



OTTAWA COMMUNITY HOUSING CORPORATION (OCHC)

2020 OCHC FINANCIAL BRIEF



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EXECUTIVE SUMMARY

In 2020, OCHC will continue to enhance its capacity and capability to make sound decisions about the allocation, management, and accountability of its funds.

Priorities for 2020 Budget include:

- Ensure adequate maintenance, operational and capital spending to promote safe and healthy communities;
- Continue to manage costs by seeking value for money in all expenditures and by maximizing revenue;
- Support and enhance OCHC's tenants' centric engagement; and,
- Accelerate the development of new affordable and quality housing.

The upcoming year will continue OCHC's transition as we commence significant redevelopment initiatives. The ending 2020 balance for all funds is estimated at \$43.9 million, reflecting an \$8.6 million decrease versus the 2019 budget and is attributable to increased investment in capital repairs and redevelopment projects. The main contributors to the decrease in the capital fund are:

- Completion of multi-year Social Housing Apartment Improvement Program (SHAIP) funded projects; 70% of funding was received in 2018-19;
- Growth in expenditures for capital works projects, inclusive of items deferred from 2019 and;
- Growth in mandated program expenditures.

The Operating fund is projected to run a small surplus. As no new units are expected in 2020 OCHC revenue will be consistent with prior years: a 2.2% of market rent increase has been applied. Increases in building operating, staffing and administrative costs are offset by decreases in debt servicing and utilities costs. Consistent with prior year, OCHC will maintain mandatory and discretionary contributions to Capital Fund.

The 2020 Budget ensures that Community Reinvestment Fund (CRF) will generate sufficient reserves to support current strategic priorities of the Portfolio Management Framework (PMF) in renewal of OCHC stock. In line with the PMF, identified within are 3 projects that will add 152 new homes to OCHC in 2021, with a further 753 homes expected in 2022-2025.

INTRODUCTION

The information provided in this financial brief is intended as a reference for Board and Committee members with important information regarding the OCHC financial environment and funding framework and financial activity for 2020.

OCHC provides approximately 15,000 homes to about 32,000 tenants, including seniors, parents, children, couples, singles and persons with special needs, within many communities across the City of Ottawa. OCHC is the largest social housing provider in Ottawa, managing two-thirds of the City's social housing portfolio, and is the second largest in Ontario.

OCHC has an aging and diverse housing portfolio with close to 15,000 housing units – apartments, townhouses, rooming house units, multi-residential and some single-family homes. Close to 3,000 households include tenants who qualify for the Ontario Disability Support Program. Over 6,600 children, 12 years old and under, live in OCHC communities. The quality of OCHC housing has a direct impact on these residents' quality of life.

The budget is prepared and presented in accordance with the following fund categories (Appendix A):

- An ***Operating Fund*** that supports the day-to-day operations and includes such categories as tenant rental revenue and utilities, debt servicing and operating expenses.
- A ***Capital Fund*** that supports work that is not part of normal day-to-day maintenance; it is durable and includes the replacement of significant building components or an improvement that increases the useful life of the asset. The fund can also cover the acquisition of office furniture and equipment including information management and technology. The fund also covers salary expenses related to capital work.
- A ***Green Fund*** that supports specific operational or capital initiatives; increasing the environmental sustainability of OCHC. Contributions to the fund may include energy grants which do not form part of the capital reserves; net savings generated from sustainability projects; and a proportion of new income generated from sustainability projects.
- The ***Community Reinvestment Fund (CRF)*** is a discretionary reserve that exists to develop new housing.
- The ***Vehicle Fund*** that supports the acquisition of new vehicles.

FINANCIAL ENVIRONMENT AND STRATEGY

For 2020, OCHC continues to identify financial opportunities that ensure financial sustainability. Key strategies include:

Financing

In 2019, OCHC received approval from the City of Ottawa Council to maintain the current refinancing strategy, whereby the City extends its current level of mortgage subsidy for another 30 years, which is expected to generate \$35.6 million at the time of mortgage renewals.

As per Council consent, OCHC will continue to work with Infrastructure Ontario (IO) and the Ministry of Housing to refinance two pooled mortgages under the Operating Agreement, generating \$4.8 million which will be contributed to capital reserves in 2020.

In 2019 OCHC has been working with IO to secure two new mortgages that will generate \$5.8 million for the newly built Uplands infill and Carlington Community Health Hub (CCHH). The funds will be received in early 2020.

In 2017, the Board of Directors approved the demolition of 26 existing end-of-lifecycle townhouses from the Rochester Heights community, to replace them with development of new affordable housing apartments within a six-storey building and affordable stacked townhomes. Site works commenced in late 2019 and construction is expected to be completed in 2021, at a total cost of approximately \$48.5 million.

The multi-year project will be funded from various sources:

-
- Action Ottawa funding of \$18.3 million (\$7.1 million to be received in 2020).
- Canada Mortgage and Housing Corporation (CMHC) estimated contribution will be approximately \$2.2 million (2020 - \$1.5 million) in the form of a forgivable loan and up to \$25.1 million (2020 - \$17.6 million) as a construction loan.
- Action Ottawa contributions of \$2.1 million to be received over construction time in the form of in-kind contributions toward permits and other development charges.
- The remaining costs will be financed from the CRF.

In 2019, following a City of Ottawa Request for Proposal (RFP), OCHC was selected to bid in partnership with the City of Ottawa on a CMHC affordable housing initiative at 715 Mikinak Road (Wateridge Village). The project foresees the construction of three buildings resulting in 271 (affordable) housing units, of which 35-40 units would be owned and operated by a support agency in a separate building. OCHC will own two buildings for the total of 229 housing units. In November 2019, the Board of Directors approved proceed with Phase 1 of the development.

The total OCHC project cost, over a 5-year period, is estimated to be \$72.6 million. The project would leverage low cost land through the Federal Lands Initiative (FLI), City grants and CMHC grants/financing to minimize OCHC equity requirements while still delivering on affordability objectives. In 2020, OCHC will receive approximately \$10 million from the City of Ottawa towards the construction cost of Phase 1.

Sustainability Strategies

OCHC is committed to reducing utility costs through green initiatives that use new strategies and technologies to monitor and manage energy consumption and savings. OCHC has benefited from energy retrofits, as well as tenant and staff education to reduce resource consumption and control costs. Revenue from the generation of electricity, grants received from senior government and energy providers are contributed to the Green Fund to support initiatives such as the Utility Management System and the LED lighting retrofit. OCHC is implementing information technology to better monitor and manage energy consumption and savings.

OCHC currently operates a fleet of 153 vehicles and trailers with an average age of 3.5 years. OCHC has a commitment to "Greening" the OCHC fleet and considers vehicle replacements that reduce OCHC's carbon footprint. For 2020, OCHC has budgeted \$30,000 for the replacement of one vehicle and pricing for more energy-efficient alternatives has been requested from suppliers.

Portfolio Management Framework

OCHC has developed a Portfolio Management Framework (PMF) that assists in divestiture decisions and the development of the portfolio. The framework incorporates a rationalization of the stock that considers the impact on tenants and ensures that new developments are sustainable.

In 2020, OCHC is planning to divest of four properties (45 homes) which should generate approximately \$10 million to be used for redevelopment.

OCHC Rochester Heights' redevelopment will receive \$8.6 million of forgivable loans and \$17.6 million in construction loans; the City of Ottawa will contribute \$10 million in the form of a capital contribution towards the development of 715 Mikinak Road and an additional \$5.8 million will be raised in mortgage financing to support PMF objectives.

2020 Financial Picture

For 2020, OCHC total budgeted expenditures are estimated at \$187.6 million and total budgeted revenues are estimated at \$145.6 million across all funds. The 2020 balance for all funds is forecasted at \$43.9 million versus the 2019 year-end projection of \$71 million, previously indicated in the 2018 3rd quarter update to both the Finance and Audit Committee and the Board of Directors. The decrease in overall fund balance is mostly attributed to greater investments for capital repairs and redevelopment efforts, including the completion of SHAIP, Canada-Ontario Community Housing Initiative (COCHI) and other capital projects.

	2019 Projections All Funds	2019 Budget All Funds	2020 Preliminary All Funds	Budget 2020 vs 2019	
				\$	%
Use of Funds					
Debt Servicing	28,005	28,155	25,905	(2,249)	-7.99%
Staffing Costs	42,026	42,347	46,475	4,128	9.75%
Utilities	23,966	24,069	21,450	(2,619)	-10.88%
Building Operations	62,207	79,935	79,135	(800)	-1.00%
Administration & Other	11,574	15,200	14,597	(603)	-3.97%
Total Use of Funds	167,779	189,705	187,562	(2,143)	-1.13%
Source of Funds					
Service Manager	64,417	68,127	65,333	(2,794)	-4.10%
Tenant Rent	72,547	68,684	73,290	4,606	6.71%
Other revenue	7,399	7,149	6,999	(151)	-2.11%
Total Source of Funds	144,364	143,960	145,622	1,662	1.15%
Opening Fund Balance	73,079	73,079	71,022	(2,057)	-2.82%
Net Use & Source of Funds (+/-)	(23,415)	(45,745)	(41,941)	3,805	-8.32%
Reserve Contributions	-	-	-	-	-
Proceeds from Property Sales	1,757	9,303	10,050	747	8.03%
Loan Proceeds & Non-Cash Transfers	18,936	15,200	4,783	(10,417)	-68.53%
Interfund Transfer	665	665	0	(665)	-
Other Contributions	-	-	-	-	-
Fund Net Change	(2,057)	(20,577)	(27,108)	(6,531)	31.74%
Closing Fund Balance	71,022	52,502	43,914	(8,588)	-16.36%

Chart 1 and 2, on the following page, provide an overview of the distribution of the major categories of expenses and revenues across OCHC funds; identifying materials and services (e.g. pest management, snow removal, landscaping, and tenant unit repairs) and capital project spending as the largest use of funds, and rents as the largest source of funds.

Chart 1 - 2020 Expenses

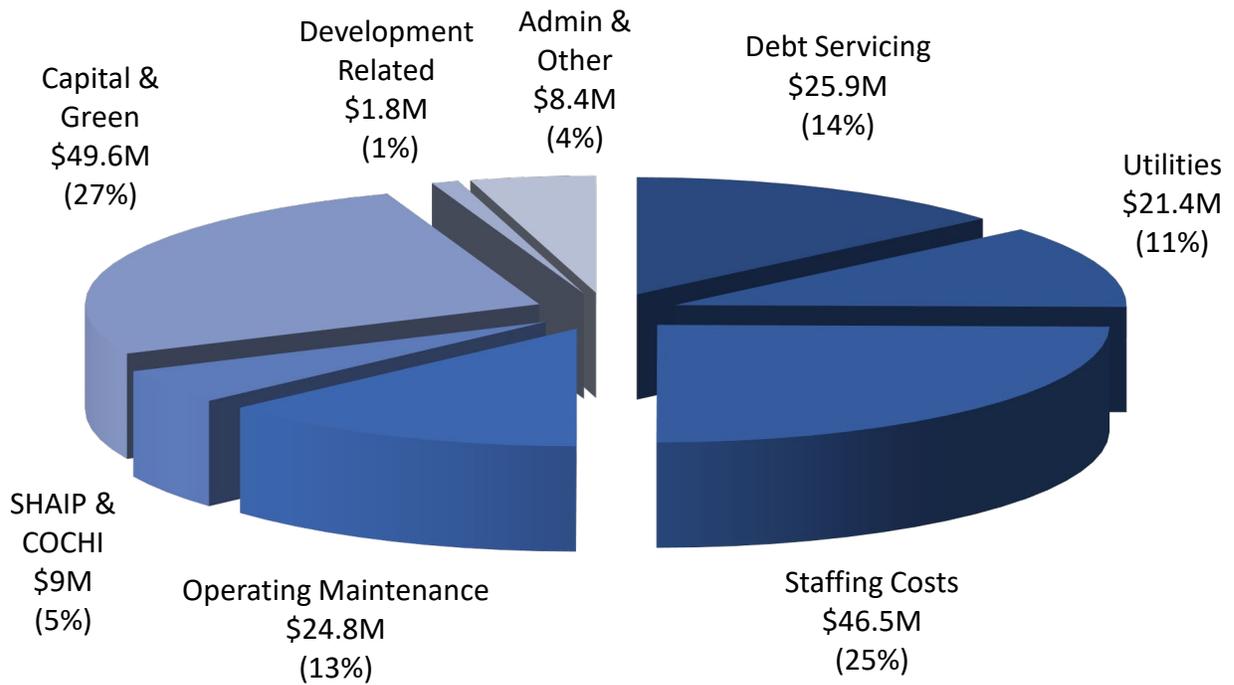
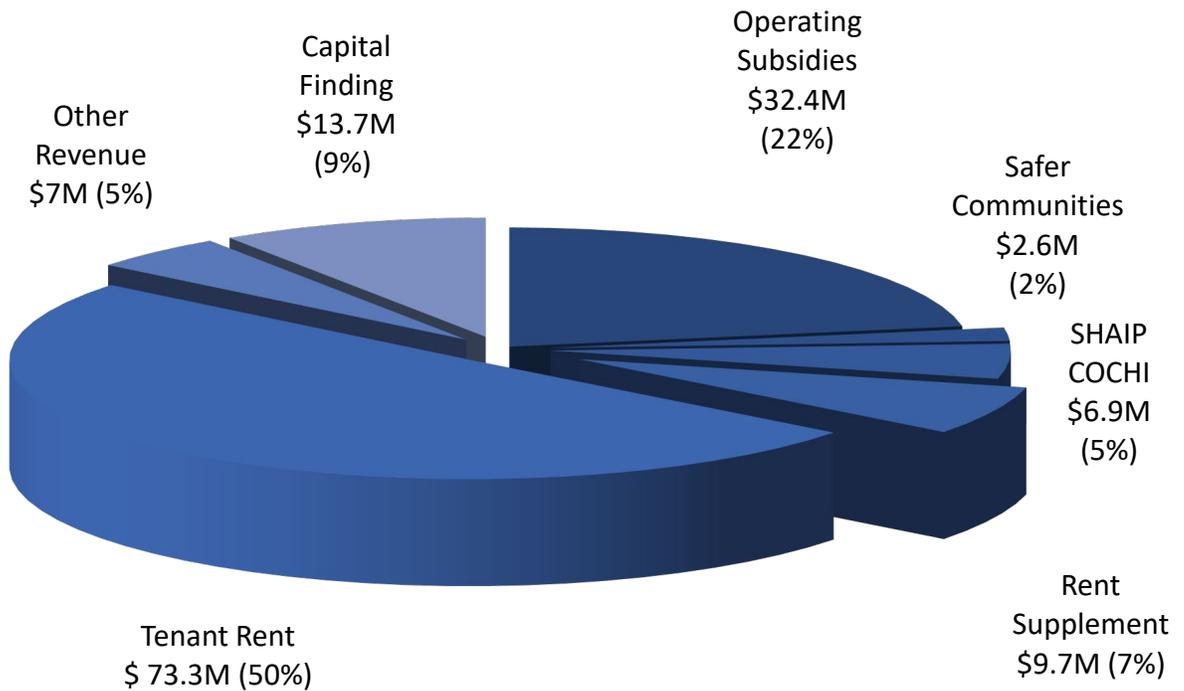


Chart 2 - 2020 Revenue



OVERVIEW OF REVENUE AND EXPENSE CATEGORIES

REVENUE

OCHC has the following main sources of revenue: Subsidies, tenant rents and other revenue sources.

Service Manager - City of Ottawa

Subsidies represent 46% of total revenue. The different types of subsidies are:

- Operating Subsidies and Grants
- Capital Reserve Subsidies and Grants
- SHAIP Grants
- Rent Supplements
- Safer Communities Subsidy

In 2008, an **Operating Agreement** was signed between OCHC and the City of Ottawa that moved to streamline and stabilize the funding arrangement for OCHC and the City. One of the main outcomes of the Operating Agreement was that OCHC is better able to manage its operations on a portfolio basis, which will have more predictable and stable funding.

The Operating Agreement determines the operating subsidy for approximately 80% of the portfolio. The funding formula is based on benchmarks that were established through a rigorous process across the province. The benchmarks are adjusted annually based on various indices as set out by the province.

The indices for 2020 are detailed in the following table:

2020 Indices for indexed benchmark operating costs for Ottawa		
Item	Index	Index for 2020
Admin and Maintenance	Ontario CPI All Items	2.37%
Insurance	Ontario CPI - Homeowners home & mortgage insurance sub index	7.27%
Bad Debt	Ontario CPI All Items	2.20%
Electricity	Ontario CPI - Electricity sub index	2.14%
Water	Ontario CPI - Water sub index	3.11%
Natural Gas	Ontario CPI - Natural gas sub index	6.72%
Oil & Other Fuel	Ontario CPI - Fuel oil & other fuel sub index	3.06%
Capital Reserves	Ontario CPI All Items	2.37%

Source: City of Ottawa Housing Branch - August, 2019

The Operating Agreement stipulates the number of subsidized units OCHC is required to provide and maintain on an annual basis. Operating reserves assist OCHC in addressing year-over-year expense fluctuations.

The City of Ottawa continues to fund a substantial portion of the Safer Communities program. The grant for Safer Communities is at \$2.6 million after being increased by 2.37% in 2020.

Annual Capital Funding Contributions

In 2020, capital reserve contributions are estimated at \$18.5 million. The City of Ottawa will provide \$16.7 million, which represents the mandatory annual contribution for those programs under the Operating Agreement. OCHC has not yet received confirmation about additional funding under City of Ottawa's Housing and Homelessness Investment Plan (HHIP) program. Should OCHC receive HHIP funding, it will result in an additional contribution to the capital reserve. OCHC will make non-mandatory contributions of \$1.4 million relating to programs outside of the Operating Agreement.

In 2018, the City of Ottawa approved grant funding of \$19.6 million for OCHC under the SHAIIP to support the Province's intention to fund retrofit projects for the buildings of 150 units or more to reduce Greenhouse Gases (GHG). In 2018-2019, OCHC received \$15.7 million. In 2020, OCHC will receive remaining \$3.9 million and all related projects will be completed.

In 2019, the City of Ottawa approved grant funding of \$3 million for OCHC under Canada-Ontario Community Housing Initiative (COCHI). Announced in 2019, this program is introduced to protect affordability for households in social housing, to support the repair and renewal of existing social housing supply, and to expand the supply of community housing over time.

Tenant Rent

Rental income represents 50% of total revenue. The different types of rent are as follows:

- Rents Geared to Income (RGI)
- Affordable Market Rents
- Below Market Rents
- Basic Rents

Rent-Geared-to-income (RGI)

RGI rent is calculated based on guidelines from the Province of Ontario. Rent scales are set for tenants receiving assistance from the Ontario Disability Support Program or Ontario Works. Other tenants pay 30% of their gross income, with a minimum rent of \$85.

Affordable Market Rents

In 2020, OCHC market rents are set at the affordable end of the range of private sector rents. This does not suggest that they will be affordable to all households – RGI subsidies are needed to achieve that objective.

The current market rents were calculated applying a process that included:

- Assessing rental market conditions in Ottawa and comparing housing communities on the basis of location, unit type and size, amenities, size of the community, utilities being included with the rent or not, and historical experience;
- Comparing OCHC rents to the city-wide CMHC average market rents;
- Consulting with staff responsible for rental activity to evaluate the proposed rents based on the reaction of prospective tenants;
- Comparing rent ranges by housing type and unit size to ensure that consistency is reflected across the housing stock; and,
- Ensuring that the established 2019 market rents meet the definition for affordable market rent to maintain property tax exemption.

OCHC market rents will increase by 2.2% in 2020. It should be noted that subsidies are available for most market tenants across the OCHC portfolio, and the operating agreement with the City of Ottawa allows for greater flexibility to apply these subsidies across programs.

The 2020 market rent revenue estimate is based on the 2019 distribution of market tenants and adjusted by the approved rent increase of 2.2%.

Below Market Rents

Below Market Rent is the amount that does not exceed 80% of the average market rent as reported by CMHC in their Annual Rental Market Survey for the Ottawa for same type and size by bedroom count.

Basic Rents

Basic Rent is a minimum rent made possible by rent subsidies provided internally by OCHC. Basic Rents apply mainly in the Limited Dividends Townhomes program. Rents vary with income (using provincially determined calculation of Ontario Works Shelter component for consistency) up to market level.

Other Revenue

Other revenues include parking charges, laundry concessions, rental of commercial space, rooftop antenna rentals, solar power generation and interest earned. For 2020, these revenues are distributed across funds and include increases of \$99,000 in parking, or 4% from the 2019 budget while rooftop rentals are expected to generate \$490,000 in revenue for 2020, which is based on 2019 actual activity.

EXPENSES

The major expense categories include:

Debt Servicing

Debt servicing costs related to approximately 80% of the housing portfolio are fully funded under the Operating Agreement with the City of Ottawa. Debt payments related to mortgages and long-term debenture debt represent \$25.9 million (14% of budget), a decrease of \$2.2 million, or 8% from 2019 mostly due to reduction in debentures.

Utilities

Utility costs are estimated at \$21.4 million (11% of budget), a decrease of \$2.6 million, or 10.9%, from 2019 budget. The estimate includes an increase in natural gas costs, which is a combination of expected decrease in gas prices and increase due to introduction of the Carbon Tax. Electricity expenses are expected to be lower than 2019 actuals due to introduction of the Ontario Electricity Rebate. Water rate increase has been budgeted at 5%, in line with the forecast from the City of Ottawa. It is estimated, however, that water consumption will decrease in 2020 compared to 2019 as a result of plumbing retrofits performed in 2019.

Staffing Costs

For 2020, staffing costs are estimated at \$46.5 million (25% of budget), an increase of \$4.1 million (9.75%) from 2019 budget. This budget includes benefits, Cost-of-living adjustment (COLA), mandatory contributions, incremental movement on the salary scales, and costs associated with training. It also reflects additional investments in priority projects including delivery of redevelopment initiatives, parking enforcement, community services and fire life safety standards, as well as delivery of capital asset improvements. In addition OCHC has experienced increased WSIB costs, and budget anticipates this trend to continue.

Staffing levels have been increased versus 2019; the staff complement is budgeted at 429 positions in 2020 (414 in 2019). The mandate and staff responsibilities encompass the following areas:

- Tenant Experience
- Maintenance, Project and Asset Management
- Corporate and Tenant Communications
- Community Development
- Community Safety
- Human Resources and Payroll Services
- Financial Management and Information Technology
- Policy, Privacy and Performance Management
- Administration and Board Governance

Building Operations

The budget for building operations is developed as a global budget across all funds. Actual activity captures type of expenditure across all funds. For 2020, costs for building operations across all funds are estimated at \$79 million and have decreased by \$0.8 million against the 2019 budget, or 1%. The reduction is a combination of \$2.1 million, or 9.14% increase in operating funded expenditures and \$2.9 million decrease in capital funded expenditure.

Increased operating costs are associated with new contracts for snow removal, buildings cleaning and elevators maintenance. As a result of global risk management actuarial assumptions, OCHC will also experience increased property insurance assessments.

The decrease in capital funded expenditures is due to completion of multi-year SHAIIP-sponsored retrofit projects.

Administration and Other

This expense category includes vehicle fleet expenses, bad debt, municipal taxes and overhead expenditures such as the cost of office supplies and materials. It also includes costs related to legal, engineering, and audit services. The cost category continues to include a contribution to the OCHC Foundation for Healthy Communities Programming.

Overall Administration and Other costs across all funds have decreased by \$0.6 million, or 3.97% due to decrease in professional fees for Community Reinvestment and Capital Funds and reduced requirement in vehicle fleet renewal in 2020. The Operating portion has increased by \$1 million, as result of increases in Information Technology infrastructure maintenance costs, increased bad debt allowance and, incremental provision for potential cost increases resulting from severe weather impact.

Capital Funded Expenditures

OCHC is taking a longer-range view of capital planning that anticipates multi-year projects and recognizes the need to balance capital spending in an affordable and sustainable manner.

The 2020 total budget for capital projects is estimated at \$58.7 million, a decrease of \$1 million versus 2019 budget. The breakdown of capital priorities for 2020 is provided in the following table.

	Planned Capital Works	Other	Total Capital Budget
Roofing Program	1,500		1,500
Site Renewal Program (includes: fencing, regrading, paving, trees)	900		900
2019 Mechanical and Electrical Systems Renewal Program (includes backflow preventor program, as well as heating and electrical)	2,000		2,000
Fire Safety Renewal Program (includes generators, alarm systems, suppression systems)	1,000	4,700	5,700
Cladding Renewal Program (includes windows doors and exterior walls)	400		400
Structural Repair Program	1,100		1,100
Elevator Modernization Program	1,800		1,800
District Based Priorities	1,000		1,000
1465 Caldwell Ave – Domestic and Heating Plant Replacement	1,000		1,000
Ashgrove – Roof Replacement	700		700
1365 Bank St. Fire Alarm System Replacement, incl. Fire Pump	900		900
251 Donald St. – Fire Alarm System Replacement	1,100		1,100
380 Murray Ave – Fire Alarm System Replacement	900		900
Viewmount Community – Window replacement and Cladding repair	600		600
Shearwater Court – Terrace restoration at Block 66-80	500		500
450 Laurier Ave – Parking Garage repair	600		600
1065 Ramsey Cres – Parking Garage repair	500		500
500 St. Laurent Blvd. – Parking Garage repair	500		500
Sub Total	17,000	4,700	21,700
Non-Project & Unforeseen Projects (e.g. turnover capital expenditures)		14,579	14,579
Richelieu Court Revitalization		1,150	1,150
Overbrook (Prince Albert)		225	225
Restoration		1,300	1,300
SHAIP	6,300		6,300
COCHI	2,250		2,250
Total 2015-2018 Capital Work roll forward	8,650		8,650
Capital Overhead (excluding salaries)		342	342
Other Capital		1,015	1,015
Total	34,200	23,310	57,510

* The \$17 million in capital projects was identified in an earlier report and presented to the Board of Directors in September 2019

Community Reinvestment Fund (CRF)

The 2020 estimate for the fund assumes that 4 properties (representing 45 homes) will be sold, for a net contribution of \$10.5 million to the CRF. The fund will support \$1.8 million of costs related to these divestitures and consulting costs related to business cases for property development.

The 2020 estimate also includes:

- \$7.1 million of Action Ottawa funding for Rochester Heights redevelopment.
- \$1.5 million contribution of CMHC forgivable loan for Rochester Heights redevelopment.
- \$17.6 million of construction loan from CMHC for Rochester Heights redevelopment.
- \$10 million contribution of the City of Ottawa for 715 Mikinak (Wateridge) development.
- \$5.8 million mortgage financing received from IO for new builds - CCHC and Uplands.

In 2020, the CRF will fund \$5.6 million for new development, including Rochester Heights Phase 1 (140 homes), Prince Albert Overbrook (4 homes), Penfield (8 homes). In addition, initial pre-development expenses for 715 Mikinak (229 homes), Gladstone Village (304 homes) and Heights Phase 2 (220 homes) will be funded.

The development costs associated with these projects will be capitalized to recognize the value of added capital assets and not impact the CRF fund balance.

Green Fund

Current estimates for 2020 include \$0.4 million for PEER¹ project, \$0.2 million for Waste Diversification project, and \$0.6 million for other Green fund initiatives and studies.

Green Fund sources of revenue are estimated at \$0.9 million and are derived primarily from electricity generation revenue and program rebates and incentives.

Vehicle Fleet

OCHC continues to acquire more fuel-efficient vehicles to support the maintenance service delivery model. There is only one vehicle scheduled to be replaced in 2020. A transfer of \$0.5 million will be made from the Capital Reserves Fund to support funding for future acquisitions under this program.

¹ Prefabricated Exterior Energy Retrofit

FINANCIAL MANAGEMENT AND OVERSIGHT

OCHC budget development starts from the bottom and consists of divisional, departmental and corporate levels. Each responsibility center manager is accountable to plan and budget activities at the most appropriate level of expenditure. For example, a budget for site service expenses is estimated for all activities related to the property management by common expense categories. Actual expenditure is tracked at a detail level; therefore, reporting on expenditures can be done at a building, community and/or by program level. Budget to actual expenditure reporting can be consolidated at a higher level to provide a summary of revenues and expenses for the entire Corporation in a format or formats that meet reporting requirements for the Shareholder, the Board of Directors, or others. With this flexibility, managers are able to generate live reports using various queries.

Role of the Board of Directors and the Finance and Audit Committee

The Board of Directors is made up of the Mayor as ex-officio, four City Councillors, five members of the community and one tenant member. The Board of Directors is responsible for setting policy direction and is legally accountable for the business of OCHC. The Finance and Audit Committee has responsibility for providing advice to the Board on financial issues and for providing a focus for Board oversight of financial management for OCHC.

Key assumptions, cost drivers and funding constraints considered in the development of the 2020 budget were reviewed with the Finance and Audit Committee on September 10, 2019, with a final review conducted on December 12, 2019 prior to approval of the budget by the OCHC Board of Directors on January 23, 2020.

Organizational Structure and Responsibility Centres

Specific responsibility centres capture spending activity within functional areas. Some senior managers are responsible for more than one responsibility centre.

Chief Executive Officer

The Chief Executive Officer is the senior staff person and serves as the principal liaison between the Shareholder, the OCHC Board of Directors and staff. It is the responsibility of the Chief Executive Officer to keep the Board advised of OCHC activities and to ensure that policies and directions approved by the Board and Shareholder are implemented.

Organizational Effectiveness

The focus of Organizational Effectiveness is on internal and external communications, media relations, information systems and technology, policy, privacy, performance management, Board governance, capacity development, continuous improvement and strategic and business planning.

Finance

The focus of the Finance organization is on the delivery of services that enable the work of OCHC: the development and implementation of financial policies, reporting, audit and compliance requirements; payroll and benefit administration; sourcing and supplier management; and legal affairs.

Tenant Experience

Tenant Experience is primarily responsible for services to tenants. Key responsibilities include:

- planned and demand maintenance
- turnover of vacant units
- delivery of Integrated Pest Management services
- after-hours maintenance services
- contracted services including landscaping and snow removal
- OCHC 24/7 call centre
- oversight of the People and Culture function identified below

People and Culture

Corporate culture is an ongoing journey that OCHC embarked on a few years ago to define who we are, and what we want to be, as an organization. To ensure OCHC's commitment to excellence and to our values of C.A.R.E., the People and Culture function has primary responsibility for leadership in steering the organization. Primary responsibilities include the following:

- Human Resources function
- Tenancy administration
- Resolution of tenant complaints/conflicts
- Tenant-related legal action

Community Development

Community Development has a primary focus on community and partnership development. This team has the lead responsibility for tenant engagement strategies including the Healthy Communities Initiative and the support and development of tenant associations. It is also responsible for volunteer management and Community Safety Services. This team includes mobile Community Safety Workers patrolling OCHC communities and contributing to creating safe communities.

Asset Management

Asset Management has a critical role in the maintenance, renewal and redevelopment of the housing stock through the development of building standards and strategic planning related to long-term asset management. Specific responsibilities include:

- capital planning and project management
- functional direction for demand and preventative maintenance services
- specialized technical expertise related to engineering and consulting
- technical support for the ongoing maintenance of OCHC housing
- development and renewal of OCHC communities
- asset database management

Appendix A –PRELIMINARY ESTIMATE BY FUND

	2019 Projections All Funds	2019 Budget All Funds	2020 Preliminary All Funds	2020 Preliminary Estimate by Fund						Budget 2020 vs 2019	
				OP	CAP	GF	CRF	VEH	ICA	\$	%
Use of Funds											
Debt Servicing	28,005	28,155	25,905	25,905	-	-	-	-	-	(2,249)	-7.99%
Staffing Costs	42,026	42,347	46,475	37,886	7,603	378	608	-	-	4,128	9.75%
Utilities	23,966	24,069	21,450	21,450	-	-	-	-	-	(2,619)	-10.88%
Building Operations	62,207	79,935	79,135	24,836	53,832	332	135	-	-	(800)	-1.00%
Administration & Other	11,574	15,200	14,597	8,356	3,678	850	1,683	30	-	(603)	-3.97%
Total Use of Funds	167,779	189,705	187,562	118,433	65,114	1,560	2,425	30	-	(2,143)	-1.13%
Source of Funds											
Service Manager	64,417	68,127	65,333	58,433	6,900	-	-	-	-	(2,794)	-4.10%
Tenant Rent	72,547	68,684	73,290	73,290	-	-	-	-	-	4,606	6.71%
Other revenue	7,399	7,149	6,999	4,967	756	1,010	260	6	-	(151)	-2.11%
Total Source of Funds	144,364	143,960	145,622	136,690	7,656	1,010	260	6	-	1,662	1.15%
Opening Fund Balance	73,079	73,079	71,022	3,376	36,378	5,194	12,483	286	13,304	(2,057)	-2.82%
Net Use & Source of Funds (+/-)	(23,415)	(45,745)	(41,941)	18,257	(57,458)	(550)	(2,165)	(24)	-	3,805	-8.32%
Reserve Contributions	-	-	-	(18,150)	18,150	-	-	-	-	-	-
Proceeds from Property Sales	1,757	9,303	10,050	-	-	-	10,050	-	-	747	8.03%
Loan Proceeds & Non-Cash Transfers	18,936	15,200	4,783	-	4,783	-	26,230	-	(26,230)	(10,417)	-68.53%
Interfund Transfer	665	665	0	-	(24)	-	(34,284)	536	33,772	(665)	-
Other Contributions	-	-	-	-	-	-	-	-	-	-	-
Fund Net Change	(2,057)	(20,577)	(27,108)	107	(34,549)	(550)	(170)	512	7,542	(6,531)	31.74%
Closing Fund Balance	71,022	52,502	43,914	3,483	1,829	4,644	12,313	798	20,846	(8,588)	-16.36%