THE REGIONAL MUNICIPALITY OF YORK

Housing York Inc.
October 13, 2004
Report of the
General Manager

MID-YEAR ACTIVITY REPORT

1. RECOMMENDATION

It is recommended that:

1. The following report be received for information by the Board of Directors.

2. PURPOSE

The purpose of this report is to introduce a quarterly activity report to provide the Board with regular reporting of key property management results.

3. BACKGROUND

The Community Services and Housing Department prepares quarterly performance statistics in all core areas of business. The report provides performance indicators in 3-4 key areas of business for each of the major program areas.

Key performance indicators assist senior management by providing high level comparative trends which can be used to highlight successes or interpret early warning signals. They can also be used to assist Regional Committees fulfill their mandate and decision-making responsibilities.

A similar strategy has been proposed for Housing York Inc. (HYI) to provide quarterly reports to the Board of Directors. The expected outcome is to demonstrate accountability to the Board that a sound performance and management framework is underway as defined in the HYI Statement of Principles.

4. ANALYSIS AND OPTIONS

The following indicators are viewed to be key areas of business for Housing York Inc. at this time. It is expected that as the Corporation matures, these indicators will be more fully developed or augmented with other measurements that demonstrate the desire to balance high quality service to HYI residents with sound property management practices.

It should be noted that comparative information is not readily available for 2003 for some of the charts presented. Business processes are currently being adapted to capture quarterly history so that meaningful comparisons can be made in future reports.

4.1 Target Market Units Compared to Actual

This indicator (*see Table 4, Attachment 1*) compares the actual number of market units in the Municipal Non Profit portfolio compared to the target plan approved by York Region as Service Manager. This indicator is not relevant to the Public Housing Program where all units are considered rent-geared-to-income.

In total, HYI has about 1% more market units than its target market plan at the end of second quarter comprised of variances in all buildings except Springbrook Gardens and Hadley Grange. The mix of rent-geared-to-income and market units is assessed in every building as units turn over with the view that incoming tenancies are matched to available units within the guidelines of the target market plan.

4.2 Unit Turnover Activity

This indicator (*see Table 5, Attachment 1*) is important because of the touch-points to other areas of the business. For example, unit turnover increases operating costs as attention is focused on making units ready for new occupancy.

2004 move-out activity is also exceeding expectations compared to last year and the business plan target of 216 has been revised upward to 250 (*see Table 5, Attachment 1*).

4.3 Outstanding Receivables as a Percentage of Tenant Charges

This is a traditional indicator (*see Table 6, Attachment 1*) often used in the property management sector. HYI is looking forward to gaining more history on this indicator to determine if seasonal patterns help predict overall outcomes related to the collection of tenant accounts.

Outstanding receivables include current and retroactive rent charges, parking, maintenance and damage charges, and utility recoveries. Net rent revenue is the total gross revenue charged less vacancy loss.

The HYI 2004 Business Plan and Budget targets 4% as a year-end target for this indicator and year-to-date results are hovering in this area. Small fluctuations are normal and progressive collection activity is constantly adjusted to adapt to the payment patterns of current tenants.

5. FINANCIAL IMPLICATIONS

There are no financial implications associated with this report.

6. LOCAL MUNICIPAL IMPACT

There are no local municipal implications for this report.

7. CONCLUSION

Housing York Inc. is committed to its mandate identified in the Statement of Principles through the delivery of strong property management practices and a sound performance management framework.

The Senior Management Group has reviewed this report.

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October 7, 2004

Attachment -1
KC/sd/dm

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