



HOUSING YORK INC. 2022 BUSINESS PLAN AND BUDGET

Presentation to Housing York Inc. Board

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Housing York Inc.

October 13, 2021



PRESENTATION OVERVIEW

- 2022 Business Plan
 - 2021-2024 Housing York Inc. Strategic Plan
 - Examples of 2022 actions and targets
- 2022 Budget
 - Housing York's Budget Context
 - Operating Budget
 - Capital Budget
 - Reserves

2021 TO 2024 HYI STRATEGIC PLAN



PRIORITY 1:
Expanded
Housing Portfolio

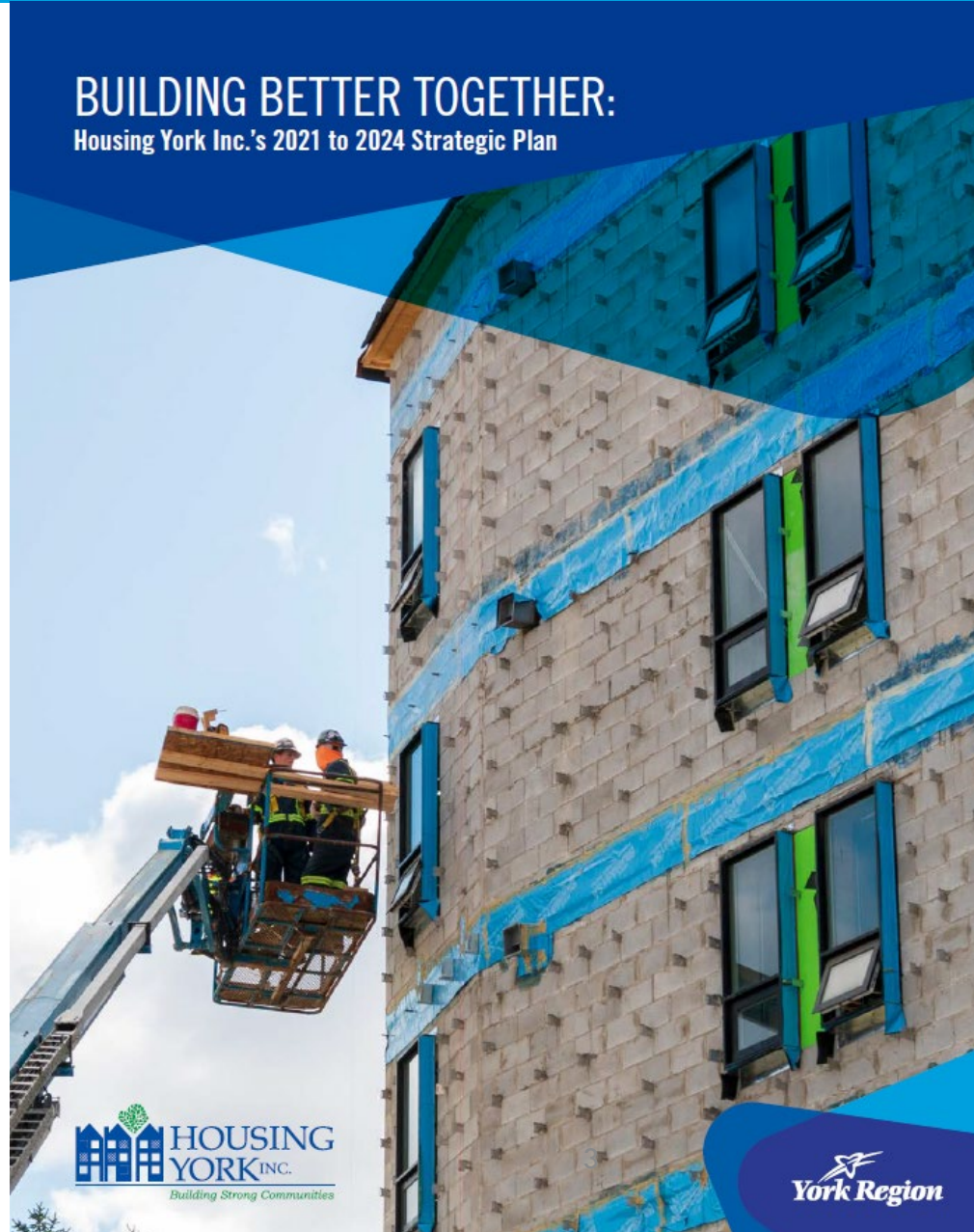


PRIORITY 2:
Inclusive Communities and
Successful Tenancies

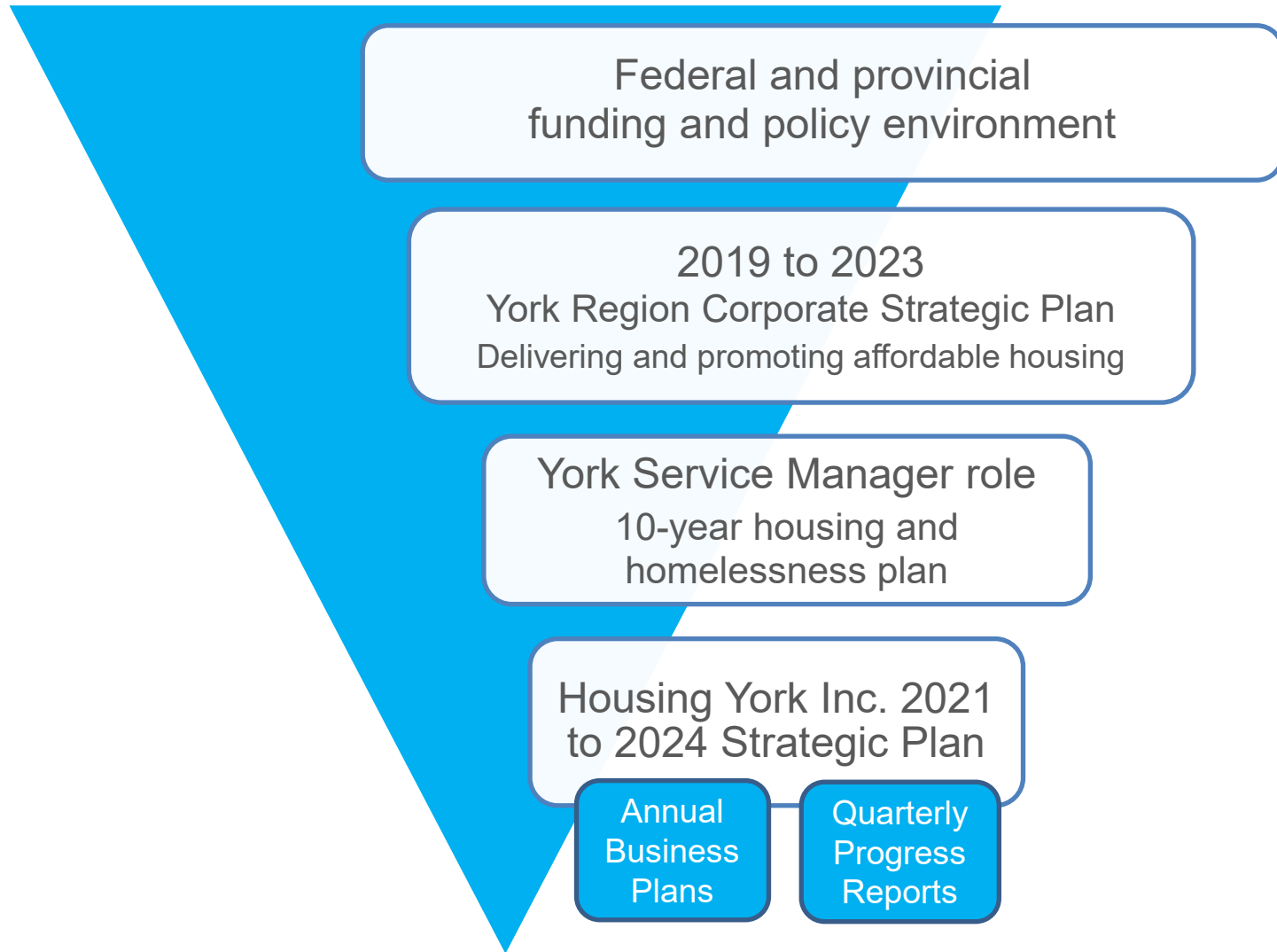


PRIORITY 3:
Financial
Sustainability

BUILDING BETTER TOGETHER:
Housing York Inc.'s 2021 to 2024 Strategic Plan



STRATEGIC ALIGNMENT



EXAMPLES OF 2022 ACTIONS AND TARGETS

2022 Action	2022 Target
Strategic Priority 1: Expanded Housing Portfolio	
Continue advancing projects in planning and development stage	480 units
Engage potential non-profit partners to explore opportunities to support conceptual plans and/or connection to funding streams, land lease opportunities or other resources	3 conceptual plans with total of 100 units
Complete development concept and feasibility assessments for public-private partnership for Nobleview Pines in the Township of King	Concept and feasibility assessment complete

EXAMPLES OF 2022 ACTIONS AND TARGETS

2022 Action	2022 Target
Strategic Priority 2: Inclusive Communities and Successful Tenancies	
Conduct 2022 resident survey, evaluating measures including the percent of residents satisfied with referral services	80%
Continue to offer payment plans and support referrals to all households at risk of eviction due to arrears	97% of tenancies at risk for rent arrears preserved

EXAMPLES OF 2022 ACTIONS AND TARGETS

2022 Action	2022 Target
Strategic Priority 3: Financial Sustainability	
Using Yardi's advanced preventative maintenance module, establish baseline for selected components to reduce life-cycle cost	Annual cost tracking implemented for selected components to establish baseline
Establish competitive rates for market units for Unionville development based on average market rents	Market rates established based on 125% average market rent

RECOMMENDATION

It is recommended that the Board of Directors approve the Housing York Inc. 2022 Business Plan



HOUSING YORK'S BUDGET CONTEXT

2022 BUDGET CHANGES

- Year 2 costs related to the 2021 to 2024 Strategic Plan
 - Budget enables execution of business plan commitments
- Enhancements to existing preventative maintenance programs
- Implementation of \$10,000 threshold for capital expenditures



OPERATING BUDGET

2022 BUDGET OVERVIEW

	2021 Budget	2022 Budget	2022 Budget Variance	
	(\$000)	(\$000)	(\$000)	%
Revenue				
Market rent	9,091	9,355	264	2.9%
Subsidized rent	14,146	14,171	25	0.2%
Non-rental revenue	1,365	1,426	61	4.4%
Regional subsidies	17,471	20,054	2,583	14.8%
Total revenue	42,074	45,006	2,932	7.0%
Expenditures				
Salaries and benefits	8,185	8,263	78	1.0%
Administration	1,934	1,851	(83)	-4.3%
Facilities	5,822	6,843	1,021	17.5%
Utilities	4,072	3,918	(154)	-3.8%
Property taxes	3,508	3,606	98	2.8%
Mortgage/debentures	9,361	9,321	(40)	-0.4%
Mandatory contributions to reserve	8,812	10,930	2,118	24.0%
Total expenditures	41,694	44,732	3,038	7.3%
Operating surplus before contributions	380	274	-106	-27.9%
Contributions to reserve	380	274	-106	-27.9%
Net surplus/(deficit)	0	0	0	0.0%

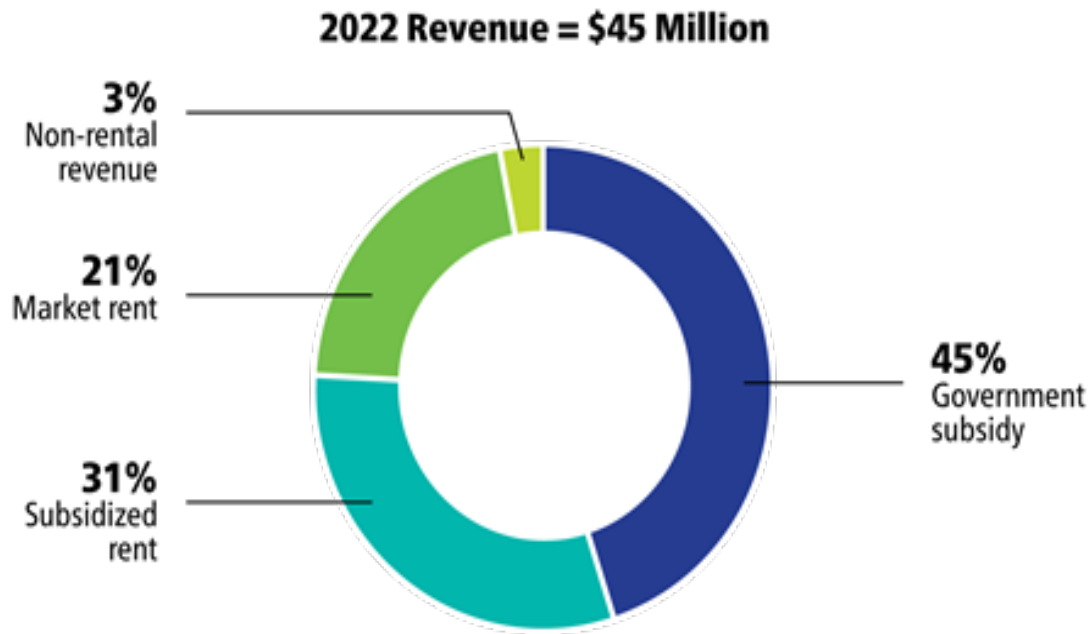
SALARIES AND BENEFITS OVERVIEW

	2021 Budget (\$000)	2022 Budget (\$000)	2021 Budget Variance	
			(\$000)	(%)
Salaries and benefits	8,185	8,263	78	1.0%

- Cost of living increase
- Change in methodology
- Additional positions

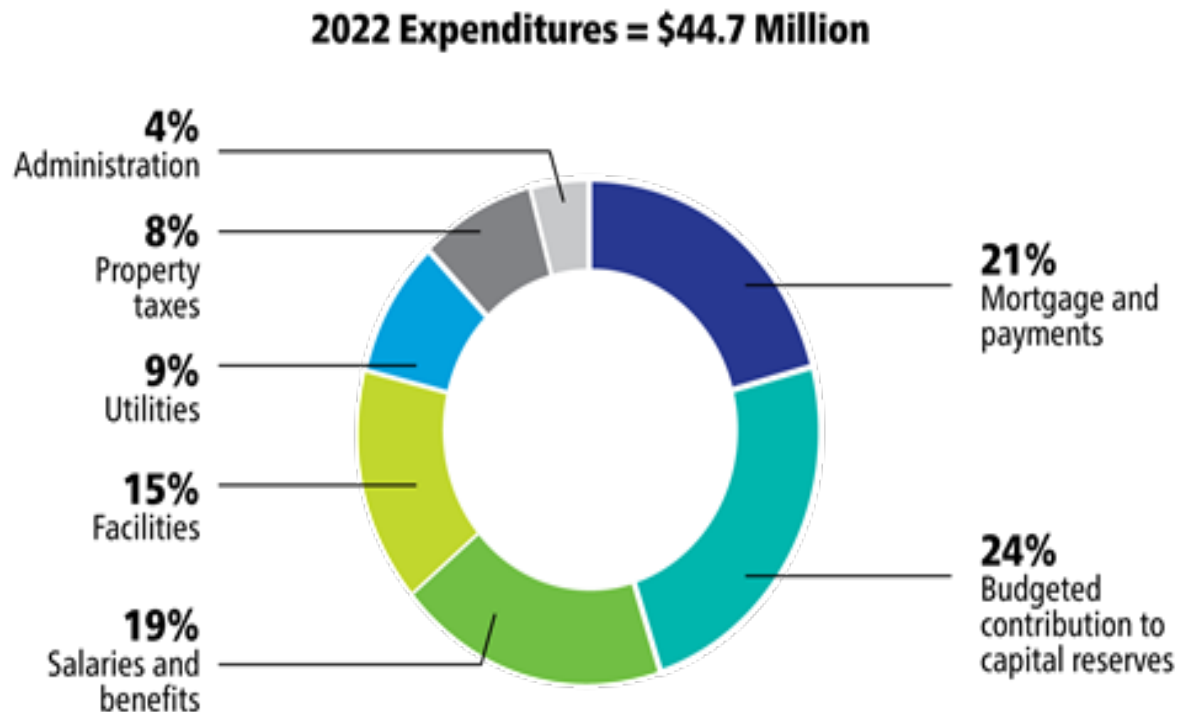
2022 REVENUE

Housing York's operating revenue is projected to be \$45M in 2022



2022 EXPENSES

Housing York's operating expenditures are projected to be \$44.7M in 2022



2022 - 2026 BUDGET OVERVIEW

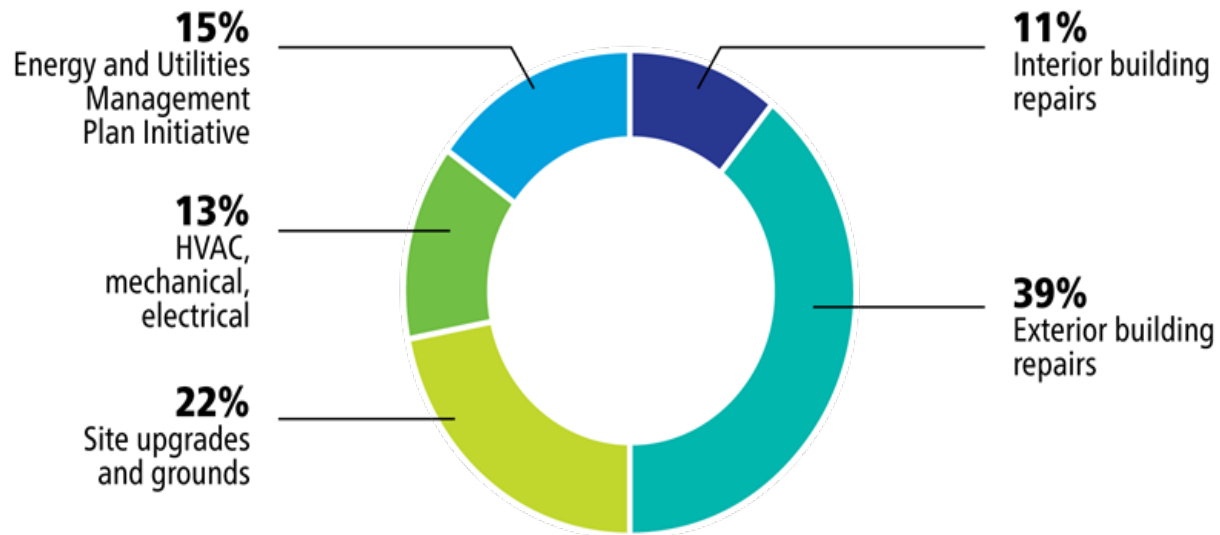
	2022 Budget (\$000)	2023 Outlook (\$000)	2024 Outlook (\$000)	2025 Outlook (\$000)	2026 Outlook (\$000)
Revenue					
Market rent	9,355	10,297	11,796	12,136	12,291
Subsidized rent	14,171	14,853	16,015	16,330	16,475
Non-rental revenue	1,426	1,533	1,931	1,993	2,012
Regional subsidies	20,054	18,400	18,205	18,094	18,319
Total revenue	45,006	45,083	47,947	48,553	49,097
Expenditures					
Salaries and benefits	8,263	8,668	8,821	8,977	9,135
Administration	1,851	2,034	2,223	2,243	2,262
Facilities	6,843	7,075	7,535	7,608	7,747
Utilities	3,918	4,314	4,786	4,959	5,141
Property taxes	3,606	3,893	4,239	4,325	4,413
Mortgage/debentures	9,321	9,289	9,780	9,407	9,407
Mandatory contributions to reserve	10,930	9,514	9,866	9,921	9,978
Total expenditures	44,732	44,788	47,250	47,440	48,083
Operating surplus before contributions	274	295	697	1,113	1,014
Contribution to reserves	274	295	697	1,113	1,014
Net surplus/(deficit)	0	0	0	0	0

CAPITAL BUDGET

CAPITAL EXPENDITURES

Housing York plans to invest \$13.2 million in capital repairs and upgrades

2022 Capital Expenditures = \$13.2 Million



ENERGY CONSERVATION INITIATIVES

- Energy and Utilities Management Plan approved in 2019
- Energy projects consist of the following:
 - LED lighting retrofits
 - Domestic hot water management system
 - Central heating management system
 - Low-flow water fixtures
- 2022 expenditures budgeted at \$1.5M, with an estimated average payback of 8 years or less
- Funded through the Investing in Canada Infrastructure Program

RESERVES

SUMMARY OF HOUSING YORK INC. RESERVES

Reserve Name	Purpose	Limit
Capital Repair and Replacement	Funds for capital repairs for all HYI properties	None
Working Capital	Funds for short-term cash flow requirements	\$3,500,000
Insurance	Funds the cost of claims and deductibles which would otherwise impact the operating budget	\$180,000
Operations	Funds for unplanned expenditures and revenue shortfalls	\$500,000
Strategic Initiatives	Funds for strategic priorities such as energy conservation initiatives	\$5,000,000
Emergency Housing	Funds for emergency housing to support capital repairs and operating expenditures	None

2022 RESERVE SUMMARY

	Capital (\$000)	Working Capital (\$000)	Insurance (\$000)	Operations (\$000)	Strategic Initiatives (\$000)	Emergency Housing (\$000)
Projected opening balance	16,170	3,500	180	500	4,525	3,417
Budgeted contribution	8,680				1,500	471
Interest	245					34
Expenditures	(11,167)				(1,500)	(544)
Operating surplus	137				137	
Projected closing balance	14,065	3,500	180	500	4,662	3,378

Reserve limits	None	3,500	180	500	5,000	None
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It is recommended that the Board of Directors approve
Housing York Inc.'s 2022 budget



QUESTIONS/DISCUSSION

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