

2013-2014

**Business Plan
and Budget**

Presentation to Housing York Inc. Board of Directors
Presented by Doug Manson, Director, Housing York Inc.

December 5, 2012

Housing York Inc. Portfolio as of December 31, 2012

Residential Tenancies Act, 2006

Housing Services Act, 2011

Provincial Reform

- 12 buildings – average age 22.3 years
- Retained Earnings and Capital Reserve
- Approximately \$6.6M operating subsidy

Public Housing

- 17 buildings – average age 38.8 years
- No Retained Earnings and no Capital Reserve
- Capital funded from Operating budget.
- Approximately \$2.2M operating subsidy

Regional Housing

- 5 buildings – average age 3.8 years
- Capital Reserve and Retained Earnings funded from surplus operating funds
- No operating subsidy

Shelters

- 18838 Yonge Street
- Capital Reserve
- Approximately \$116,000 operating subsidy

2012 Highlights

Mapleglen Residences
Vaughan



Kingview Court
King Township



2012 Highlights

- Developed 5-year Strategic Plan
- Created a Financial Strategy Steering Committee to develop a long-term financial plan for the corporation
- Last year of the 5-year Energy Management Strategy
- Established a simple online method for tenant rent payments
- Updated maintenance and repair service standards for tenants
- Major site upgrades – Thornhill Green

Thornhill Green - Before



Before



During



After

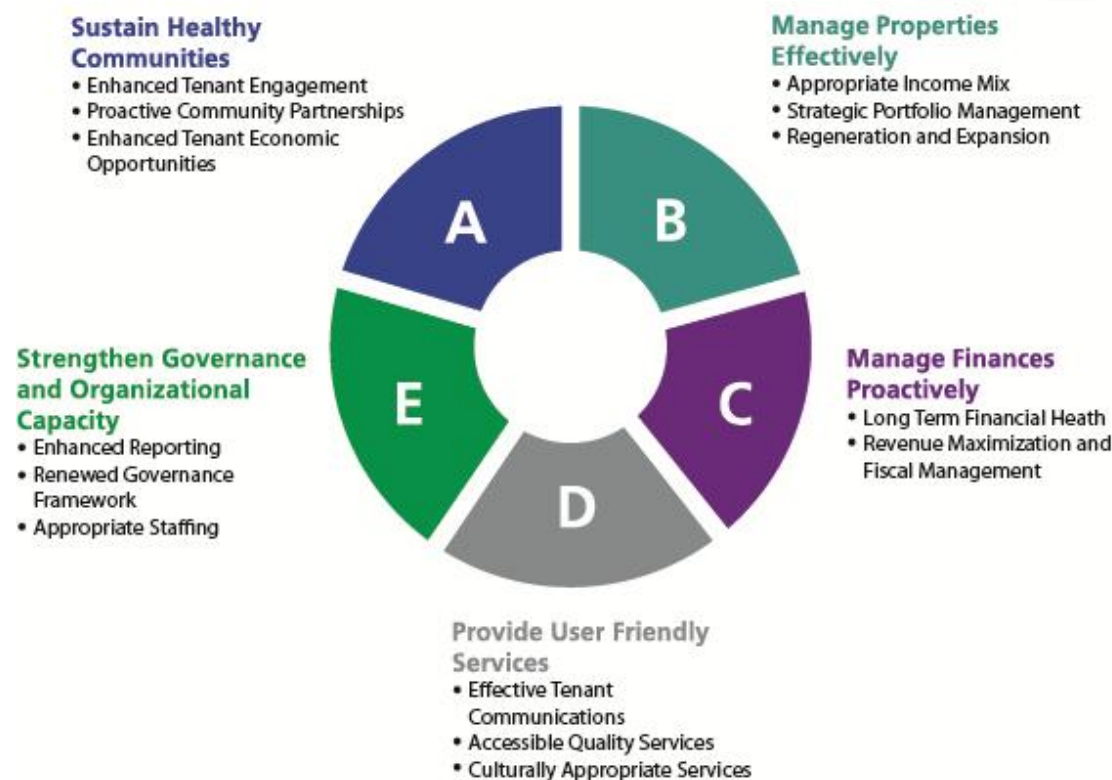
2013 & 2014 - Areas of Focus



1. Moving Forward on Strategic Plan Implementation
2. Community Growth – New Properties

Areas of Focus

1. Moving Forward on Strategic Initiatives



Areas of Focus

- New management office in Richmond Hill
- Work with Employment Services to explore new opportunities for student employment in our communities
- Designing a more user-friendly website
- Enhanced tenant engagement strategy

Areas of Focus

2. Community Growth

Mackenzie Green
Richmond Hill



140 units

Belinda's Place
Newmarket



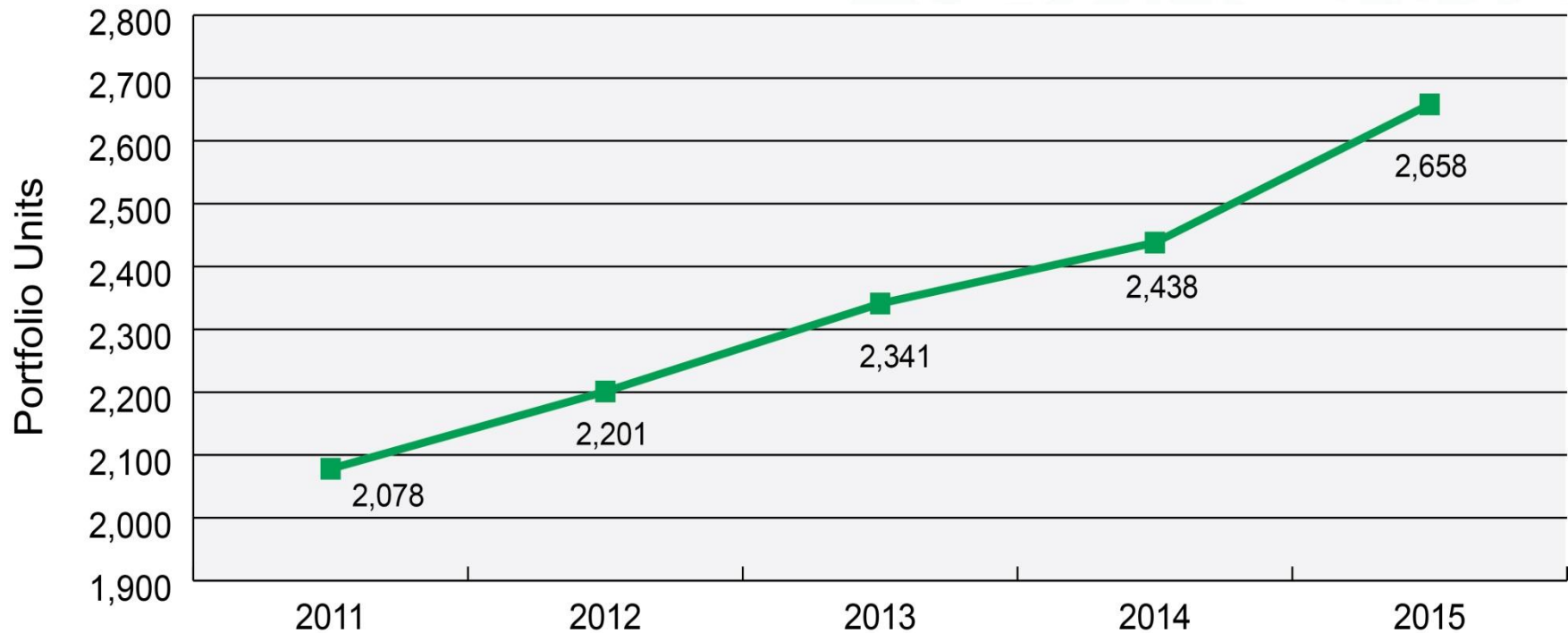
28 emergency beds
9 transitional beds

Lakeside Residences
Keswick



97 units

Portfolio Growth



28% increase or 580 units

2012 Estimated Results

\$000's	2012 BUDGET	2012 FORECAST
Revenue		
Tenant Rents	\$17,511	\$16,800
Region of York Subsidy	7,676	7,670
Federal Subsidy	1,319	1,319
Total Operating Revenue	\$26,506	\$25,789
Operating Expenditures	24,951	24,316
Public Housing Capital	1,195	1,195
Total Operating Expenses	\$26,146	\$25,511
Surplus Before Strategic Projects	\$ 360	\$ 278
Strategic Projects ⁽¹⁾	\$ 48	\$ 48
Surplus After Strategic Projects	\$ 312	\$ 230
Capital Funded from Reserves	\$ 3,457	\$ 3,395

Estimated Reserve Balances

December 31, 2012

1. Capital	\$3,613,177
2. Energy Management	702,882
3. Emergency Power	519,541
4. Insurance	161,127
5. Technology Upgrade	39,897
6. Strategic Projects	12,440
7. Fairy Lake Pond	<u>15,299</u>
	<u>\$5,064,363</u>

Key Budget Drivers



2013 Total Budget Summary

\$000's	2012 Total Budget	2013 Total Budget	Variance Year over Year
Revenue			
Tenant Rents	\$17,511	\$18,640	
Region of York Subsidy	7,676	8,003	
Federal Subsidy	1,319	1,319	
Total Operating Revenue	\$26,506	27,962	5.49%
Operating Expenses	24,951	26,236	
Public Housing Capital	1,195	1,419	
Total Operating Expenses	\$26,146	\$27,655	5.77%
Surplus Before Strategic Projects	\$ 360	\$ 307	
Strategic Projects	\$ 48	\$ 155	
Surplus after Strategic Projects	\$ 312	\$ 152	
Capital funded from Reserves	\$ 3,457	\$ 2,268	

2013 Base Budget Summary (Without Growth)

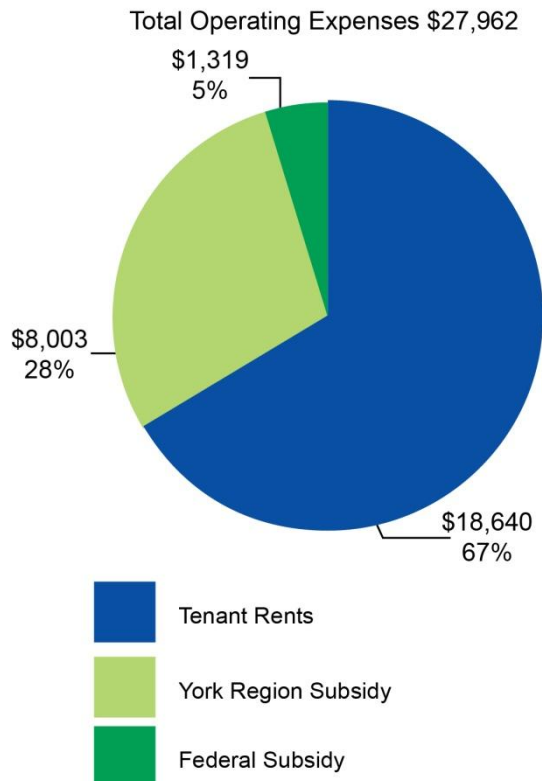
\$000's	2012 Total Budget	2012 Total Forecast	2013 Base Budget	Variance Year over Year
Revenue				
Tenant Rents	\$17,511	\$16,800	\$17,544	
Region of York Subsidy	7,676	7,670	8,003	
Federal Subsidy	1,319	1,319	1,319	
Total Operating Revenue	\$26,506	\$25,789	\$26,866	1.36%
Operating Expenses	24,951	24,316	25,132	
Public Housing Capital	1,195	1,195	1,419	
Total Operating Expenses	\$26,146	\$25,511	\$26,551	1.55%
Surplus Before Strategic Projects	\$ 360	\$ 278	\$ 315	
Strategic Projects	\$ 48	\$ 48	\$ 155	
Surplus after Strategic Projects	\$ 312	\$ 230	\$ 160	
Capital funded from Reserves	\$ 3,457	\$ 3,395	\$ 2,268	

2014 Total Outlook Summary

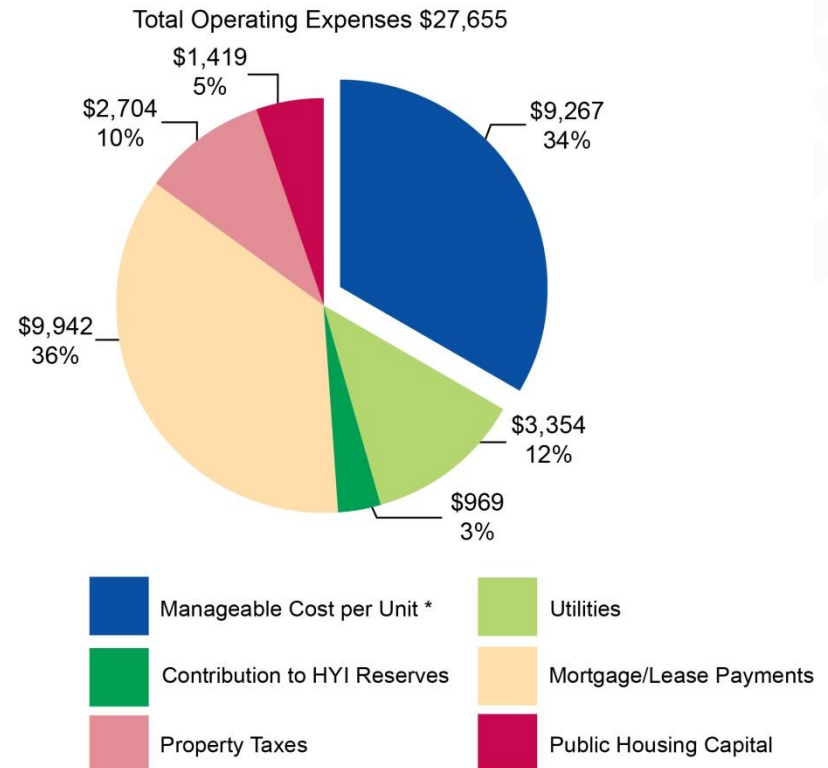
\$000's	2013 Total Budget	2014 Total Outlook	Variance Year over Year
Revenue			
Tenant Rents	\$18,640	\$20,094	
Region of York Subsidy	8,003	8,246	
Federal Subsidy	1,319	1,319	
Total Operating Revenue	27,962	29,659	6.07%
Operating Expenses	26,236	27,671	
Public Housing Capital	1,419	1,422	
Total Operating Expenses	\$27,655	\$29,093	5.20%
Surplus Before Strategic Projects	\$ 307	\$ 566	
Strategic Projects	\$ 155	\$ 125	
Surplus after Strategic Projects	\$ 152	\$ 441	
Capital funded from Reserves	\$ 2,268	\$ 2,209	

2013 Operating Budget

2013 Revenue Sources
\$000



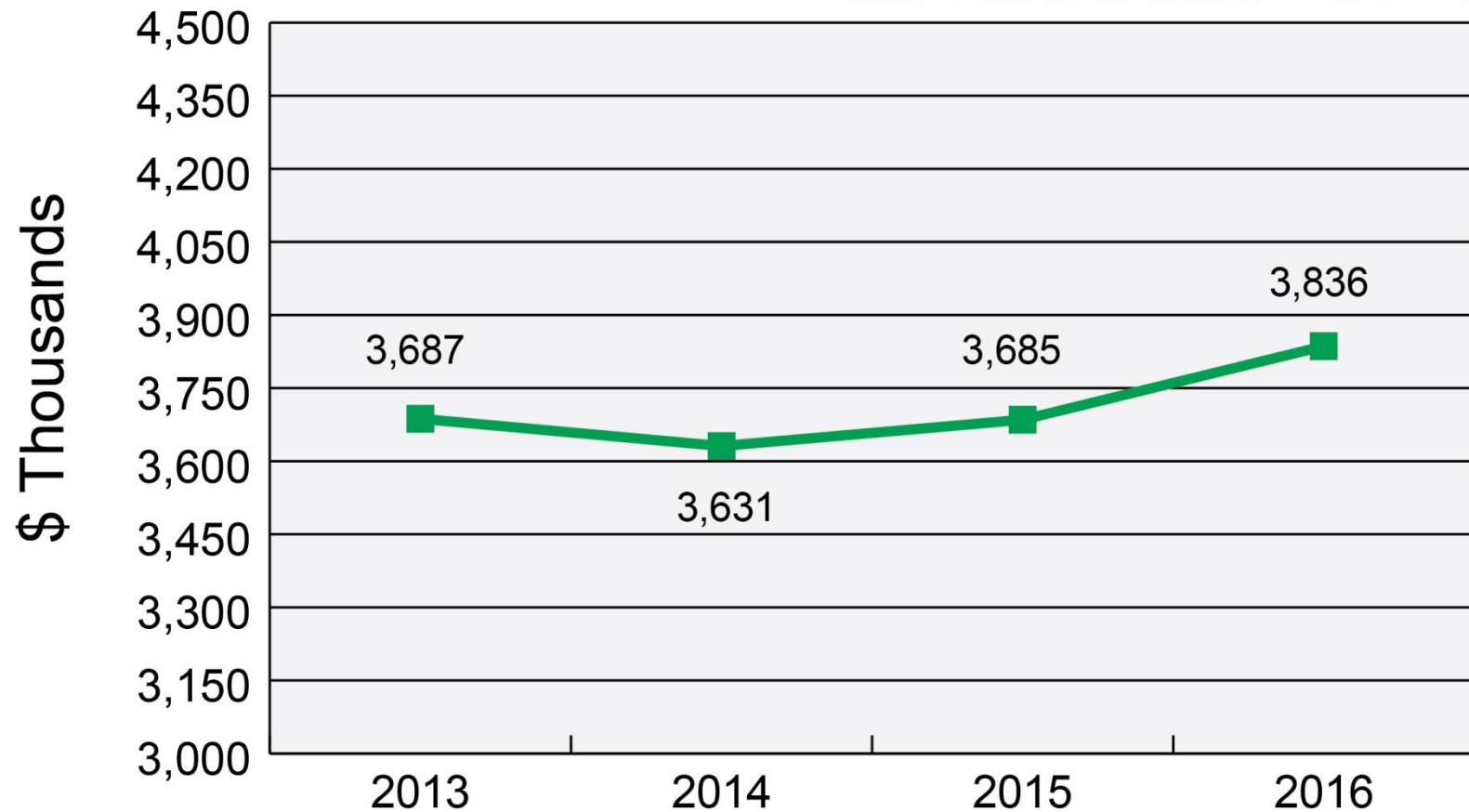
2013 Operating Expenses
\$000



* Manageable Cost Per Unit equals Maintenance & Administration, Insurance and Bad Debts

2013 – 2016

Major Repairs/Replacement



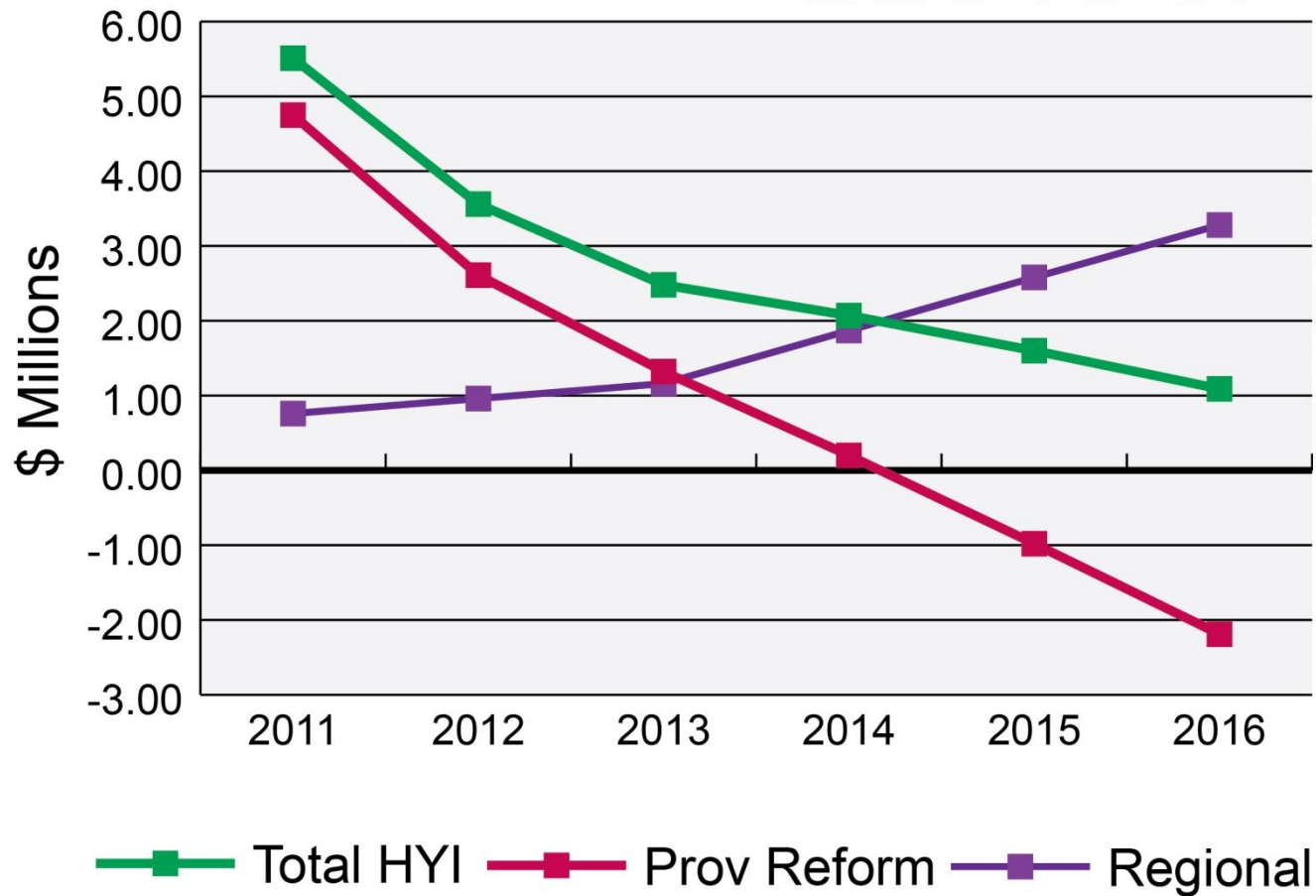
2013 Capital Projects > \$100,000

Municipality	Property	Job	Cost
Georgina	Keswick Garden	Elevator Upgrade	204
	North View Court	Window/Balcony Door Upgrade	142
	Keswick Garden	Emergency Power Generator	519
	Pineview Terrace	Parking Lot Upgrade	163
Newmarket	Heritage East	Roof Replacement	560
	Porter Place	Building Upgrade	250
Total Capital Projects Greater than \$100,000			1,838

2014 Capital Projects > \$100,000

Municipality	Property	Job	Cost
Georgina	North View Court	Bathroom Upgrade	163
Markham	Trinity Square	Window Upgrade	371
		Door Upgrade	158
Newmarket	Fairy Lake Gardens	Roof Repairs	204
Richmond Hill	Springbrook Gardens	Kitchen Upgrade	102
	Dunlop Pines	Roof Replacement	204
	Rose Town	Elevator Machine Room	280
		Roof Replacement	356
Total Capital Projects Greater Than \$100,000			1,838

Capital Reserve Outlook



Key Performance Indicators

	2012 Goal	2012 Forecasts	2013 Goal	2014 Goal
Tenant Satisfaction	New to 2013	N/A	80%	80%
Manageable Cost/Unit	\$3,653	\$3,618	\$3,970	\$3,901
Rent Arrears	6.5%	5.8%	6.5%	6.5%

Business Plan Summary

- Focus on strategic initiatives and community growth
- Adding three Housing York Communities
- Continue to develop a Housing York financial strategy
- Surplus projected for 2013 and 2014 contribute capital reserve