 D							
Total Utilities	1542 E	0	0	0	0	1,329,753	744,197	0

Social Housing Annual Information Return

Year end: **December 31, 2015**

Housing York Inc.

Subsidy Entitlement Calculation- Section 95 NHA - MNP

Operating costs:

Budget

Previous year

Inflation factor

Budgeted Operating Costs

Actual Operating Costs

<small>From line 1640 Pr. Yr. Budget</small>	1635	
<small>2008 See Table Below, 2009 onward MAH SH Notification</small>	1636	
<small>Line 1605 x 1636</small>	1640	0
<small>line 1546-1547</small>	1641	0

Allowable costs

Lesser of budget or actual

Municipal taxes

Mortgage principal and interest

Capital reserve contribution

Total

<small>Lesser of 1640 and 1641</small>	1645	0
<small>line 1549</small>	1646	0
<small>line 1550</small>	1647	0
<small>line 1547</small>	1648	0
<small>Lines 1645 to 1649</small>	1650	0

Adjusted Total Revenue

Rent Inflation Factor

<small>From MAH</small>	1651	1.016
-------------------------	------	--------------

Unit Type	Market Units	Prior Year Minimum Market Rent	Minimum Market Rent <small>Line 1651 x Column B</small>	Minimum Annual Market Rent <small>A x C x 12</small>
	A	B	C	D
Bachelor	0.00		0.00	0.00
1 Bed Apt	0.00		0.00	0.00
2 Bed Apt	0.00		0.00	0.00
3 Bed Apt	0.00		0.00	0.00
3 Bed Apt	0.00		0.00	0.00
2 Bed TH	0.00		0.00	0.00
3 Bed TH	0.00		0.00	0.00
4 Bed TH	0.00		0.00	0.00
0	0.00		0.00	0.00
Total	1652		1653	0.00

Less: Budgeted vacancy loss

Net minimum annual market revenue

Market rent revenue

Adjusted market revenue

Geared-to-income rent

Non-Rental revenue(including interest)

Adjusted total revenue

<small>current year budget</small>	1654	
<small>Line 1653 - 1654</small>	1655	0
	1656	0
<small>Greater of line 1655 or 1656</small>	1660	0
	1661	0
	1662	0
<small>Line 1660 to 1663</small>	1665	0

Subsidy Entitlement

Subsidy Paid (Maximum Federal Assistance and Municipal Contribution)

Settlement - subsidy payable to Group (repayable to SM)

<small>Line 1650 - 1665</small>	1680	0
	1685	
	1690	0

Social Housing Annual Information Return

Housing York Inc.

Year end: December 31, 2015

Statistical Information

Page C1

All Units Under Administration by Service Manager

I. Households assisted by program type-at year end

RGI households with incomes at or below the HILs

Households assisted by program (at end of year)

Non-RGI households and RGI households with incomes above the HILs

Households assisted by program (end of year)

Vacant Units (end of year)

Total households (All units under administration)

Unit of Measure	Public Housing	Rent Supplement	Limited Dividend	Section 95 PNP	Maple Glen	Provincial Reformed	Post-1983 Urban Native	Pre-1983 Urban Native
	01	02	05	08	09	08	07	08
Households	836				36	727		
Households	10					291		
Households	20				1	20		
TOTAL	872	0		0	37	1,038	0	0

II. Household types assisted and average gross incomes (at year end) - (All targeted households are to be surveyed and income reported)

Families-RGI households with incomes at or below HILs

Total number of targeted households

Average annual gross household income

Non-RGI households and RGI households with incomes above the HILs

Total number of non-targeted households

Seniors-RGI households with incomes at or below the HILs

Total number of targeted households

Average annual gross household income

Non-RGI households and RGI households with incomes above the HILs

Total number of non-targeted households

Non-elderly singles

RGI households with incomes at or below the HILs

Total number of targeted households

Average annual gross household income

Non-RGI households and RGI households with incomes above the HILs

Total number of non-targeted households

Special needs

RGI households with incomes at or below the HILs

Total number of targeted households

Average annual gross household income

Non-RGI households and RGI households with incomes above the HILs

Total number of non-targeted households

Households	9					403		
Households	19,091					20,818		
Households	1					202		
Households	827				36	311		
Households	16,927				17,429	21,446		
Households	9					89		
Households						13		
Households						9,243		
Households								
Households								
Households								
Households								
Households								
Households								

III. ADDITIONAL REQUIREMENTS - Service Level Standards

Households receiving RGI whose household income is at or below the household income limit established in regulation.

High need households

Units modified to provide physical accessibility

Households receiving support services (All of the above information is as of year end.)

Unit of Measure	Public Housing	Rent Supplement	Section 95 PNP	Provincial Reformed
	01	02	08	08
Households	835	0	36	727
Households	710			615
Households	2			91
Households				15

Current Household Income Limit amounts by Service manager are found in O. Reg. 368/01 Tables 6 and 7

Social Housing Annual Information Return

Housing York Inc.

December 31, 2015

General Subsidy - Part VI SHRA - Operating Reserve

Page D1

Has the provider had an accumulated surplus at the beginning of any previous fiscal year since the termination of its operating agreement of \$300 per unit or greater?

Choose Yes or No 3000 **Yes**

Accumulated surplus (deficit) beginning of the year

3002

Number of units

Page A1 3025 **1,038**

Allowable operating reserve per unit

3030 **0**

Total allowable operating reserve

Line 3025 x line 3030 3035 **0**

If line 3002 is greater than line 3035 the provider is not eligible for any operating reserve in the calculation of surplus.

THE REMAINDER OF THE FORM IS COMPLETED ONLY IF LINE 3000 IS "NO"

Calculation for General Subsidy - Part VI SHRA (This section applies only if sheet A7 completed)

Accumulated surplus, beginning of year

Line 3002 3040 **N/A**

Net Shelter Income

Line 751 3045 **N/A**

Subtotal

Line 3040 + line 3045 3060 **N/A**

Operating reserve eligibility determinant

Line 3060 - 3060 3070 **N/A**

If line 3070 is nil or negative operating reserve calculation is:

Total allowable operating reserve

Line 3035 3075 **N/A**

Accumulated surplus, beginning of year

Line 3040 3080 **N/A**

Operating reserve allowance (to line 755)

Line 3075 - line 3080 3085 **0**

If line 3070 is a positive value operating reserve calculation is:

Total allowable operating reserve

Line 3070 3090 **N/A**

Accumulated surplus, beginning of year

Line 3040 3091 **N/A**

Operating reserve allowance (to line 755)

Line 3090 - line 3091 (if positive) 3095 **0**

Calculation for General Subsidy - 100% RGI (Complete section only if sheet A 10 completed)

Accumulated surplus beginning of year

Line 3002 3100 **N/A**

Indexed benchmark operating costs

Line 801 3101 **N/A**

Actual operating costs for the year

Line 822 3102 **N/A**

Difference

Line 3101 - 3102 3103 **N/A**

Operating reserve eligibility determinant

Line 3035 - (3002 + 3103) 3104 **N/A**

If line 3104 is nil or negative operating reserve calculation is:

Total allowable operating reserve

Line 3035 3105 **N/A**

Accumulated surplus, beginning of year

Line 3002 3106 **N/A**

Operating reserve allowance (to line 823)

Line 3105 - line 3106 3107 **0**

If line 3104 is positive operating reserve calculation is:

Indexed benchmark operating costs

Line 3101 3110 **N/A**

Actual operating costs for the year

Line 3102 3111 **N/A**

Operating reserve allowance (to line 823)

Line 3110 - Line 3111 3112 **0**



2015 Housing York Annual Report

Building Strong Communities

The Regional Municipality of York, Ontario, Canada
for the year ended December 31, 2015

Working with internal and external partners, Housing York Inc.'s goal is to support healthy communities through a broad range of housing choices and supports that meet the diverse needs of York Region residents.

About Housing York

Housing York Inc. (Housing York) is a municipal housing provider regulated by the *Housing Services Act, 2011*. Incorporated under the *Ontario Business Corporations Act*, Housing York is responsible for owning and operating affordable rental housing. A Board of Directors (Board) is responsible for the governance of Housing York. The Board sets strategic direction and receives and approves budget and business plan reports, mid-year forecasts and annual financial statements, as well as operational statistics and corporate performance reports. The Regional Municipality of York is the sole shareholder in Housing York.

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Overview of Housing York	6
Healthy communities	8
Effective property management.....	12
Planning for growth	16
User-friendly services	20
Well-run organization	24
Financially-secure business	28
2015 Financial highlights	30
Looking ahead to 2016	34

Council, Board and leadership

With the support and contributions of York Regional Council, a Board of Directors and Housing York leadership and staff, we work to build strong, healthy and affordable housing communities.

York Regional Council

York Regional Council owns Housing York and defines its governance framework.

Housing York Board of Directors

York Regional Council appoints 10 Board members. Housing York's Board of Directors sets operational policies and oversees management of the corporation.



**Regional Chairman
and CEO
Wayne Emmerson**



**Regional Councillor
City of Markham
Jack Heath
(Chair)**



**Regional Councillor
City of Vaughan
Gino Rosati
(Vice Chair)**



**Regional Councillor
City of Markham
Nirmala Armstrong**



**Mayor
Town of Aurora
Geoffrey Dawe**



**Mayor
Town of East
Gwillimbury
Virginia Hackson**



**Regional Councillor
Town of Richmond Hill
Brenda Hogg**



**Mayor
Town of Georgina
Margaret Quirk**



**Regional Councillor
Town of Richmond Hill
Vito Spatafora**



**Regional Councillor
Town of Newmarket
John Taylor**

Housing York Leadership

Housing York is part of The Regional Municipality of York's Community and Health Services department. Through a Management Agreement, Housing York provides executive and support staff to manage the day-to-day operations of the corporation.



**Adelina Urbanski
President**



**Rick Farrell
General Manager**



**Carlene Jackson
Chief Financial Officer**



**Denis Kelly
Secretary**



**Joy Hulton
Solicitor**

A message from the Housing York Chief Executive Officer and Chair

Quality and affordable housing is the foundation of vibrant and healthy communities. As housing prices escalate, York Region is working with various partners to provide more housing options for all residents, despite income levels. In fact, the Regional Official Plan requires that 25 per cent of all new housing units across the Region be designated affordable and 35 per cent of new housing units in Regional centres and key development areas be designated affordable.

Housing York is the Region's non-profit housing corporation. It provides affordable housing to more than 4,000 York Region residents, but clearly more needs to be done. That's why every year, Housing York increases the number of housing units available to individuals and families, and offers additional programs and services to better support new and existing tenants.

In 2015, Housing York made significant progress, including:

- The opening of Belinda's Place, York Region's first emergency housing facility for women who are homeless or at risk of becoming homeless
- An investment of \$3.4 million to make repairs and capital improvements to Regional buildings such as the installation of new kitchens, furnaces and accessibility upgrades
- The introduction of new programs and services to support youth and seniors

As we move into the final year of Housing York Inc.'s 2012-2016 Strategy Plan, York Regional Council and our dedicated staff will continue to make affordable housing a priority. We will manage our properties and finances proactively and develop opportunities to engage even more tenants. At the same time, we will encourage our senior funding partners at the federal and provincial governments to commit long-term capital to create more affordable housing options in York Region and develop a national housing strategy that will benefit Canadians here and across the country.



Wayne Emmerson
CEO, Housing York Inc.



Jack Heath
Chair, Housing York Inc.



Executive summary

The background: Our Region is growing

- The Regional Municipality of York is the third largest municipality in Ontario and Canada's fastest-growing large municipality
- The current population of more than 1.1 million is expected to reach 1.8 million by 2041
- The senior population is expected to grow from 11 per cent to 21 per cent by 2021
- In Canada, York Region has the third largest proportion of immigrants, after Peel and Toronto

The need: Home ownership and home affordability is becoming more challenging

- The average re-sale price for a single detached home in 2015 was over \$943,000¹
- Only 12 per cent of York Region's housing is rental, compared to 30 per cent nationally
- The average monthly market rent of a two-bedroom apartment is \$1,262²
- Over 12,000 households are waiting for social housing in York Region

Cited sources on page 34.

The services: Housing York is helping to fill the gap between need for accommodation and affordability

- Housing York owns and manages 36 properties and 2,441 units spread across York Region's nine towns and cities
- We are adding 612 new units over the next five years

The goal: A place to call home at every age and stage

- We strive to ensure all York Region residents have access to a safe, secure and welcoming place to call home

Overview of Housing York

7th largest social housing provider in Ontario

Key partner for other social housing providers in York Region



2,441

units in 37 properties across all nine towns and cities in York Region



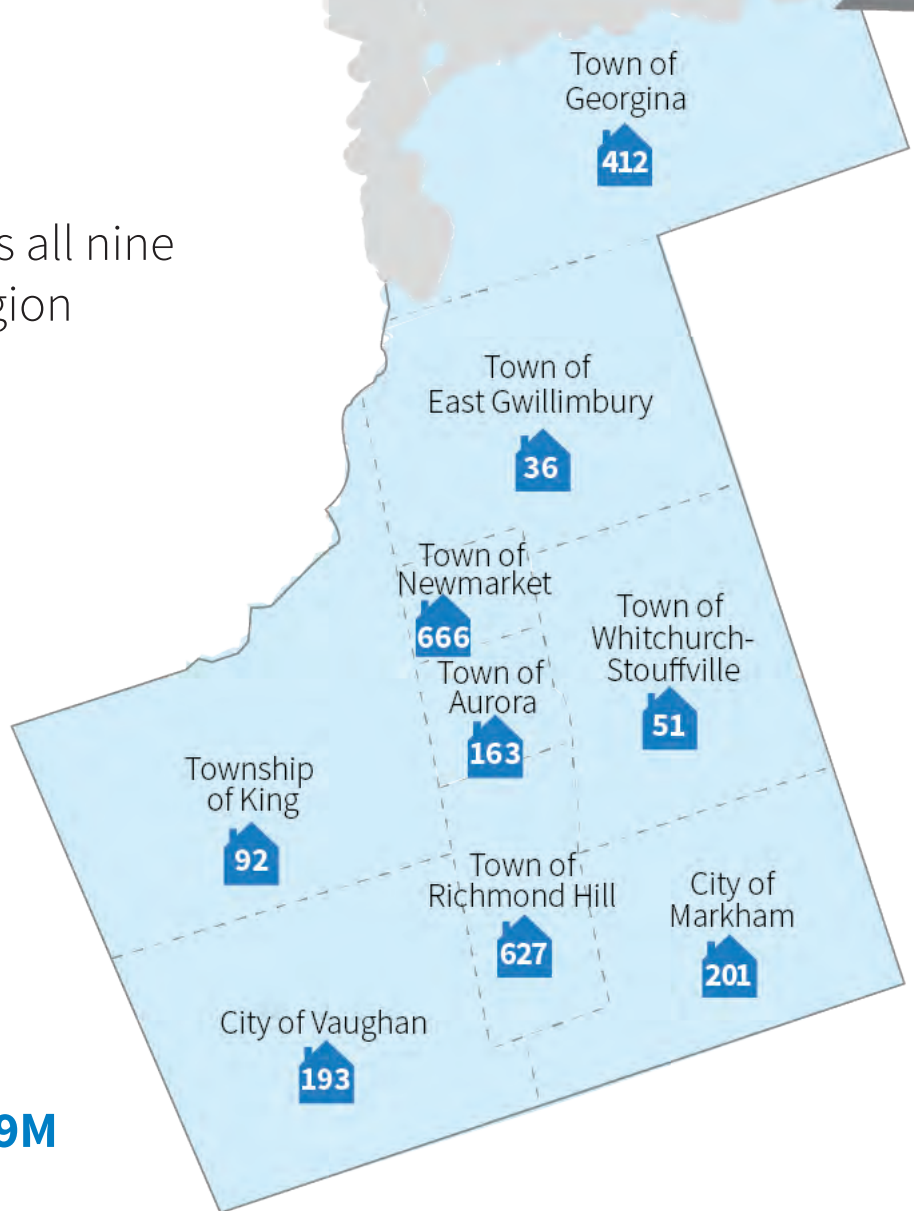
633
townhouses



1,808
apartments



89
emergency and transitional housing units



Total property value of **\$529M**

Annual budget of **\$29M**



Healthy communities

Bricks and mortar build houses. It's the people and connections within families and communities that create a sense of home and belonging. That's the environment we strive to build for the 4,000 people who call Housing York home.

With all our programs and services, our ultimate goal is to create strong communities where our residents can live meaningful, productive lives. In 2015, we enjoyed continued success with many existing programs and introduced several new initiatives. Here are some of the highlights for 2015.

Supporting our senior tenants

Seniors make up the majority of our tenants. To help ensure that they remain engaged and involved in their community, we developed a program targeted for seniors at risk of social isolation. Working with such partners as Seeds for Change and York Region Public Health, we supported the delivery of various social programs at several of our properties. The feedback has been overwhelmingly positive.

Working with our Community Partnerships team, we also facilitated sessions with our seniors tenants to assist them in developing and implementing their own events. Our seniors have hosted a range of activities including coffee chats, music programs, laughter yoga and potlucks.



4,000
people call
Housing York
home



70
per cent are
seniors or single
adults



26
partners helped
our tenants last
year

“Thank you for all what you did for us! I live in Mapleglen Residences and I want to express my appreciation for a very nice lady, always smiling and caring – the property manager and her team. We are a happy family here and you should be proud and happy to do such work to take care of the seniors.”

Tenant, Mapleglen Residences



Making transit easier



Clean Air at Home event

Adding more transit options for seniors

Many of the seniors who live in our buildings rely on public transit. In response to tenants' requests for more transit options in the City of Vaughan, we worked towards developing a "front door" bus service working with York Region Transit and the City. Small enhancements like this service go a long way in simplifying and improving the lives of our tenants.

Helping our tenants breathe a little easier

In partnership with York Region Public Health, we created and delivered a "Clean Air at Home" campaign. Supported by free cleaning tool kits, promotional materials, prizes and a kick-off barbecue event, the program encourages tenants to complete five simple steps to improve the air quality in their homes.

Five simple steps to improve air quality in your home

1. Turn on a fan or open a window when you shower
2. Clean the floor with a damp mop or cloth
3. Turn on a fan or open a window when you fry, sauté or grill food
4. Use non-toxic cleaning products more often
5. Make your home smoke-free

Helping our tenants access services and programs

Housing York connects tenants with community programs and services through our many partnerships. Parenting information, recreation subsidies, nutrition and senior safety campaigns are just a few examples of the broad range of services we, with the help of our partners below, provide tenants access to.

Canadian Hearing Society

Canadian Mental Health Association

Care First

Circle of Friends

Community Care Access Centre

Community & Home Assistance to Seniors (CHATS)

Community Health Assessment Program - Emergency Medical Services

Community Living

Delmanor Elgin Mills

Girls Inc.

Housing Help Centre

Housing Services Corporation

LOFT Community Services

March of Dimes

Ontario Power Authority (Save on Energy) Home Assistance Program

Seeds for Change

The Salvation Army

Victorian Order of Nurses

York Region Family and Child Services

York Region Food Network

York Region Healthy Aging Working Group

York Regional Police

York Region Public Health

York Region Paramedic Services

York Support Services Network

360° kids





Effective property management

Through continual care and sound investment, we work to ensure that our building infrastructure can meet the current and growing demand for high-quality, affordable housing.

Maximizing the life expectancy of our buildings

The average age of Housing York's buildings is 28 years. Even with rising maintenance and repair costs, last year we completed more than 80 capital projects valued at over \$3 million including:

- 62 bathroom renovations at Brayfield Manors
- 75 kitchen renovations at Springbrook Gardens, Mulock Village and Rose Town
- 65 garage door replacements at Springbrook Gardens and Mulock Village

We also completed numerous other upgrades and enhancements. By keeping our assets in a state of good repair and increasing their safety and accessibility, we are maximizing the value and life span of all the buildings in our portfolio.

Completing close to 6,000 repair and maintenance requests

In 2015, we completed close to 6,000 requests ranging from tasks as simple as clearing plugged drains to more complex repairs. Not only vital to ensure the continued health and good standing of our buildings, these maintenance requests offer a great opportunity for our employees to engage with and educate our tenants on simple home maintenance techniques.



6,000
maintenance
and repairs
completed



Over
\$3M
spent on
capital
projects



\$60,000
in energy
savings



Spotlight on select upgrades and enhancements to our buildings

- Automatic door openers in the common areas at Blue Willow Terrace
- Better lighting in the hallways at Keswick Gardens
- New furniture in the lounge at Dunlop Pines
- New siding at Glenwood Mews
- Sidewalk upgrades at Rose Town
- Furnace replacements at Thornhill Green
- \$20,375 spent in elevator upgrades and maintenance across all Housing York buildings
- \$126,197 spent to upgrade smoke and CO₂ detectors across all Housing York buildings

Conserving energy at our buildings

The focus of our work isn't just centered on how our buildings look but also how well they run. In support of this, we introduced an energy conservation program at several sites identified with high electricity usage. Working with the non-profit organization Housing Services Corporation, the program consisted of site-specific plans to support energy conservation. By tracking data before and after the introduction of the program, we will be able to demonstrate real energy savings to our tenants, motivating them to be more energy conscious.

Saving money through the Green Saver program

Through the Green Saver program, we replaced many appliances including dehumidifiers, refrigerators, freezers and air conditioners with more energy-efficient models, resulting in an annual savings of \$60,000 in energy consumption. We also replaced close to 6,000 light bulbs with more energy-efficient ones, adding to our energy savings.

Our tenants speak out about maintenance staff

“Brilliant people work here. Thank you so much. They are always perfect.”

“Exceptionally speedy response, as usual, very satisfied.”

“Best Super ever.”

“The request was received at 8:45 a.m. – the problem resolved by 9:30 a.m.”

“A wonderful person – did a fantastic job.”



A few members of Housing York staff



Planning for growth

Always looking towards the future, Housing York completed several large capital projects to increase the amount of affordable housing available in York Region.

Opening Belinda's Place: York Region's first home for homeless women

In December 2015, Belinda's Place, in Newmarket, welcomed its first tenant. With 28 emergency beds and nine transitional units, Belinda's Place offers 37 single, homeless women a safe and supportive environment where they can begin the process of building a brighter future. Operated by The Salvation Army, Belinda's Place also offers drop-in services, counselling and mental health services and is home to more than 30 agency partners that provide a range of services to support Belinda Place's clients.



Belinda's Place



37

homeless
women helped at
Belinda's Place

“Because of transition housing at Belinda’s Place, I can breathe and focus on who I am and where I want to be. I’m working toward a profession in mental health as a peer support worker. This is the first time in a long time I’ve felt valued and have a sense of purpose. This time the brick wall didn’t win. I can’t tell you how huge that is.”

Sheila, Belinda’s Place

Completing construction at the Richmond Hill Hub

Construction of the Richmond Hill Hub is ahead of schedule and will be available for occupancy in late January 2016. A nine-story building with 202 one and two-bedroom rental apartments, offered at a mix of subsidized and market rents, 444 people will call Richmond Hill Hub home. Featuring a community hub, roof-top patio and garden and commercial space, the Richmond Hill Hub has been designed to be self-sustaining without the need for government subsidies.

With easy access to highways and many schools and parks nearby, the Richmond Hill Hub is a welcome addition to the community. The building will also feature a drop-in centre and emergency transitional housing for young people, operated by the non-profit agency 360° kids.

Awarding the design/build contract for the Woodbridge Redevelopment project

In 2015, we awarded the contract for the design and construction of the Woodbridge Redevelopment project. We are excited to work with our development partner VanMar Constructors Inc. to redevelop the three current properties on Woodbridge Avenue in Vaughan. Construction is expected to begin in early 2017. Once complete, the Woodbridge Redevelopment project will increase affordable housing in the area from 46 to 150 units.

Housing York staff met frequently with tenants who will be re-housed during construction to keep them informed and updated on the project plans. We will continue to regularly connect with these tenants throughout the construction to minimize disruption and ensure a smooth transition.



Richmond Hill Hub

Laying the foundation for a new development in Unionville

The new development in Unionville will feature approximately 250 apartments, targeted to seniors. This project is in the early planning phase with ground breaking anticipated in 2017. The existing tenants located near the site, in Unionville Home Society's Heritage Village, will remain in their homes throughout the construction of the new Housing York building and have been offered units in the new building.



612
new units to be added in Richmond Hill, Unionville, and Woodbridge



275

Proposed Woodbridge Redevelopment



User-friendly services

Our tenants reflect a wide range of ages, cultures and backgrounds. While the diversity of their needs may be great, so too is the need for our tenant programs and services to help them thrive.

Engaging our tenants through a variety of programs

We know that the more engaged our tenants are within their building and community, the more positive the outcomes. In 2015, we continued to increase the number of programs and activities to enable our tenants to get to know their neighbours.

The range and creativity of the programs enjoyed by tenants was impressive including a MasterChef cooking competition, coffee clubs, potluck dinners, musical entertainment, barbecues, outdoor movie nights and a host of other activities and events. Collectively, these social activities enable our tenants to learn new skills and socialize with people with common interests.



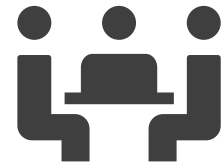
Many

special activities and programs enjoyed by tenants



13-25

year olds participated in *Life in My Community* contest



70

meetings with tenants



Music concert



MasterChef winner

Tapping into young people's creativity

We are very proud of the success of the Life in My Community photo contest for young people aged 13 to 25. The young people who participated submitted an impressive range of creative and compelling photos, offering their interpretation of life in their communities. Photos and participants were publicly recognized and awarded with prizes at an exhibit at the Richmond Hill Centre for the Performing Arts.



Honouring the participants



A few of the winning photos

“My neighbourhood is fun. It is my place to go when I want to have fun and to be around the people I love and care about.”

Youth, Mulock Village

“What community means to me is seeing children play and learn. Seeing kids happy and playful means that our future as a community is brighter.”

Youth, Bray Circle



Maximizing the safety and security of our buildings

In 2015, Housing York completed a comprehensive security review of all of our properties and developed a five-year upgrade plan to ensure that our buildings reflect the highest levels of safety and security. Moving forward and in partnership with York Regional Police, we will continue to support, upgrade and enhance property signage, standards and protocols.

Listening to our tenants

The Tenant Reference Group, consisting of up to 15 members, is an invaluable resource for us to learn about the issues, concerns and interests of our tenants and to get their input and feedback on programs. Throughout 2015, we continued to meet with them regularly to share information and ensure a productive two-way flow of communication. We also held more than 70 tenant meetings throughout the year to share information and gather feedback from our tenants.



Well-run organization

We strive to ensure that our organization is efficient, effective and responsive so we can deliver the programs and services that matter most to our tenants.

Investing in technology

In 2015, we undertook a thorough review of our information technology systems to ensure we are optimizing our investment in technology. This work will continue throughout 2016 culminating in a major upgrade to our information technology systems, giving us the right and most current technical tools to support our business and operational objectives.

Ensuring the right staffing model and training programs to help our employees excel

The employees who work for Housing York are key to our success. We strive to ensure that we have the right staffing model and supports in place to help them succeed and excel at their jobs. In 2015, considerable effort was placed on staff training to ensure that our staff have the skills to effectively deliver the programs and services that make a positive difference in our tenants' lives.

Staff received training in:

Customer service and communication
Fire and life safety

Personal safety and security
Leadership development opportunities



Angela Lippensky, seated on the far left, with tenants and staff.

Profile of Angela Lippensky, Property Manager

Angela Lippensky is one of five property managers with Housing York. Angela oversees nine properties and 543 units including the recently opened Belinda's Place. Angela and her dedicated staff work together to ensure that the buildings under their responsibility run smoothly.

As Angela says, no day is typical for her. Between her regular building visits, ensuring that repair or maintenance requests are completed, directing staff and meeting with tenants, she fields numerous calls and emails. The favourite part of Angela's job is interacting with people.

"It's the human part that excites me most. I've been with Housing York since 2009 and have developed positive relationships with many of our tenants. Whether it's a single mother with five kids or a seniors couple who are having some health issues, because we see our tenants on a regular basis, we are able to help them access the right support and services. This is the most satisfying part of my job: knowing that my team and I are making a difference in people's lives."

Guiding our growth: planning for the next four years

In 2015, we focused our efforts on completing the balance of the goals in the *Housing York 2012-2016 Strategic Plan*. As a result, we are well-positioned to complete all deliverables by the end of 2016.

In 2015, we also began planning our corporation's goals and objectives for the next four years, 2017 to 2021. Through consultations with our Board of Directors and various other stakeholders, we are laying the early foundation for the development of the *Housing York 2017-2021 Plan*.







Financially-secure business

All our financial decisions are guided by one overriding principle – to ensure that we are in solid financial shape to meet the current and future needs of our residents.

Strengthening our financial reporting

In 2015, we implemented a new financial forecasting model. Undertaken by our operations and finance staff every quarter, these forecast reports provide a more detailed and current picture of the corporation’s revenue and expenditures. These financial forecasts also support and simplify the annual budgeting process and enhance decision-making.

Simplifying the rent subsidy model

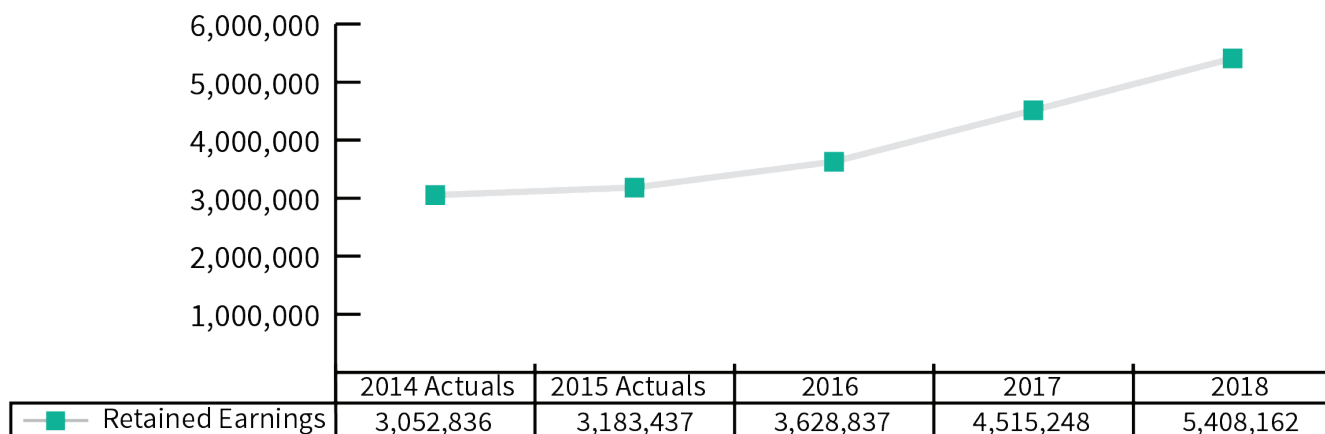
In 2015, we developed and introduced a new rent subsidy model for the Richmond Hill Hub. By establishing standard rental rates for the entire year based on income range, this model simplifies the administration of rents.

The benefits are significant: serving more people on the waiting list for subsidized housing and reducing the need for government subsidies as rental revenues are more predictable. Based on the success of this program, we are planning to roll out this subsidy model to new buildings throughout the region.

“The new financial forecasting model gives the operations team more influence on how key performance indicators are monitored, directly impacting how we deliver strategic objectives. Direct involvement in the quarterly forecasting process also means that we are well-informed and able to make timely decisions, ensuring effective management of resources while maintaining a commitment to healthy communities.”

*Randall Profitt
Manager, Operations
Housing York South Portfolio*

2014 to 2018 Retained Earnings



2015 Financial highlights

Through prudent financial management focused on maintaining solid rental revenue performance and expenditure optimization, we achieved a \$534,601 surplus in 2015 fostering the company's strong financial health.

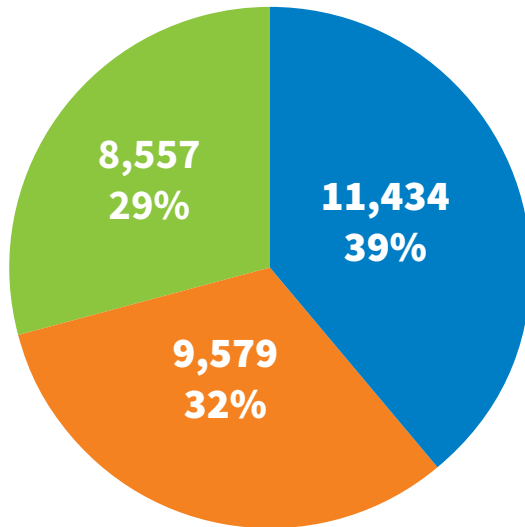
Balance Sheet		
Assets	2015	2014
Current Assets	7,554,461	6,592,806
Restricted Cash and Investments	8,025,880	7,206,178
Property Holdings	144,017,726	150,232,624
	\$159,598,067	\$164,031,608
Liabilities and Equity		
Current Liabilities	11,328,401	33,959,246
Mortgages and Loans Payable	68,231,455	50,355,495
Equity		
Reserve Fund for Capital Equipment Replacement	4,762,354	4,952,608
Other Reserves	72,092,420	71,711,423
Retained Earnings	3,183,437	3,052,836
	80,038,211	79,716,867
	\$159,598,067	\$164,031,608

Statement of Revenue, Expenses and Retained Earnings

	2015 Actual	2014 Actual
Revenue		
Rents and Other Operating Income	21,013,112	20,173,587
Operating Subsidy	8,557,220	8,633,987
	\$29,570,332	\$28,807,574
Expenditures		
Mortgage Payments	9,140,458	9,437,377
Administration and Maintenance	9,969,447	9,466,070
Property Taxes	3,004,072	2,820,420
Utilities	3,112,389	2,864,464
Capital	1,126,851	1,304,261
Insurance	466,149	443,408
Shelter	128,640	105,120
Bad Debts	47,773	52,950
	\$26,995,779	\$26,494,070
Excess of Revenue over Expenditures Before the Undernoted	2,574,553	2,313,504
Contribution to Capital Reserve	1,991,252	1,782,441
Contribution to Operations Reserve	23,700	23,700
Excess of Revenue over Expenditures	559,601	507,363
Retained Earnings, beginning of year	3,052,836	2,595,622
Internal Allocations:		
Contribution from Insurance Reserve	(25,000)	(50,149)
Emergency Power Plan - additional contribution	(404,000)	
Retained earnings, end of year	\$3,183,437	\$3,052,836

2015 Revenue Mix

Market Rent	11,434
RGI Rent	9,579
Subsidy	8,557
Total Revenue	29,570



Market Rent

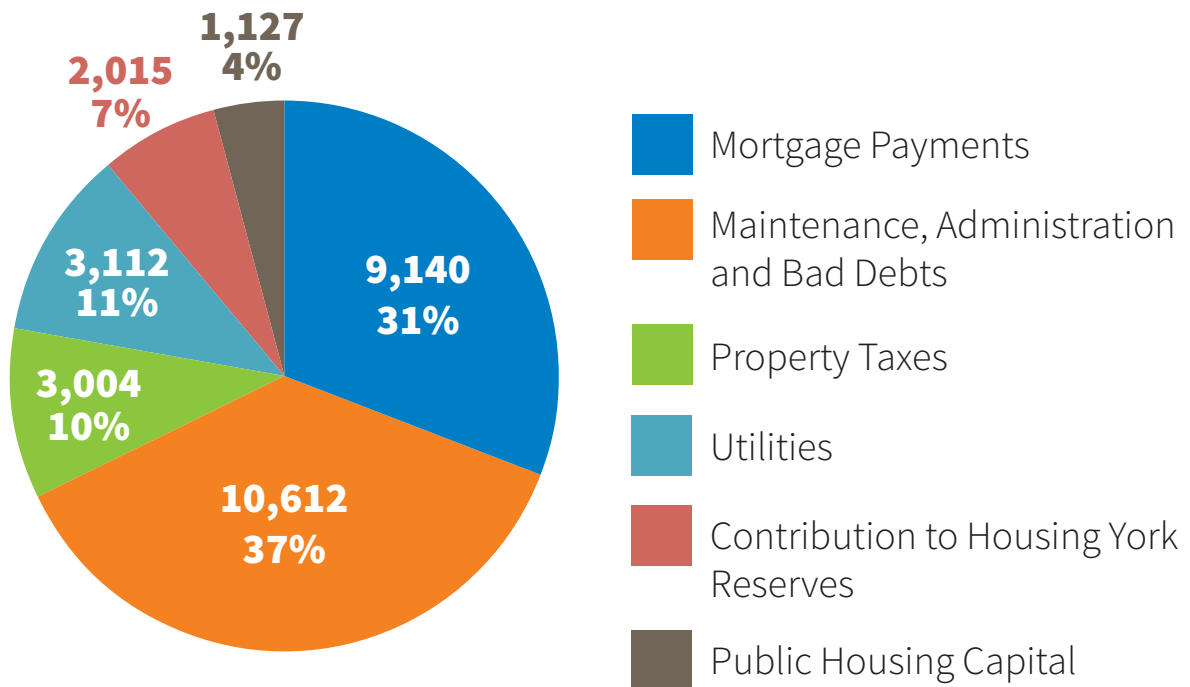
RGI Rent

Subsidy

Total Operating Revenue 29,570

2015 Operating Expenses \$000s

Expenditures:	2015
Mortgage Payments	9,140
Maintenance, Administration and Bad Debts	10,612
Property Taxes	3,004
Utilities	3,112
Contribution to Housing York Reserves	2,014
Public Housing Capital	1,126
Total Operating Expenses	29,010



Total Operating Expenses 29,010

Looking ahead to 2016

A year of completion
as we realize all the goals in the
Housing York 2012-2016 Strategic Plan.

A year of transition
as we build the foundations for the
Housing York 2017-2021 Plan.

We are optimistic about the future and confident in our
ability to meet the housing needs of
York Region's residents.

Sources:

¹ *Toronto Real Estate Board, Market Watch, 2015*

² *Canada Mortgage and Housing Corporation, Rental Market Report, Fall*



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Access York

Phone: 1-877-464-9675

TTY: 1-866-512-6228 or 905-895-4293
(for deaf and hard of hearing)

Accessible formats or communication supports are available upon request



Community and Health Services

Housing Services

york.ca

