

# 2025 BUDGET BRIEF

## EXECUTIVE SUMMARY

Ottawa Community Housing Corporation's (OCHC) 2025 Budget Brief provides a financial projection for the corporation and outlines the financial requirements to support key initiatives for the year.

While the inflation rate moderated in 2024, commodity and labour rate increase experienced during and after the pandemic remain embedded in our cost structure. Overall interest rates began to decline in 2024, but remain volatile and higher than pre-pandemic levels, challenging our development pro-formas. OCHC continues to meet the challenges and has constructed the budget prioritizing initiatives that will support its strategic objectives. Priorities for the 2025 Budget include:

- ✓ Supporting OCHC's Tenant Experience Service Delivery model.
- ✓ Developing the OCHC Complex Care Strategy.
- ✓ Prioritizing safety and the well-being of healthy communities.
- ✓ Investing in data strategy and quality management programs to support improved financial and operational performance.
- ✓ Investing in 868 homes currently in design or under construction.



- ✓ Prudently managing financial and operational pressures associated with the challenging economic environment, while also investing in enhanced services and operational improvements.
- ✓ Investing in capital projects that extend the lifespan of our homes, reduce greenhouse gas emissions, and improve the energy efficiency of our portfolio and operations.

In 2025, OCHC will continue redeveloping its portfolio while ensuring the capacity to make informed decisions regarding the allocation, management, and accountability of funds.

The budget ensures that adequate funding is generated to support the strategic priorities for the renewal of OCHC's stock. Significantly, OCHC remains on track to meet its redevelopment goals.

The ending balance for all funds is estimated at \$48.8 million, reflecting a \$30.8 million decrease versus the projected 2024 ending fund balance, mostly due to continuing significant investment in capital works and new affordable homes development.

# 1 INTRODUCTION

The information provided in this 2025 Budget Brief is intended as a reference for Board and Committee members and provides important information regarding the OCHC financial environment, funding framework and, operational activity for the year.

OCHC provides approximately 15,630 homes to over 33,000 tenants, including seniors, parents, children, couples, singles, and persons with disabilities, 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. In 2024, OCHC added 630 affordable homes with the completion of the Mikinàk development (271 homes) acquisitions of the Zibi (19 homes), Tanglewood and Chesterton properties (340 homes). The 2025 budget reflects the portfolio grows and includes related additional revenue and expenditures.

Over the years, we have built partnerships with local service providers, support agencies and other groups to improve residents' well-being and increase services and support provided to tenants.

OCHC has a diverse housing portfolio—apartments, townhouses, rooming house units, multi-residential and some single-family homes. Our tenant base includes close to 3,000 households who qualify for the Ontario Disability Support Program, over 5,400 tenants, over 65 years old, and over 5,800 children, 12 years old and under.

The quality of OCHC housing has a direct impact on our residents' quality of life.

The budget is prepared and presented in accordance with the following fund categories:

- **Operating Fund** supports the day-to-day operations and includes such categories as tenant rental revenue and utilities, debt servicing and operating expenses.
- **Capital Fund** 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.
- **Green Fund** supports specific operational or capital initiatives that contribute to 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.
- **Community Reinvestment Fund** is a discretionary reserve that exists to develop new affordable housing.
- **Vehicle Fund** supports the acquisition of new fleet.

2025 Budget estimates by Fund is detailed in Appendix 1.

## 2 2025 BUDGET AT A GLANCE

<b>Total Budget</b>	<b>2025: \$227.7M Expenditures</b> <b>2025: \$221.5M Capitalized Construction Costs</b>	<b>2024: \$226.4M</b> <b>2024: \$63.7M</b>
<b>Operating Budget</b>	<b>2025: \$154.7M Operating Expenses</b>	<b>2024: \$141.3M</b>

- ✓ Market Rent increased by 2.5% - 3.5%
- ✓ Mikinàk, Zibi, Chesterton & Tanglewood expenses and revenues are annualized
- ✓ Additional tenant support initiatives funded by the City of Ottawa (\$2.5 million), including community safety static patrol services, Complex Care and Subsidy Loss initiatives

<b>Capital Budget</b>	<b>2025: \$67M Capital Expenses</b>	<b>2024: \$79.9M</b>
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- ✓ Deliver \$30.7 million in capital works projects and \$26.3 million in restoration, building systems renewal and tenant services
- ✓ Contributions from financing activities and grants:
  - \$6.7 million capital funding through the COCHI program
  - \$11.1 million in repayable and \$7.2 million in forgivable loans, CMHC NHCF Capital Stream

<b>New Development Budget</b>	<b>2025: \$3.3M Community Reinvestment Expenses</b> <b>2025: \$221.5M Capitalized Construction Costs</b>	<b>2024: \$3.4M</b> <b>2024: \$63.7M</b>
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- ✓ 868 new homes in design or construction
- ✓ \$216 million of financing from various levels of governments and other lenders, including:
  - CMHC National Housing Co-Investment Fund (NHCF) Construction loans of \$114 million and forgivable loans of \$20.2 million
  - \$39.2 million from Housing Accelerator Fund
  - \$26.5 million of budget support from the City of Ottawa
  - \$1 million in forgivable loans through the CMHC Rapid Housing Initiative
  - Other constructing financing of \$15 million from commercial lenders

<b>Green Fund</b>	<b>2025: \$1.7M Green Expenses</b>	<b>2024: \$1.5M</b>
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- ✓ Building electrical outage prevention, solar panel repairs, in suite lighting retrofit, community energy plans, EV CarShare project

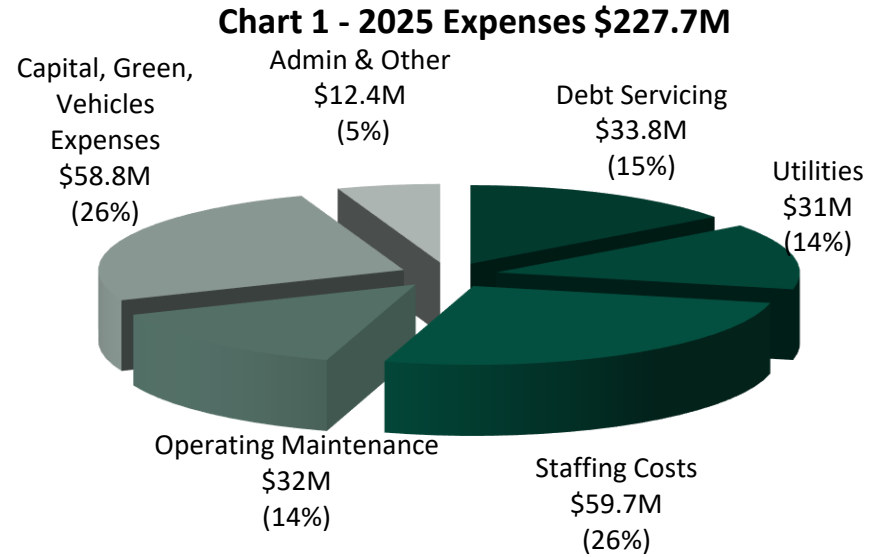
<b>Vehicles</b>	<b>2025: \$0.9M Vehicle Replacements (20 vehicles)</b>	<b>2024: \$0.6M</b>
<b>Total</b>	<b>2025: \$449.2M Expenditures and Capitalized Costs</b>	<b>2024: \$290M</b>

### 3 FINANCIAL PICTURE

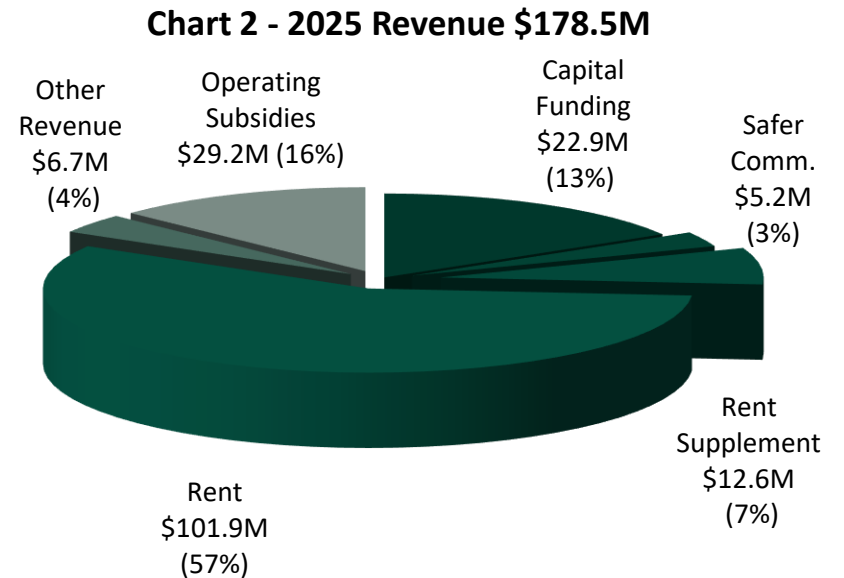
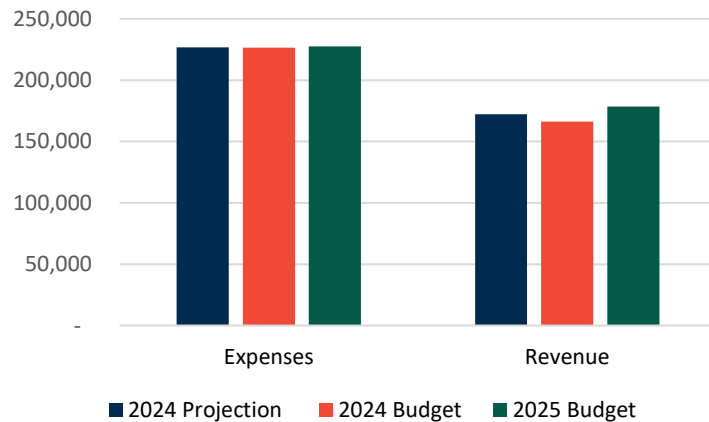
For 2025, OCHC total budgeted expenditures are estimated at \$227.7 million and total budgeted revenues are estimated at \$178.5 million across all funds.

The 2025 balance for all funds is forecasted at \$48.8 million versus the 2024 year-end projected of \$79.6 million. The change in overall fund balance is mostly attributable to new development and delivery of capital and sustainability projects.

Charts 1 and 2 provide an overview of the distribution of the major categories of expenses and revenues across OCHC funds.



**All Funds Expenses & Revenue Comparison**



## 2025 vs. 2024 All Funds Budget

	2024 Projections All Funds	2024 Budget All Funds	2025 Budget All Funds	Budget 2025 vs 2024	
				\$	%
<b>Use of Funds</b>					
Debt Servicing & Amortization	30,942	26,945	33,763	6,818	25%
Staffing Costs	56,992	57,724	59,725	2,001	3%
Utilities	29,671	29,743	30,997	1,254	4%
Building Operations	92,847	96,033	88,307	(7,726)	-8%
Administration & Other	16,311	15,943	14,863	(1,081)	-7%
<b>Total Use of Funds</b>	<b>226,762</b>	<b>226,389</b>	<b>227,655</b>	<b>1,266</b>	<b>1%</b>
<b>Source of Funds</b>					
Service Manager	67,043	68,314	69,899	1,585	2%
Tenant Rent	97,783	90,757	101,892	11,135	12%
Other revenue	7,463	7,130	6,712	(418)	-6%
<b>Total Source of Funds</b>	<b>172,289</b>	<b>166,201</b>	<b>178,503</b>	<b>12,302</b>	<b>7%</b>
<b>Opening Fund Balance</b>	<b>83,624</b>	<b>83,624</b>	<b>79,608</b>	<b>(4,016)</b>	
Net Use & Source of Funds (+/-)	(54,473)	(60,188)	(49,152)	11,036	
Loan Proceeds & Non-Cash Transf	50,457	53,862	18,317	(35,545)	
<b>Fund Net Change</b>	<b>(4,016)</b>	<b>(6,326)</b>	<b>(30,835)</b>	<b>(24,509)</b>	
<b>Closing Fund Balance</b>	<b>79,608</b>	<b>77,298</b>	<b>48,773</b>	<b>(28,525)</b>	

## 4 OVERVIEW OF REVENUE AND EXPENDITURES

### 4.1 Revenue

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

#### Service Manager - City of Ottawa

Subsidies and grants estimated at \$70 million or 40% of total revenue. The different types of subsidies in 2025 are:

Operating Subsidies	\$29,300	42%
Rent Supplements	\$12,600	18%
Capital Funding & Grants	\$22,900	33%
Safer Communities	\$ 5,200	7%

In 2008, an **Operating Agreement** was signed between OCHC and the City of Ottawa. 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 2025 are detailed in the Appendix 2. The Operating Agreement stipulates the number of subsidized units OCHC is required to provide and maintain on an annual basis.

The City of Ottawa continues to fund the Communities Safety Services (CSS) program. The annual subsidy for the CSS program is at \$3.1 million, 2.97% increase from 2024. In addition, in 2025, OCHC received an incremental increase to the base funding of \$0.5 million and one-time funding of \$1.5 million to ensure safety in OCHC communities. With this additional support, CSS team provides year-round and virtual patrol services across OCHC communities to enhance safety.

In 2025, capital reserve contributions are estimated at \$18.1 million. The City of Ottawa will provide \$16.2 million, which represents the mandatory annual contribution for programs under the Operating Agreement, while OCHC will be contributing \$1.9 million towards programs outside of the Operating Agreement. This includes the exemption from the education portion of property taxes (\$3 million annually, out of which \$1.9 million will be repurposed to support the payment of principal and interest on CMHC Capital Repair and Renewal loans).

In 2019, the Province of Ontario (the Province) announced the Canada-Ontario Community Housing Initiative (COCHI). The program is designed 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. From 2019-2024, the City of Ottawa approved grant funding of \$27 million for OCHC under COCHI funding Year 1-6. In 2025, OCHC will receive \$5 million to complete all COCHI Year 6 remaining projects and anticipates initiating COCHI Year 7 projects. OCHC continues to seek

additional funding from all levels of government and lenders to preserve the portfolio.

### Tenant Rent

Rental income represents 57% of total revenue. The different types of rent are as follows:

- Rent-Geared-to-Income (RGI)
- Market Rents
- Affordable Market 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.

#### **Market Rents**

Market Rents in the legacy portfolio are targeted at 80% of the average market rent as reported by CMHC in their Annual Rental Market Survey for the Ottawa for same unit type and size.

The deeply affordable subsidies (Rent-Geared-to-income and Rents Supplements) are available across the OCHC legacy portfolio for eligible households, and the operating agreement with the City of Ottawa allows for greater flexibility to apply these subsidies.

#### **Affordable Market Rents**

The affordable housing portfolio provides a range of affordable rent in keeping with program and funding arrangements. Rents are set at or below the average market rent or at or below the median market

rent for the City of Ottawa. In 2025, these rents are set at the 2024 level at the affordable end of the range of private sector rents, as per the Canada Mortgage and Housing Corporation's, Annual Rental Market Report. This does not suggest that they will be deeply affordable to all households – RGI subsidies are needed to achieve that objective.

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

- Assessing rental market conditions in Ottawa and comparing housing communities based on location, unit type and size, amenities, size of the community, utilities being included with the rent or not,
- Ensuring that the established 2025 market rents meet the definition of affordable market rent to maintain property tax exemption.

### Other Revenue

Other revenues represent 4% of total revenue and include parking charges, laundry concessions, rental of commercial space, rooftop antenna rentals, solar power generation and interest earned. For 2025, these revenues are distributed across funds and include \$2.9 million in parking revenue, while rooftop rentals are expected to generate \$0.5 million and laundry services will generate \$1 million in revenue for 2025. In addition, the Other Revenue budget includes \$1 million in interest revenue, allocated between funds and \$0.5 million in Green Fund incentives.



## 4.2 Expenditures

### Debt Servicing and Amortization

Debt servicing costs are estimated at \$33.8 million or 15% of expenditures. Debt cost 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 \$26.9 million or 12% of budgeted expenditures. The net increase of \$6.8 million or 25% from 2024 is a combination of reduction in the Public debentures, and additional expenditures, associated with new mortgages for the properties added to the portfolio in 2024 (Mikinak, Zibi and Minto), as well as increased costs associated with CMHC National Co-Investment Fund Housing Repair and Renewal stream financing.

### Staffing Costs

In 2025, staffing costs across all funds are estimated at \$59.7 million or 26% of budgeted expenditures, an increase of \$2 million or 3% from the 2024 budget. This budget includes benefits, inflationary adjustment, mandatory contributions, incremental movement on the salary scales, and costs associated with training.

In 2025, \$0.1 million is added to provide the provision for the Complex Care initiative, funded by the City of Ottawa.

### Utilities

Utility costs are estimated at \$31 million or 14% of expenses, an increase of \$1.2 million or 4% from 2024 budget. Utility expenses are impacted by rate increases for water, carbon tax increase.

There are also \$0.2 million of incremental utility costs for added homes vs. prior year budget.

- Water expenses are estimated at \$14.7 million; an increase of \$1 million or 6.7% from 2024 budget. The increase is related to a water rate increase of 4.3% and extra consumption for new homes added to the portfolio.
- Hydro expenses are estimated at \$9.3 million and relatively flat from 2024 budget due to anticipated favorable consumption and the Global Adjustment Charges.
- Gas expenditures are budgeted at \$7 million; a variance of \$0.3 million versus 2024 and is mostly the result of increase in the federal carbon tax for 2025.

### Building Operations

The budget for building operations is developed as a global budget across all funds. For 2025, costs for building operations across all funds are estimated at \$88.3 million, or 39% of budgeted expenditures, and have decreased by \$7.7 million against the 2024 budget, or -7%. The decrease is fully attributed to the decrease in capital spend, which is discussed in section 5.3 below.

The Operating Fund portion of the Building Operations costs have increased by \$2 million, or 6.8%, of which \$0.3 million is related to extra building maintenance costs for new homes, \$0.7 million related to CPI increases to the third-party contracts (landscaping, cleaning, building systems), and \$0.6 million increase to the property insurance, most of which is related to homes added to the portfolio.



## 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 professional fees 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 are estimated at \$14.9 million or 7% of budgeted expenditures, a decrease of \$1.1 million from 2024 budget. The Operating Fund portion of the Administration and Other costs shows a net increase of \$1.3 million and related to overall inflationary pressure and service cost increases in the most of the categories, including increase in vehicle fleet insurance and fuel (\$0.2 million), property taxes (0.2 million), bad debt provision (0.2 million), increase IT related annual licenses and maintenance (\$0.3 million).

## Vehicle Fleet

OCHC has made a commitment to “Green” the current fleet of vehicles. As aging fleet vehicles are decommissioned, OCHC wishes to replace gasoline powered vehicles with hybrid and electric vehicles. Hybrid vehicles, which are suitable for maintenance activities include cargo vans and pickup trucks.

In 2025 it is estimated replacements of 2013 and 2015 Ford Transits. This estimate includes 20 hybrid vehicles for a total cost of \$1 million, most of which will be allocated to the Tenant Experience to deliver team to deliver service to OCHC tenants.

## Green Fund

In 2025, Green Fund expenditures are estimated at \$1.7 million, an increase of \$0.3 million from the 2024 budget, due to more initiatives planned for 2025.

Current estimates for 2025 include \$ \$0.5 million for the building electrical outage prevention, \$0.1 million for in suite lighting retrofit, \$0.3 million for solar panel repairs, \$0.2 million for community energy plans, \$0.1 million for EV CarShare project.

Green Fund sources of revenue are estimated at \$0.6 million and are derived primarily from electricity generation revenue, Carshare and SBD grants, and Independent Electricity System Operator (IESO) incentives.



**OCAF Celebrates the Launch of the Ottawa Community Housing Electric Vehicle Car Sharing Program**

September 13, 2022



## 4.3 Capital Expenditures and Funding

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 Capital Reserve Fund supports work that extends the useful life of the assets.

The 2025 total budget for capital projects, excluding capital staffing costs is estimated at \$57.6 million, a decrease of \$12.5 million versus 2024 budget. The breakdown of capital priorities for 2025 is provided in the following table.

The Capital fund performance is driven by the amount of annual operating contributions, new funding, portfolio age and state, and capital work performed.

In 2025, the capital expenditures will be carried out under multiple funding sources; primarily, the program is funded by OCHC as well as funding the CMHC National Co-Investment Fund Repair and Renewal program, Canada-Ontario Community Housing Initiative (COCHI), and the City of Ottawa:

- ✓ \$7.2 million government transfers from CMHC
  - ✓ \$11.1 million loans from CMHC NHCF
  - ✓ \$6.7 million COCHI Year 6 & Year 7 funding
  - ✓ \$16.2 million City annual Capital Contributions
  - ✓ \$1.1 million of the exemption from the education portion of the property taxes
  - ✓ \$0.8 million OCHC Capital Reserves Contributions
  - ✓ \$16.5 million internal loan from CRF
- Capital Funding**  
**\$71.6M**

In fiscal 2021 OCHC executed an agreement with the Canada Mortgage and Housing Corporation to provide \$166 million in funding under the National Co-Investment Fund Capital Repair and Renewal stream, covering the years 2020 through 2028. As per Council consent, OCHC redirects a portion of the savings from the education portion of the property taxes (\$1.9 million in 2025), generated through the property tax exemption, to service the payments related to this new debt.

For 2025, the Federal, Provincial and Municipal funding in conjunction with OCHC's own reserves funding provides for a fully funded Building Repair Capital plan, keeping FCI below 5% at the end of 2025.

	Projection 2024	Budget 2025
<b>Annual Accumulated Capital Needs</b>	58,888	51,081
<b>Year End Capital Needs</b>	79,076	81,333
<b>Estimated Year End FCI</b>	2.21%	2.23%
<b>Available Funds</b>	<b>80,111</b>	<b>81,172</b>
<b>Use of Funds</b>		
Planned capital	37,833	30,733
Demand capital	26,319	25,435
Project management support	11,100	10,827
<b>Total Capital Spend</b>	<b>75,252</b>	<b>66,995</b>
<b>Ending Capital Reserve Balance</b>	<b>7,877</b>	<b>875</b>

## 2024 & 2025 Capital Expenditures Budget

Capital Work Category	Total Capital Budget 2024	Total Capital Budget 2025
Roofing Program	1,200	1,400
Site Renewal Program (fencing, regrading, paving, trees)	700	2,000
Mechanical and Electrical Systems Renewal Program (backflow preventor program, heating, electrical)	2,000	2,000
Fire Safety Renewal Program (generators, alarm systems, suppression systems)	625	2,000
Cladding Renewal Program (windows doors and exterior walls)	525	2,500
Structural Repair Program	900	800
Elevator Modernization Program	90	100
District Based Priorities	-	200
Welcome Home Program	1,800	600
Capital Works Site Specific Projects	1,925	-
<b>Total Current Capital Works Program</b>	<b>9,765</b>	<b>11,600</b>
Capital Work Program Roll Forward (2023/2024)	35,422	19,133
<b>Total Capital Works Program</b>	<b>45,187</b>	<b>30,733</b>
Non-Project & Unforeseen Projects (e.g. turnover capital expenditures)	15,860	16,677
Restoration	6,910	8,759
Capital Overhead (excluding salaries)	1,424	1,222
Other Capital	695	238
<b>Total CAP</b>	<b>70,076</b>	<b>57,629</b>

## 4.4 Community Reinvestment Fund – New Development

The development of new affordable housing homes is supported by the Community Reinvestment Fund (CRF). This development requires a combination of debt financing, development fee exemptions, equity contributions, and grant funding to cover the construction costs and ensure there is affordability.

Consistent with the OCHC Long Range Financial Plan (LRFP) and Portfolio Management Framework (PMF), the 2025 Budget supports continuing development of new affordable homes. In 2025, OCHC will continue the construction of 868 new homes.

All ongoing projects are supported by construction loans, government transfers from the City of Ottawa, the CMHC National Housing Co-Investment Fund (NHCF), Rapid Housing Initiative (RHI), Housing Accelerator Fund (HAF) and funding from Commercial Lenders outlined in the table below.

Development Project	Added Homes	2025 Planned Capitalized Costs	City of Ottawa	Housing Accelerator Fund	2025 Planned Financing Activities				Total Financing
					CMHC	RHI	CMHC Constr. Loan	Other	
Mosaiq Ottawa Phase 2 (820 Gladstone)	273	\$73,007	\$21,912	-	-	-	\$58,112	-	\$80,024
Gladstone Village Phase 1 (71 and 75 Oak Street)	336	\$84,653	\$1,139	\$19,034	\$5,208	-	\$55,923	-	\$81,304
Shearwater (Uplands)	45	\$9,929	-	\$3,198	\$3,269	-	-	-	\$6,467
Beausoleil (Chapel Redevelopment)	159	\$15,167	-	\$14,969	\$10,578	-	-	-	\$25,547
Somerset Rooming House (214-226 Somerset East)	23	\$2,124	-	\$1,315	\$1,193	-	-	-	\$2,508
Branch Street Phase 1	32	\$2,730	-	-	-	\$986	-	-	\$986
Pre-development activities	-	\$33,847	-	\$660	-	-	-	\$15,000	\$15,660
<b>In-Progress</b>	<b>868</b>	<b>\$221,457</b>	<b>\$23,051</b>	<b>\$39,176</b>	<b>\$20,248</b>	<b>\$986</b>	<b>\$114,035</b>	<b>\$15,000</b>	<b>\$212,496</b>
Mikinak (delivered in 2024)	271	-	\$3,462	-	-	-	-	-	\$3,462
<b>Total</b>		<b>\$221,457</b>	<b>\$26,513</b>	<b>\$39,176</b>	<b>\$20,248</b>	<b>\$986</b>	<b>\$114,035</b>	<b>\$15,000</b>	<b>\$215,958</b>

## Financial Management and Oversight

OCHC budget development utilizes a bottom-up approach 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 can 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 2025 budget was reviewed with the Finance and Audit Committee in November 2024 with a final review conducted on December 17, 2024, prior to approval of the budget by the OCHC Board of Directors on January 25, 2025.

### **Organizational Structure**

- **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.

- **People, Communications and Strategy**

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, Communications and Strategy function has primary responsibility for leadership in steering the organization. Primary responsibilities include human resources function, internal and external communications, media relations, and strategy and performance measurement

- Finance, Legal and Treasury

The focus of the Finance, Legal and Governance organization is on the delivery of services that enable the work of OCHC: the development and implementation of policies, financial reporting, treasury and funding, risk management and compliance, payroll and benefit administration; strategic sourcing and supplier management; legal affairs; policy, privacy, , Board governance,

- Tenant Services

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
- ✓ Tenancy administration
- ✓ Resolution of tenant complaints/conflicts

- Community and Tenant Support

Community and Tenant Support 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

## 5 APPENDIX 1: 2025 ESTIMATE BY FUND

	2024	2024	2025	2025 Estimate by Fund							Budget 2025 vs 2024	
	Projections	Budget	Budget	OP	Stab'n	CAP	GF	CRF	VEH	ICA	\$	%
	All Funds	All Funds	All Funds									
<b>Use of Funds</b>												
Debt Servicing & Amortization	30,942	26,945	33,763	33,763	-	-	-	-	-	-	6,818	25%
Staffing Costs	56,992	57,724	59,725	47,743	-	9,366	346	2,270	-	-	2,001	3%
Utilities	29,671	29,743	30,997	30,997	-	-	-	-	-	-	1,254	4%
Building Operations	92,847	96,033	88,307	31,958	-	55,176	1,174	-	-	-	(7,726)	-8%
Administration & Other	16,311	15,943	14,863	10,210	-	2,453	225	1,003	972	-	(1,081)	-7%
<b>Total Use of Funds</b>	<b>226,762</b>	<b>226,389</b>	<b>227,655</b>	<b>154,670</b>	<b>-</b>	<b>66,995</b>	<b>1,745</b>	<b>3,273</b>	<b>972</b>	<b>-</b>	<b>1,266</b>	<b>1%</b>
<b>Source of Funds</b>												
Service Manager	67,043	68,314	69,899	63,213	-	6,686	-	-	-	-	1,585	2%
Tenant Rent	97,783	90,757	101,892	101,892	-	-	-	-	-	-	11,135	12%
Other revenue	7,463	7,130	6,712	5,280	30	10	552	800	40	-	(418)	-6%
<b>Total Source of Funds</b>	<b>172,289</b>	<b>166,201</b>	<b>178,503</b>	<b>170,385</b>	<b>30</b>	<b>6,696</b>	<b>552</b>	<b>800</b>	<b>40</b>	<b>-</b>	<b>12,302</b>	<b>7%</b>
<b>Opening Fund Balance</b>	<b>83,624</b>	<b>83,624</b>	<b>79,608</b>	<b>3,563</b>	<b>1,362</b>	<b>7,877</b>	<b>3,211</b>	<b>47,557</b>	<b>2,051</b>	<b>13,988</b>	<b>(4,016)</b>	
Net Use & Source of Funds (+/-)	(54,473)	(60,188)	(49,152)	15,715	30	(60,299)	(1,193)	(2,473)	(932)	-	11,036	
Reserve Contributions	-	-	-	(18,091)	-	18,091	-	-	-	-	-	
Loan Proceeds & Non-Cash Transfers	50,457	53,862	18,317	-	-	18,317	-	216,018	-	(216,018)	(35,545)	
Interfund Transfer	-	-	-	2,392	(1,392)	16,889	(1,000)	(238,679)	-	221,790	-	
<b>Fund Net Change, incl. Amortization</b>	<b>(4,016)</b>	<b>(6,326)</b>	<b>(30,835)</b>	<b>16</b>	<b>(1,362)</b>	<b>(7,002)</b>	<b>(2,193)</b>	<b>(25,134)</b>	<b>(932)</b>	<b>5,772</b>	<b>(24,509)</b>	
<b>Closing Fund Balance</b>	<b>79,608</b>	<b>77,298</b>	<b>48,773</b>	<b>3,578</b>	<b>-</b>	<b>875</b>	<b>1,018</b>	<b>22,423</b>	<b>1,119</b>	<b>19,760</b>	<b>(28,525)</b>	

\* 2025 Opening Fund Balance includes most recent projections



## 6 APPENDIX 2: 2025 INDICIES FOR INDEXED BENCHMARK OPERATING COSTS

Source: City of Ottawa Housing Branch - September, 2025

Item	Index	Index for 2024	Index for 2025
Admin and Maintenance	Ontario CPI All Items	3.12%	2.97%
Insurance	Ontario CPI - Homeowner's home & mortgage insurance sub index	5.53%	8.78%
Bad Debt	Ontario CPI All Items	3.12%	2.97%
Electricity	Ontario CPI - Electricity sub index	3.04%	6.02%
Water	Ontario CPI - Water sub index	3.75%	4.62%
Natural Gas	Ontario CPI - Natural gas sub index	4.55%	-2.97%
Capital Reserves	Ontario CPI All Items	3.12%	2.97%