Peterborough Housing Corporation
Board of Directors

Wednesday, May 24th, 2023 – 5:30PM
Hunt Terraces, Meeting Room #112,
555 Bonaccord Street, Peterborough, ON

"We respectfully acknowledge that we are on the traditional territory of the Mississauga Anishinaabeg. We offer our gratitude to the First Nations for their care for, and teachings about, our earth and our relations. May we honour those teachings."

Agenda

1. Approval of Agenda

2. Conflict of Interest

3. Delegation

4. Confirmation of Minutes
   a) Open Session Board Meeting, March 22, 2023

5. Operational Reports
   a) Report 2023-013 – CEO Report

6. Financial Reports
   a) Report 2023-014 – 2023 Q1 Operating & Capital Results (Jan-Mar)
   b) Report 2023-015 – 2023 Q1 Reporting Obligations (as at Mar 31st)

7. Committee Reports
   a) Finance, Audit & Administrative Committee
      i. Report 2023-016 – 2022 Financial Statements & Investment Report
   b) Governance, Human Resources & Strategy Committee
      i. No report

8. Closed Session
   a) Confirmation of Closed Minutes
      i. Closed Session Board Meeting, March 22, 2023
   b) Report 2023-017 – Rent Supplement Program

9. Report of Closed Session

10. Adjournment

Board Meeting Minutes, Peterborough Housing Corporation
Open Session

Date: Wednesday, March 22nd, 2023 – 5:30PM
Location: Hunt Terraces, 555 Bonaccord Street, Peterborough, ON

Present:	Keith Riel	Chair
	Alex Bierk	Vice -Chair
	Andrew Beamer	Member
	Matthew Graham	Member
	Jeff Leal	Member
	Sheldon Laidman	Board Advisor
	Rebecca Morgan-Quin	Board Advisor
	Hope Lee	CEO, PHC/Board Secretary
	Jenna Cullon	Recording Secretary
Staff:	Travis Doak	Director of Operations
	Sondra Fitzgerald	Director of Corporate Services

Keith Riel, Chair, PHC Board, called the meeting to order at 5:30 p.m.

1. **Approval of Agenda**

On a motion by Jeff Leal, seconded by Matthew Graham and carried unanimously, it was **RESOLVED** to approve the agenda for the March 22nd, PHC Board Meeting.

2. **Conflict of Interest**

The Chair requested that Board members declare any conflict of interest at this time. None were declared.

3. **No Delegation**

4. **Confirmation of Minutes**
   a) Open Session Board Meeting, February 1, 2023

On a motion by Andrew Beamer, seconded by Jeff Leal and carried unanimously, it was **RESOLVED** that the minutes for the February 1, 2023, Open Session Board Meeting, be confirmed and accepted.

5. **Committee Appointments**
   a) Report 2023-010 – PHC Committee Appointments
      i. Finance, Audit and Administration Committee
      ii. Governance, Human Resources and Strategy Committee

On a motion by Jeff Leal, seconded by Alex Bierk and carried unanimously, it was **RESOLVED** that Report 2023-010, "PHC Committee Appointments", be received;

That the Board hereby nominates the PHC Board Chair and the following two PHC Directors as Governance, Human Resources and Strategy Committee members, Director **Alex Bierk** and Director **Jeff Leal**; and

That the Board hereby nominates the PHC Board Chair and the following two PHC Directors as Finance, Audit and Administrative Committee members, Director **Andrew Beamer** and Director **Matthew Graham**.

These individuals were selected by the Executive Team and corresponded to the PHC Board by email on March 31, 2023. No objection was received.

6. **Operational Reports**
   a) Report 2023-012 – Recurring Board Reports and Frequency
   b) Report 2023-009 – Quarterly KPI Report

On a motion by Matthew Graham, seconded by Alex Bierk and carried unanimously:

RESOLVED that Report 2023-012, "Recurring Board Reports and Frequency", be received; and

That the recurring reporting and frequency outlined in this report be approved.

and

RESOLVED that Report 2023-009, "Quarterly Key Performance Indicator (KPI) Report", be received for information purposes.

7. **Financial Reports**
   a) Report 2023-006 – 2022 Q3 & Q4 Operating & Capital Results (July-Dec)
   b) Report 2023-007 – 2022 Q3 & Q4 Reporting Obligations (as at Dec 31st)
   c) Report 2023-008 – 2023/24 Spruce Corners Budget

On a motion by Alex Bierk, seconded by Andrew Beamer and carried unanimously:

RESOLVED that Report 2023-006, "2022 Q3 & Q4 Operating & Capital Results", be received for information purposes;

RESOLVED that Report 2023-007, "Reporting Obligations", be received for information.

RESOLVED that Report 2023-008, “Spruce Corners 2023-2024 Budget”, be received; and that the 2023-2024 budget, detailed in Attachment A, be approved.

On a motion by Jeff Leal, seconded by Matthew Graham and carried unanimously, it was **RESOLVED** to move out of **OPEN SESSION** and into **CLOSED SESSION**.

8. **Closed Session**
   a) Confirmation of Closed Minutes
      i. Closed Session Board Meeting, February 1, 2023
      ii. Special Board meeting, March 8, 2023

   b) Report 2023-011 – Board Composition

9. **Report of Closed Session**

On a motion by Alex Bierk, seconded by Jeff Leal and carried unanimously, it was **RESOLVED** that the Closed Minutes from February 1, 2023 be confirmed and accepted.

On a motion by Matthew Graham, seconded by Alex Bierk and carried unanimously, it was **RESOLVED** that the Special Board Meeting Minutes from March 8, 2023 be confirmed and accepted.

On a motion by Andrew Beamer, seconded by Alex Bierk, carried unanimously:

RESOLVED to receive New Business – Bonaccord Street Project Updates.

RESOLVED that Confidential Report 2023-011, “Board Composition”, be received for information and discussion purposes.

On a motion by Matthew Graham, seconded by Alex Bierk, carried unanimously, it was **RESOLVED** to move out of **CLOSED SESSION** and into **OPEN SESSION**.

10. **Adjournment**

With there being no further business, the March 22, 2023 Board Meeting, was adjourned on a motion by Alex Bierk, seconded by Matthew Graham, carried unanimously at 6:30pm.

Keith Riel Chair Peterborough Housing Corporation	Hope Lee CEO/Board Secretary Peterborough Housing Corporation

Peterborough Housing Corporation

Report 2023-013

Meeting Date: May 24, 2023

Meeting Time: 5:30 p.m.

Meeting Place: Hunt Terraces, Meeting Room #112,
555 Bonaccord Street, Peterborough

Subject: CEO Update

Author Name and Title: Hope Lee, CEO

Recommendation(s):

Resolved That Report 2023-013, "CEO Update", be received for information purposes.

Hope Lee

Chief Executive Officer

Background:

The CEO Update Report is provided at each Board meeting and provides the Board with updates on key operational matters.

Rationale:

555 Bonaccord, Hunt Terraces

The loan agreement for the CMHC Co-investment contribution ($736,724) and long-term financing ($19,090,900) is in the process of being signed and registered.

CMHC is announcing Hunt Terraces' co-investment funding as part of a group of announcements on May 19th in Kitchener. Once this is completed, the requirement for CMHC to announce the project is met meaning that PHC can start to plan an official event for the site. Any provincial requirements are being explored.

PHC has also been nominated for a Chamber of Commerce Business Excellence Award by a member of the community for this development. Judges will determine 3 finalists to be recognized at an awards ceremony. Finalists will be announced on August 16th.

Capital Financing & Revitalization Plan

Earlier this month, both Alexander and Hilliard tenants were notified that their sites have been chosen for revitalization. To date, this has not generated any significant concern or feedback. The notifications were hand delivered and explained construction is not expected to begin for at least 18 months. This fall, in person information sessions will be held at 555 Bonaccord. This will give tenants a chance to hear about development plans and schedules, ask questions and to also experience what a new building looks like.

Staffing

Three of the five operations department managers have left PHC over the last two months. One retired, while the other two left for other employment opportunities. Two of the three positions have been filled by promoting existing employees, while the third will be filled externally.

ONPHA Conference

The Ontario Non Profit Housing Association (ONPHA) is a sector organization which many non-profits and local housing providers are members of. PHC cancelled it membership several years ago when ONPHA renewed their membership fee structure. However, PHC (both staff and board members) continued to attend the annual conference in the fall until COVID.

This year's conference takes place from October 26 to 28 in Toronto. There is an early bird discount until July 15th. If any Board Members are interested in attending, they should let Jenna know by the end of June.

Denne/Collison

Three units are currently vacant. The policy steps to sell these have been underway and is resulting in one sale to a tenant. The other two will be listed on the private market. The net revenue from these sales will be used to pay down the short-term financing provided by the City for Hunt Terraces.

Consent applications for severances are currently underway. While PHC sold properties in the past using the City's exception under the Planning Act, a legal opinion has determined that PHC is not privy to this exemption.

Other Alternatives Considered:

None

Alignment to Strategic Priority Areas

These operational updates align to all three priority areas.

Financial Considerations:

None

Consultations:

None

Attachments:

None

Peterborough Housing Corporation

Report 2023-014

Meeting Date: May 24, 2023

Meeting Time: 5:30 p.m.

Meeting Place: Hunt Terraces, Meeting Room #112,
555 Bonaccord Street, Peterborough

Subject: 2023 Q1 Operating Results

Author Name and Title: Sondra Fitzgerald, Director, Corporate Services

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Recommendation(s):

Resolved That Report 2023-014, "2023 Q1 Operating Results", be received for information purposes.

Sondra Fitzgerald

Director, Corporate Services

Background:

This report represents the first quarter results for Peterborough Housing Corporation (PHC). This includes Community Housing, Anishnawbe, Affordable Housing Portfolio, Spruce Corners and Sunshine Homes. Attachments A, B, C, D and E to this report provides the operating activity for these portfolios.

Rationale:

This report reviews the first quarter operating results of the Corporation. For the first quarter of 2022, the expenditures should represent approximately 25% of the total annual budgeted amounts. While some items are either over/under, on average, the overall expenditures represent 26.4% of the annual budgeted amounts for the first quarter.

Other Alternatives Considered:

None.

Alignment to Strategic Priority Areas

This report aligns with the strategic focus of the following commitment within the Strategic Plan:

Serving our Clients & Community

Our core business practices will ensure PHC is strong and sustainable for years to come. This includes maintaining the highest financial and resource management.

Financial Considerations:

This is an information report only and provides explanations on the variances between the actual and budgeted figures for the period ending March 31, 2023.

Consultations:

None

Attachments:

Attachment “A”–PHC–Community Housing Operating Results at March 31, 2023

Attachment “B”–PHC–Anishnawbe Operating Results at March 31, 2023

Attachment “C”–PHC–Affordable Housing Portfolio Results at March 31, 2023

Attachment “D”–PHC–Spruce Corners Results at March 31, 2023

Attachment “E”–PHC–Sunshine Homes Results at March 31, 2023

Attachment “A” Note Explanations

1. Total Revenue from Operations is $36,400 higher than budgeted due to higher than anticipated tenant charges, investment, and interest income ($67,000). However, this is offset by rental revenue being under budget by $30,252 which is directly related to declining RGI rents with tenants having lower income. Note that the tenant charges relate primarily to maintenance and move out charges which will likely be written off. PHC still continues collection efforts and former tenants are placed on the Provincial Arrears Database.

2. Total Subsidies are $83,400 less than budgeted as we are underspent in Rent Supplement. The Service Manager is currently reviewing the rent supplement programs as the funding models are changing. If there is any deficit, there will be a draw on the Commercial Rent Supplement reserve.

3. Salaries, Wages and Benefits are showing $84,800 or 4.4% over budget to date, with the offset by the subsidy received of $20,000 for the Housing Support worker, which is included in the subsidy line, resulting in wages and benefits being over budget by $64,800. This budget line also includes an accrual for staff vacation time ($54,000). For the first part of the year, it is higher as staff have not taken a significant amount of vacation and they are also utilizing 2022 vacation time carried over.

4. Services are $19,400 under budget to date. This can be attributed to the timing of expenditures whereby anticipated expenditures for Q1 (i.e., legal, consulting) were not incurred. This will come into alignment as the year progresses.

5. Materials and Services are $107,700 over budget to date and $134,400 higher than in 2022. In general, due to inflationary pressures, PHC is experiencing increased costs in all areas to maintain our portfolio. Operationally, the primary areas that are impacted are:

    - Move Out Repairs $30,000
    - Biohazard Remediation $28,600
    - Snow Removal $76,700
    - Life Safety Systems $10,200
    - Plumbing $12,700

These are offset by other costs that are under budget to date;

• Roofing	$6,700
• Elevators	$4,500
• Equipment	$3,200

Note that while there are overages in the first quarter, staff will be monitoring costs closely to the overall budget and investigating potential savings where possible. In addition, once the full complement of weekend staff is in place, it is expected to see cost savings by having staff complete work instead of contractors.

6. Utilities are under budget by $64,800 which can primarily be attributed to the Provincial electricity rebate programs. It is expected that the rebate program will continue for the foreseeable future.

7. The Capital Fund is showing a surplus of $126,500. This is due to the timing of planned capital projects being completed and invoiced. This will be utilized throughout the year.

8. The Rent Supplement Fund is showing a deficit of $34,500. The Rent Supplement Reserve will fund this as noted above.

Attachment “B” Note Explanations

1. Total Revenue from Operations is lower than budgeted by $2,200 due to vacancy for a unit turnover that was in extremely poor condition.

2. Materials and Services are $22,900 over budget. This can be directly attributed to refurbishment costs associated a unit turnover that was in extremely poor condition requiring extensive work.

Attachment “C” Note Explanations

1. Total Revenue from Operations is lower than budgeted by $371,270. This can be directly attributed to Hunt Terraces. When the budget was prepared, it was anticipated that we would be fully occupied by March 1, 2023. Due to unforeseen construction delays and working with community partners through the initial selection process has delayed occupancy. It is anticipated that the building will be fully occupied by September 2023.

2. Other Revenue is over budget which can be directly attributed to one time funding of $125,000 received from the City for the purchase of furniture and fixtures at Hunt Terraces.

3. Services are $17,700 under budget. This can primarily be attributed to lower than anticipated insurance costs across the AHP portfolio, in particular Hunt Terraces which is under budget by $9,900 as there was no historical information to utilize during the budget process.

4. Materials and Services are $94,300 over budget to date. As noted above, in general, due to inflationary pressures, PHC is also experiencing increased costs in all areas to maintain our Affordable Housing portfolio. Operationally, the primary areas impacted are:

    - Flooring repairs $ 7,700
    - Elevators (Anson House) $21,400
    - Equipment Repair $13,700
    - Snow Removal $96,500
    - Life Safety (deficiencies) $ 8,500

    These are offset by other costs that are under budget to date;

    - Building Security (Hunt) $30,126
    - Move Out Costs $ 6,400

    Note that while there are overages in the first quarter, staff will be monitoring costs closely to the overall budget and investigating potential savings where possible. In addition, once the full complement of weekend staff is in place, it is expected to see cost savings by having staff complete work instead of contractors.

5. Major Costs are under budget by $225,700. This can be attributed to the fact that the mortgages for Malcolm Court and Hunt Terraces have not yet been finalized while the budget reflects mortgage payments for both properties. It is anticipated that the mortgages will be in place by July 2023.

Attachment "D" Note Explanations

1. Total Revenue from Operations is under budget by $2,900. This can be attributed to vacancy loss and lower than anticipated rental and meal revenue. It has been a challenge at times to find residents that meet the criteria for Spruce Corners.

2. Materials and Services are over budget by $8,300. This can be attributed to costs associated with repairing the generator and higher than anticipated snow removal costs associated with the renewal of the snow contract.

3. The reserve allocation is over budget by $17,000. PHC received a one-time lump sum reserve allocation from the Ministry of Health for the 2023-2024 fiscal year.

Attachment "E" Note Explanations

1. Total Revenue from Operations is higher than budgeted by $16,400 due to higher than anticipated rental revenue and chargebacks of $2,200 which will likely be written off.

2. Materials and Services are $14,500 over budget to date. This can be attributed to higher than anticipated snow removal costs associated with the renewal of the snow contract, an increase in repairs to aging appliances and moveout painting associated with unit turnover. Note that while there are overages in the first quarter, staff will be monitoring costs closely to the overall budget and investigating potential savings where possible. In addition, once the full complement of weekend staff is in place, it is expected to see cost savings by having staff complete work instead of contractors.

3. Utilities are $5,300 over budget. This can primarily be attributed to water costs. Tenants are responsible for their own utilities in this community. However, if they default on their water bill and Peterborough Utilities is unable to collect, PHC as the landlord is responsible for these costs. We then have to charge this back to the tenant and Resident Services works with the tenant on a repayment plan. These costs would be offset by recoveries.

4. Reserve expenditures are comprised of flooring, mold abatement, and appliance replacement.

PETERBOROUGH HOUSING CORPORATION-FINANCIAL REPORT - PERIOD ENDING MARCH 31, 2023

	PTD Actual	PTD Budget	Capital-YTD	Rent Supplement YTD (1)	2023 Operating YTD	2022 Operating YTD	Total All Funds YTD Actual	YTD Budget	Year-to-Date Variance	Annual Budget	% YTD Budget Recd/Spent
REVENUE											MARCH 25%
TOTAL REVENUE FROM OPERATIONS	1,193,987	1,157,617			1,193,987	1,125,562	1,193,987	1,157,617	36,370	4,630,469	25.79%
TOTAL SUBSIDIES	1,277,331	1,360,749	225,619	297,587	754,125	750,180	1,277,331	1,360,749	-83,418	5,442,995	23.47%
TOTAL REVENUE	2,471,318	2,518,366	225,619	297,587	1,948,112	1,875,742	2,471,318	2,518,366	-47,048	10,073,464	**24.53%**
EXPENSES											
TOTAL CORPORATE COSTS - Net of Amortization	4,576	4,355			4,576	3,963	4,576	4,355	-221	17,420	**26.27%**
SALARIES & WAGES	434,859	347,728			434,859	397,163	434,859	347,728	-87,131	1,390,911	31.26%
EMPLOYEE BENEFITS	135,893	138,226			135,893	122,242	135,893	138,226	2,333	552,903	24.58%
TOTAL SALARIES,WAGES & BENEFITS	570,752	485,954			570,752	519,405	570,752	485,954	-84,799	1,943,814	**29.36%**
TOTAL TRANSPORTATION/COMMUNICATION	26,714	23,675			20,289	17,998	20,289	23,675	3,386	94,700	**21.42%**
TOTAL SERVICES	104,053	122,958			103,519	103,678	103,519	122,958	19,439	491,831	**21.05%**
TOTAL SUPPLIES & EQUIPMENT	44,107	40,225			44,107	26,305	44,107	40,225	-3,882	160,900	**27.41%**
Current Year Capital Costs	99,076	225,619	99,076				99,076	225,619	126,544		
TOTAL CAPITAL COSTS	99,076	225,619	99,076				99,076	225,619	126,544	902,477	Current Year Budget
TOTAL OPERATING MATERIALS & SERVICES	508,404	387,225			494,958	360,547	494,958	387,225	-107,733	1,373,900	**36.03%**
TOTAL UTILITIES	529,221	593,991			529,221	549,717	529,221	593,991	64,771	1,742,866	**30.36%**
TOTAL MAJOR COSTS (Property Taxes, Interest)	409,267	413,243			409,267	401,207	409,267	413,243	3,976	1,652,973	**24.76%**
Regular Rent Supplement	221,188	256,374		221,188			221,188	256,374	35,186	1,025,496	**21.57%**
Strong Communities Rent Supplement	81,682	84,150		81,682			81,682	84,150	2,468	336,600	**24.27%**
IAH Rent Supplement	23,030	23,868		23,030			23,030	23,868	838	95,472	**24.12%**
Flood Rent Supplement	6,168	6,077		6,168			6,168	6,077	-91	24,309	**25.37%**
TOTAL RENT SUPPLEMENT PROGRAM	332,068	370,469		332,068			332,068	370,469	38,402	1,481,877	**22.41%**
TOTAL EXPENSES	2,628,237	2,667,714	99,076	332,068	2,176,689	1,982,820	2,607,833	2,667,714	59,882	9,862,758	**26.44%**
TOTAL NET PROFIT/(LOSS) BEFORE UNDERNOTED ITEMS:			**126,544**	**-34,481**	**-228,577**	**-107,078**	**-136,515**				
Grants Other							**155,182**				
Amortization - net					**-29,568**	**-96,955**	**-29,568**				
TOTAL NET PROFIT/(LOSS)			**126,544**	**-34,481**	**-258,145**	**-204,033**	**-10,900**				
2023 Opening Reserves (per financial statements)			**3,925,950**	**1,909,923**	**959,427**		**6,795,300**				
Reserve MARCH 2023			**4,052,494**	**1,875,442**	**701,282**		**6,658,785**				

Legend

- On/under budget
- Slightly over budget
- Over budget - watch closely
- Action Required
- Over budget with explanation
- Under/On budget but YTD budget higher than target %

(1) Includes Regular Rent Supplement, Strong Communities Rent Supplement, Flood Rent Supplement, and IAH Rent Supplement

Reserve - Opening Capital Uncommitted	3,925,950
Current Year Budget to Date unspent (overspent):	126,544
Capital Reserve MARCH 2022	4,052,494

PETERBOROUGH HOUSING CORPORATION ANISHNAWBE
FINANCIAL REPORT FOR THE PERIOD ENDING MARCH 31, 2023

	ANISHNAWBE	
	PTD Actual	**PTD Budget**
REVENUE		
TOTAL REVENUE FROM OPERATIONS	7,817	10,000
SUBSIDIES	18,750	18,750
TOTAL REVENUE	26,567	28,750
EXPENSES		
SALARIES & WAGES	1,458	1,926
EMPLOYEE BENEFITS	411	500
TOTAL SALARIES,WAGES & BENEFITS	1,870	2,426
TOTAL SERVICES	2,281	1,147
TOTAL MATERIALS & SERVICES OPERATING	29,065	6,200
TOTAL UTILITIES	6,249	5,125
TOTAL MAJOR COSTS	12,112	11,942
TOTAL EXPENSES	51,577	26,840
TOTAL NET PROFIT (LOSS) BEFORE UNDERNOTED ITEMS	**-25,010**	**1,910**
Amortization	**2,469**	**2,469**
NET PROFIT FROM OPERATIONS	**-22,542**	**4,379**
Reserve/Capital Allocation	3,750	3,806
SURPLUS (DEFICIT) AFTER RESERVE/CAPITAL ALLOCATION	-26,292	573
Reserve Expenditures	-	-

PETERBOROUGH HOUSING CORPORATION AHP PROPERTIES - FINANCIAL REPORT
PERIOD ENDING MARCH 31, 2023

	ALL AHP PROPERTIES	
	YTD Actual	**YTD Budget**
REVENUE		
TOTAL REVENUE FROM OPERATIONS	781,843	1,153,113
OTHER REVENUE **(1)**	244,906	133,304
TOTAL REVENUE	1,026,749	1,286,417
EXPENSES		
TOTAL CORPORATE COSTS **(2)**	3,133	1,131
SALARIES & WAGES	169,906	201,725
EMPLOYEE BENEFITS	45,649	13,647
TOTAL SALARIES,WAGES & BENEFITS	215,555	215,372
TOTAL TRANSPORTATION/COMMUNICATION	2,390	2,903
TOTAL SERVICES	44,074	61,754
TOTAL SUPPLIES & EQUIPMENT	1,670	1,142
TOTAL OPERATING MATERIALS & SERVICES	254,051	159,739
TOTAL UTILITIES	183,956	184,019
TOTAL MAJOR COSTS **(4)**	697,387	923,094
TOTAL EXPENSES	1,402,217	1,549,154
TOTAL NET PROFIT/(LOSS) BEFORE UNDERNOTED ITEMS:	**-375,467**	**-262,737**
Amortization - net (5)	**234,095**	**234,095**
TOTAL NET PROFIT/(LOSS) FROM OPERATIONS	**-141,372**	**-28,642**
Reserve Allocation (3)	14,280	26,775
SURPLUS/(DEFICIT) AFTER RESERVE ALLOCATION	-155,652	-55,417
Capital Expenditures	130,882	-

(1) Represents $125,000 of funding received to purchase furniture for Hunt Terraces and Amortization of Deferred Contributions where applicable

(2) Includes Amortization of Appliances and Equipment

(3) Reserve mandated by bank for Woollen Mill, River Ridge and Trailview Terrace. Reserve has been set up for Anson House, and Saunders Court by PHC. The reserve is reflected here to account for cash flow purposes only and is not an operating expense.

(4) Includes Amortization of Building.

(5) Amortization of Deferred Contributions and Capital Assets are non-cash items and are deducted or added back to reflect the actual profit or loss.

(6) Capital expenditures - purchase of furniture and equipment for Hunt Terraces (funded by the City)

PETERBOROUGH HOUSING CORPORATION SPRUCE CORNERS SUPPORTIVE HOUSING
FINANCIAL REPORT FOR THE PERIOD ENDING MARCH 31, 2023

	Spruce Corners	
	PTD Actual	**PTD Budget**
REVENUE		
TOTAL REVENUE FROM OPERATIONS	19,364	22,353
SUBSIDIES	13,778	14,193
TOTAL REVENUE	33,142	36,546
EXPENSES		
TOTAL CORPORATE COSTS	60	19
SALARIES & WAGES	5,192	5,036
EMPLOYEE BENEFITS	1,172	1,258
TOTAL SALARIES,WAGES & BENEFITS	6,363	6,294
TOTAL TRANSPORTATION/COMMUNICATION	203	227
TOTAL SERVICES	11,154	10,434
TOTAL MATERIALS & SERVICES OPERATING	15,523	7,231
TOTAL UTILITIES	4,234	3,759
TOTAL MAJOR COSTS	13,268	13,303
TOTAL EXPENSES	50,805	41,267
TOTAL NET PROFIT (LOSS) BEFORE UNDERNOTED ITEMS	-17,663	-4,721
Amortization	5,408	5,408
NET PROFIT (LOSS) FROM OPERATIONS	-12,255	687
Reserve Allocation	17,430	430
SURPLUS (DEFICIT) AFTER RESERVE ALLOCATION	-12,685	257
Reserve Expenditures	-	-

PETERBOROUGH HOUSING CORPORATION SUNSHINE HOMES

FINANCIAL REPORT FOR THE PERIOD ENDING MARCH 31, 2023

	Sunshine Homes	
	PTD Actual	**PTD Budget**
REVENUE		
TOTAL REVENUE FROM OPERATIONS	149,695	133,290
SUBSIDIES	187,938	191,160
TOTAL REVENUE	337,633	324,450
EXPENSES		
TOTAL CORPORATE COSTS	46	120
SALARIES & WAGES	32,086	41,628
EMPLOYEE BENEFITS	9,045	11,736
TOTAL SALARIES,WAGES & BENEFITS	41,131	53,364
TOTAL TRANSPORTATION/COMMUNICATION	218	-
TOTAL SERVICES	9,484	14,487
TOTAL SUPPLIES & EQUIPMENT	1,059	-
TOTAL MATERIALS & SERVICES OPERATING	57,746	43,254
TOTAL UTILITIES	12,212	6,963
TOTAL MAJOR COSTS	214,267	215,795
TOTAL EXPENSES	294,986	280,499
TOTAL NET PROFIT (LOSS) BEFORE UNDERNOTED ITEMS	42,647	43,951
Amortization	30,845	30,845
NET PROFIT (LOSS) FROM OPERATIONS	73,492	74,796
Reserve Allocation	21,393	20,244
SURPLUS (DEFICIT) AFTER RESERVE ALLOCATION	52,100	54,552
Reserve Expenditures	**12,020**	**-**

Reserve expenditures include flooring, appliances mould abatement

Peterborough Housing Corporation

Report 2023-015

Meeting Date: May 24, 2023

Meeting Time: 5:30 p.m.

Meeting Place: Hunt Terraces, Meeting Room #112,
555 Bonaccord Street, Peterborough

Subject: Q1 Reporting Obligations

Author Name and Title: Sondra Fitzgerald, Director Corporate Services

Recommendation(s):

Resolved That Report 2023-015, "Reporting Obligations", be received for information.

Sondra Fitzgerald

Director, Corporate Services

Background:

Peterborough Housing Corporation (PHC) is required to meet certain statutory financial obligations. This report represents the required statutory financial reporting obligations for PHC.

Rationale:

This report confirms to the Board that PHC is meeting all its' statutory financial reporting obligations for the period ending March 31, 2023.

Other Alternatives Considered:

Not Applicable

Alignment to Strategic Priority Areas

This report aligns with the strategic focus of the following commitment within the Strategic Plan:

Serving our Clients & Community

Our core business practices will ensure PHC is strong and sustainable for years to come. This includes maintaining the highest financial and resource management.

Financial Considerations:

This is an information report only and provides confirmation of statutory financial reporting obligations.

Consultations:

None

Attachments:

Attachment A: Q1 Reporting Obligations

To the Board of Directors:

We confirm that as at March 31, 2023, the following reporting obligations have been met.

Director's Liability & Property Insurance: Insurance approved, pending receipt of invoice
(Policy covers the period of November 1, 2022 – November 30, 2023)

Remittance Date: October 20, 2022 Paid ✔

Group Benefits Insurance:

Remittance Date: March 1, 2023 Paid ✔

Harmonized Sales Taxes:

Remittance Date: March 31, 2023 Filed ✔

Property Taxes:

Remittance Date: September 29, 2023 Paid ✔
(Next Remittance Date – March 31, 2023)

Payroll (including source deductions of CPP, EI, Income Tax, EHT):

Transmission Date to RBC: March 31, 2023 PP#7, 2023 Transmitted ✔
Using Easypay Payroll System (Covering up to March 29, 2023)

WSIB: No regular filing required as PHC is a Schedule 2 employer. Invoices paid as received.

OMERS:

Remittance Date: March 24, 2023 (Online Payment Release Date) Paid ✔
(Covering up to February 15, 2023)

Union Dues:

Remittance Date: March 29, 2023 Paid ✔
(Covering up to February 15, 2023)

Sondra Fitzgerald March 31, 2023

Per: Sondra Fitzgerald ***Date***
Director, Corporate Services

Office Suite, 526 McDonnel Street, Peterborough, Ontario K9H 0A6
Tel: (705) 742-0439 Fax: (705) 742-1404

Peterborough Housing Corporation

Report 2023-016

Meeting Date: May 24, 2023

Meeting Time: 5:30 p.m.

Meeting Place: Hunt Terraces, Meeting Room #112,
555 Bonaccord Street, Peterborough

Subject: 2022 Audited Financial Statements and Investment Report

Author Name and Title: Sondra Fitzgerald, Director Corporate Services

Recommendation(s):

Resolved That Report 2023-016, "2022 Audited Financial Statements and Investment Report", be received.

That the 2022 Audited Financial Statements, detailed in Attachment A, be approved; and

That the 2022 Investment Report, detailed in Attachment B, be received for information purposes.

Sondra Fitzgerald

Director Corporate Services

Background:

Audited Financial Statements

PHC is required by law and by its' Shareholder and the Service Manager, the City of Peterborough, to have an annual financial audit to be carried out by an independent external auditor as appointed by the Shareholder. PHC is required to report in accordance with Canadian Public Sector Accounting Standards (PSAB) as our financial results are consolidated with those of our Shareholder.

Investments

PHC's investments are held with WorldSource Financial Management through their affiliation with Housing Services Corporation (HSC). There are three separate investment pools – Rent Supplement Reserve, Capital Reserve, and the Sunshine Homes Reserve. Of these, there is a requirement to have the Sunshine Homes Reserve invested with WorldSource. For the other two reserves, PHC determined that these funds would earn a better rate of return if invested in the market.

Rationale:

Audited Financial Statements

The December 31, 2022, audited consolidated financial statements were presented to the Finance Committee by Richard Steiginga of Baker Tilly. The auditors have expressed an unqualified audit opinion that these statements present fairly the financial position of PHC. The auditors are also responsible for advising management and the Finance Committee of the Board of Directors of any control or operational issues that may have been identified during the audit. No issues were reported.

Investments

This report discusses the 2022 results for investments held by PHC. The investments held are moderately conservative to minimize risk. The investments are recorded at book value plus any realized gains since inception. While the stock market has seen record gains for an extended period, 2022 saw a major correction. At December 31, 2022, our investments realized gains of $58,813 (2021 - $208,426). While PHC experienced diminished gains in 2022, overall, there has been a portfolio gain of $522,000 since the original capital was invested. With the current economic climate, it is expected that returns will be somewhat flat for 2023.

Other Alternatives Considered:

None.

Alignment to Strategic Priority Areas

This report aligns with the strategic focus of the following commitment within the Strategic Plan:

Serving our Clients & Community

Our core business practices will ensure PHC is strong and sustainable for years to come. This includes maintaining the highest financial and resource management.

Financial Considerations:

The audited consolidated financial statements report the financial status of PHC to the Board of Directors and the Shareholder. The financial statements are used by stakeholders when making economic, budget and funding decisions. The consolidated Statement of Operations and Accumulated Surplus reports PHC's changes in economic resources and accumulated surplus on a comparative basis. For 2022, PHC is reporting a surplus of $1,462,206 (2021 - $4,240,756) and an accumulated surplus of $44,468,677 (2021 - $43,006,471).

While PHC continues to be well positioned financially for the future, like many other housing corporations and providers, there is a continuous struggle to maintain and replace aging infrastructure and well as providing the resources to meet the needs of our residents.

Consultations:

Richard Steiginga, Baker Tilly KDN LLP, Peterborough

Attachments:

Attachment A: 2022 Draft Audited Financial Statements

Attachment B: 2022 Investment Report

Attachment C: Minutes of May 15, 2023, Finance Committee Meeting

PETERBOROUGH HOUSING CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

PETERBOROUGH HOUSING CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Directors of the Peterborough Housing Corporation

Opinion

We have audited the consolidated financial statements of the Peterborough Housing Corporation and its subsidiary (the Corporation), which comprise the consolidated statement of financial position as at December 31, 2022, the consolidated statements of operations and accumulated surplus, change in net financial assets/(liabilities) and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Corporation as at December 31, 2022, and the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business activities within the Corporation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
May 15, 2023

PETERBOROUGH HOUSING CORPORATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At December 31, 2022

	2022 $	2021 $
FINANCIAL ASSETS		
Cash	8,392,952	9,049,613
Accounts receivable (note 3)	1,776,941	1,714,814
Loans receivable (note 4)	1,658,324	1,849,985
Investments (note 5)	3,605,561	3,551,963
TOTAL FINANCIAL ASSETS	15,433,778	16,166,375
LIABILITIES		
Short term debt and loan advances (note 6)	24,433,000	24,029,000
Accounts payable and accrued liabilities	7,248,059	6,446,700
Deferred revenue - other (note 7)	3,575,000	-
Long term debt (note 8)	16,656,581	14,122,210
Employee future benefits (note 9)	153,946	141,361
TOTAL LIABILITIES	52,066,586	44,739,271
NET FINANCIAL ASSETS/(LIABILITIES)	(36,632,808)	(28,572,896)
NON-FINANCIAL ASSETS		
Tangible capital assets (note 12)	80,709,616	71,235,596
Prepaid expenses	376,469	334,771
Inventories of supplies	15,400	9,000
TOTAL NON-FINANCIAL ASSETS	81,101,485	71,579,367
ACCUMULATED SURPLUS (note 14)	44,468,677	43,006,471

Approved on behalf of the Board:

_______________________________ Director   _______________________________ Director

The accompanying notes are an integral part of these financial statements

PETERBOROUGH HOUSING CORPORATION

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
For the Year Ended December 31, 2022

	Budget 2022 $ (unaudited)	Actual 2022 $	Actual 2021 $
REVENUES			
Rent	7,894,701	7,941,691	7,636,783
City of Peterborough subsidy (note 15)	6,108,527	7,018,210	6,860,763
Laundry and miscellaneous recoveries	150,681	302,587	268,415
Other subsidies	57,732	158,671	98,213
Management fees	33,090	35,000	31,000
Investment income	-	193,683	242,042
Interest on loans receivable	-	53,023	87,015
Gain on sales of tangible capital assets	-	1,015,581	3,362,190
TOTAL REVENUES	14,244,731	16,718,446	18,586,421
EXPENSES			
Materials and services (note 16)	1,790,891	2,509,496	1,987,677
Utilities (note 17)	2,247,557	2,151,449	2,082,274
Administrative overhead (note 18)	479,810	463,631	548,516
Bad debts	94,876	96,723	66,056
Insurance	377,122	419,880	410,783
Salaries and benefits	2,709,122	2,860,404	2,413,674
Property taxes	2,155,226	2,136,599	2,095,406
Major repairs	889,140	921,033	1,174,533
Interest on long-term debt	533,768	585,017	432,707
Rent supplements	1,579,850	1,406,442	1,543,424
Amortization of capital assets	1,866,237	1,705,566	1,590,615
TOTAL EXPENSES	14,723,599	15,256,240	14,345,665
ANNUAL SURPLUS/(DEFICIT)	(478,868)	1,462,206	4,240,756
ACCUMULATED SURPLUS - beginning of period		43,006,471	38,765,715
ACCUMULATED SURPLUS - end of period		44,468,677	43,006,471

The accompanying notes are an integral part of these financial statements

PETERBOROUGH HOUSING CORPORATION

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS/(LIABILITIES)
For the Year Ended December 31, 2022

	Budget 2022 $ (unaudited)	Actual 2022 $	Actual 2021 $
ANNUAL SURPLUS/(DEFICIT)	(478,868)	1,462,206	4,240,756
Amortization of tangible capital assets	1,866,237	1,705,566	1,590,615
Purchase of tangible capital assets	-	(11,283,291)	(14,162,409)
Gain on disposals of tangible capital assets	-	(1,015,581)	(3,362,190)
Proceeds on sales of tangible capital assets	-	1,119,286	4,166,847
Change in prepaid expenses	-	(41,698)	(41,387)
Change in inventories of supplies	-	(6,400)	2,450
CHANGE IN NET FINANCIAL ASSETS/(LIABILITIES)	1,387,369	(8,059,912)	(7,565,318)
NET FINANCIAL ASSETS/(LIABILITIES) - beginning of period	(28,572,896)	(28,572,896)	(21,007,578)
NET FINANCIAL ASSETS/(LIABILITIES) - end of period	(27,185,527)	(36,632,808)	(28,572,896)

The accompanying notes are an integral part of these financial statements

PETERBOROUGH HOUSING CORPORATION

CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2022

	2022 $	2021 $
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Annual surplus	1,462,206	4,240,756
Items not involving cash		
Amortization of tangible capital assets	1,705,566	1,590,615
Gain on disposal of tangible capital assets	(1,015,581)	(3,362,190)
Change in employee future benefits	12,585	12,570
Change in non-cash assets and liabilities		
Accounts receivable	(62,127)	282,929
Loans receivable	191,661	163,822
Prepaid expenses	(41,698)	(41,387)
Inventories of supplies	(6,400)	2,450
Accounts payable and accrued liabilities	801,359	1,406,120
Deferred revenue - other	3,575,000	-
Net change in cash from operating activities	6,622,571	4,295,685
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(11,283,291)	(14,162,409)
Proceeds on disposal of tangible capital assets	1,119,286	4,166,847
Net change in cash from capital activities	(10,164,005)	(9,995,562)
INVESTING ACTIVITIES		
Purchase of investments	(53,598)	(208,478)
FINANCING ACTIVITIES		
New long term debt issued	3,731,811	-
Debt principal repayments	(1,197,440)	(911,997)
Short term debt and loan advances repaid	(5,100,000)	-
Short term debt and loan advances received	5,504,000	11,535,000
Long term debt matured	(353,428)	-
Long term debt reissued	353,428	-
Net change in cash from financing activities	2,938,371	10,623,003
NET CHANGE IN CASH	(656,661)	4,714,648
CASH - beginning of period	9,049,613	4,334,965
CASH - end of period	8,392,952	9,049,613

The accompanying notes are an integral part of these financial statements

1. NATURE OF OPERATIONS

The Peterborough Housing Corporation was incorporated on December 14, 2000 under Part III of the Ontario Business Corporations Act. The Corporation provides housing accommodation and rent-geared-to-income assistance to households of low to moderate income in accordance with the Housing Services Act (HSA). The Corporation is one hundred percent owned by the City of Peterborough.

The Corporation is exempt from income tax under section 149(1)(d.5) of the Income Tax Act as a corporation operating exclusively for social welfare. No portion of the Corporation's surplus is available for the personal benefit of any tenant.

In accordance with its operating agreement with the HSA, the Corporation receives funding from the City of Peterborough and provides subsidized housing to its tenants and their families. The Corporation is dependent on this funding for its continued operation.

2. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook. Significant aspects of the accounting policies are as follows:

(a) Reporting Entity

These consolidated financial statements reflect the assets, liabilities, revenues and expenses and accumulated surplus of the following corporations:

- Peterborough Housing Corporation (PHC)
- Finally A Home (FAH) - 100% owned subsidiary

All interfund assets and liabilities and revenues and expenses are eliminated.

(b) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Initial costs for tangible capital assets that were acquired or developed prior to 2009 were obtained using historical cost information or using current fair market values discounted by a relevant inflation factor to the point of acquisition. The cost, less residual value, if any, of tangible capital assets is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

Buildings	35 years
Building improvements	35 years
Equipment, furniture and fixtures	3 to 5 years

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are also recorded as revenue.

Tangible capital assets categorized as assets under construction are not amortized until they are put into service.

2. SIGNIFICANT ACCOUNTING POLICIES, continued

(c) Recognition of Revenues and Expenses

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues, including rent, in the period in which the transactions or events occurred that give rise to the revenue; expenses are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due.

Government Funding

Government funding is recognized in the financial statements as revenues in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

Rental Revenue

Rental revenue is recognized as revenue when the services are provided and collection is reasonably assured.

(d) Non-financial Assets

Tangible capital and other non-financial assets are accounted for as assets by the Corporation because they can be used to provide services in future periods. These assets do not normally provide resources to discharge the liabilities of the Corporation unless they are sold.

(e) Reserves and Reserve Funds

Certain amounts, as approved by budget, are set aside in reserves and reserve funds for future operating and capital purposes. Transfers to and/or from reserves and reserve funds are an adjustment to the respective fund when approved.

(f) Deferred Revenue

Deferred revenue represents grants which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

(g) Use of Estimates

Certain items recognized in the financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the Corporation's best information and judgment. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant. The Corporation's significant estimates include:

- The amounts recorded for amortization and opening costs of tangible capital assets are based on estimates of useful life, residual values and valuation rates;
- The amount recorded as allowance for doubtful accounts receivable is based on management's estimate of future payments on receivable account balances; and
- The values of employee future benefits and the amount of costs charged to operations depend on certain actuarial and economic assumptions.

2. SIGNIFICANT ACCOUNTING POLICIES, continued

(h) Inter-Entity Transactions

Peterborough Housing Corporation is a subsidiary of the Corporation of the City of Peterborough and is consolidated with the City's financial statements.

Allocated costs and recovery of costs are measured at exchange amount, which is the amount of consideration established and agreed to by the related parties.

Unallocated costs are measured at the carrying amount, which is the amount recorded in the records of the City.

3. ACCOUNTS RECEIVABLE

Accounts receivable consists of the following:

	2022 $	2021 $
Tenants	387,598	154,139
City of Peterborough subsidy	132,791	447,861
Lien deposits	698,991	698,991
Other	777,175	544,057
Allowance for doubtful accounts	(219,614)	(130,234)
	1,776,941	1,714,814

The receivables from tenants are reviewed by management quarterly for collectibility.

During 2019, liens were placed on two properties that were under construction. In order for construction financing to continue, the Corporation had to remit to the courts the value of the liens plus 25%. These liens are still being held by the courts.

4. LOANS RECEIVABLE

Upon completion of Trailview Terrace and Saunder's Court, the Corporation had met the criteria necessary for the final AHP funds from the Provincial government. The funds will be advanced to the Corporation on a monthly basis to assist with the mortgage payments on the properties.

	2022 $	2021 $
Trailview Terrace AHP	1,002,041	1,125,158
Saunder's Court AHP	656,283	724,827
	1,658,324	1,849,985

5. INVESTMENTS

Investments are comprised of the following:

	2022 $	2021 $
Social housing bond funds	1,431,927	1,402,916
Social housing equity funds	1,162,020	1,151,899
Sunshine Homes bond funds	997,137	977,456
Homeward Bound savings trust accounts	14,477	19,692
	3,605,561	3,551,963

6. SHORT TERM DEBT AND LOAN ADVANCES

The Corporation received construction financing advances from the City of Peterborough for the McRae property project at an annual interest rate of 2.28%. The balance outstanding as at December 31, 2022 is $24,433,000 (2021 - $18,929,000).

The Corporation received construction financing advances from the Township of Havelock-Belmont-Methuen for the Gerow property project. The balance outstanding as at December 31, 2022 is NIL as the debt has been repaid to the Township (2021 - $5,100,000).

7. DEFERRED REVENUE

Deferred revenue consists of the following:

	2022 $	2021 $
CMHC	3,450,000	-
City of Peterborough	125,000	-
	3,575,000	-

During the year the Corporation received $3,450,000 from the Canada Mortgage and Housing Corporation ("CMHC") to be utilized on repairing Municipally owned Affordable Housing Units. 30% of total project costs to be funded by CMHC grant. As of December 31, 2022, no costs have been incurred.

During the year the Corporation received $125,000 from the City of Peterborough to be utilized to fund new furniture for the new building on the McRae property. As of December 31, 2022, no costs have been incurred.

8. LONG TERM DEBT

(a) The balance of long term debt reported on the Consolidated Statement of Financial Position is made up of the following:

	2022 $	2021 $
Gerow Havelock mortgage held with Royal Bank of Canada, payable in blended monthly installments of $12,794, interest at 2.75% maturing April 1, 2027	3,697,209	-
Trailview Terrace mortgage held with RBC Insurance, payable in blended monthly installments of $15,908, interest at 5.46%, maturing June 1, 2030	2,480,258	2,535,620
Woollen Mill mortgage held with Royal Bank of Canada, payable in blended monthly installments of $17,663, interest at 3.01%, maturing August 1, 2027	1,777,363	1,933,609
Anishnawbe mortgage held with MCAP Financial Corporation, payable in blended monthly installments of $2,402, interest at 4.895%, maturing December 1, 2027	228,099	247,901
Spruce Corners mortgage held with Canada Mortgage and Housing Corporation, payable in blended monthly installments of $2,290, interest at 3.70%, maturing December 1, 2027	125,329	149,019
River Ridge mortgage held with Royal Bank of Canada, payable in blended monthly installments of $12,969, interest at 2.19%, maturing April 1, 2026	1,184,904	1,313,176
Home Grown Homes mortgage held with Royal Bank of Canada, payable in blended monthly installments of $1,901, interest at 2.46%, maturing September 16, 2026	341,351	355,581
Home Grown Homes mortgage held with Royal Bank of Canada, payable in blended monthly installments of $894, interest at 2.46%, maturing September 16, 2026	160,516	167,208
Bradburn House mortgage held with Royal Bank of Canada, payable in blended monthly installments of $4,864, interest at 2.64%, maturing October 18, 2026	672,620	712,715
Trailview Terrace demand loan held with Royal Bank of Canada, payable in blended monthly installments of $13,135, interest at 3.22%, maturing January 14, 2030	997,115	1,120,468
Sunshine Homes mortgage held with Canada Mortgage and Housing Corporation, payable in blended monthly installments of $39,856, interest at 1.86%, maturing March 1, 2024	590,585	1,053,258

8. LONG TERM DEBT, continued

	2022 $	2021 $
Anson House 1st mortgage held with RBC, payable in blended monthly installments of $4,976, interest at 2.98%, maturing on June 1, 2031.	1,370,506	1,389,321
Saunders Court 1st mortgage held with RBC, payable in blended monthly installments of $5,741, interest at 2.98%, maturing on June 1, 2031.	1,581,353	1,603,062
Saunders Court Affordability mortgage held with RBC, payable in blended monthly installments of $7,226, interest at 2.78%, maturing on April 1, 2031.	660,192	728,737
Anson House 2nd mortgage held with RBC, payable in blended monthly installments of $1,849, interest at 2.91%, maturing on April 1, 2026.	358,964	369,587
Saunders Court 2nd mortgage held with RBC payable in blended monthly installments of $2,134, interest at 2.91%, maturing on April 1, 2026.	430,217	442,948
	16,656,581	14,122,210

(b) Interest paid during the period on long term debt amounted to $463,631 (2021 - $548,745).

(c) The long term debt reported in (a) of this note is repayable based on current terms as follows:

	Principal $	Interest $	Total $
2023	1,231,214	526,129	1,757,343
2024	902,991	495,720	1,398,711
2025	808,368	470,707	1,279,075
2026	887,396	391,679	1,279,075
2027	860,179	418,893	1,279,072
2028 and subsequent years	11,966,433	4,792,007	16,758,440
	16,656,581	7,095,135	23,751,716

9. EMPLOYEE FUTURE BENEFITS AND PENSION AGREEMENTS

Certain employees of the Corporation are eligible members of the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan.

The Actuarial Opinion contained in the 2022 Annual Report disclosed total actuarial liabilities of $130,306 million in respect of benefits accrued for service with actuarial assets of $123,628 million indicating an actuarial deficit of $6,678 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Corporation does not recognize any share of the OMERS pension surplus or deficit.

The Corporation's required contributions to OMERS in 2022 were $173,025 (2021 - $163,798).

As a schedule II WSIB employer, the Corporation has a liability related to future WSIB claims which was actuarially determined. The value of this liability has been assessed by an actuary as at December 31, 2022 to be $153,946 (2021 - $141,361) and may require funding in future periods.

The actuarial valuation as at December 31, 2022 was based on a number of assumptions about future events, such as inflation rates and interest rates. Under this method, the benefit costs are recognized over the expected average service life of the employee group. Any actuarial gains and losses related to the past service of employees are amortized over the expected average remaining service life of the employee group. The assumptions used reflect management's best estimate.

10. BUDGET FIGURES

The budget, approved by the Corporation, for 2022 is reflected on the Consolidated Statement of Operations and Accumulated Surplus and the Consolidated Statement of Change in Net Financial Assets/(Liabilities). The budget established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual amounts. Budget figures have been reclassified for the purposes of these financial statements to comply with PSA reporting requirements. Budget figures are not subject to audit.

11. INTER-ENTITY TRANSACTIONS

The Corporation recognized subsidies from the City of Peterborough, its sole shareholder, in the amount of $7,093,211 (2021 - $6,810,226). As disclosed in note 6, the Corporation has construction financing from the City of Peterborough which has been recorded at the exchange value. This construction financing has no specific terms of repayment. During the year, the Corporation made payments to the City of Peterborough in the amounts of $1,933,876 (2021 - $1,886,629) for property taxes, $456,201 (2021 - $69,661) for interest on the short term loan, $45,811 (2021 - $34,284) for waste pick up fees and $73,432 (2021 - $65,521) for information technology maintenance services.

12. TANGIBLE CAPITAL ASSETS

The net book value of the tangible capital assets are:

	2022 $	2021 $
General		
Land	11,111,845	11,212,150
Buildings	38,510,826	39,889,373
Building improvements	1,090,545	1,137,109
Equipment, furniture and fixtures	204,661	95,533
	50,917,877	52,334,165
Assets under construction	29,791,739	18,901,431
	80,709,616	71,235,596

For additional information, see the Consolidated Schedule of Tangible Capital Assets.

During the period there were no write-downs (2021 - $Nil) and no interest capitalized (2021 - $Nil).

Tangible capital assets allocated by segment are as follows:

	2022 $	2021 $
Social Housing operations	9,535,386	9,604,792
AHP properties	68,569,874	58,871,560
Anishnawbe	349,117	358,992
Spruce Corners	123,347	144,979
Sunshine Homes	2,131,892	2,255,273
	80,709,616	71,235,596

13. COMMITMENT

The Corporation has entered into a commitment to redevelop the McRae property for a total commitment of $23,508,000 to be funded from future long-term debt and the disposal of properties. Costs incurred to December 31, 2022 are $9,320,774 (2021 - $12,859,217).

14. ACCUMULATED SURPLUS

(a) Accumulated surplus consists of the following:

	2022 $	2021 $
Surplus/(Deficit)		
Unfunded employee future benefits	(153,946)	(141,361)
Social Housing operations - note 14(c)	45,869	254,066
Capital	3,925,950	2,735,721
Anishnawbe	177,184	159,198
AHP	1,776,522	2,366,962
Spruce Corners	14,743	31,634
Rent Supplement	1,909,923	1,993,741
Sunshine Homes	217,494	189,843
New development	(5,078,649)	444,556
	2,835,090	8,034,360
Invested In Capital Assets		
Tangible capital assets - net book value	80,709,616	71,235,596
Long term debt	(16,656,581)	(14,122,210)
Short term debt and loan advances	(24,433,000)	(24,029,000)
	39,620,035	33,084,386
Surplus	42,455,125	41,118,746
Reserve Funds		
Social Housing operations - Wind Mobile	19,727	17,661
Anishnawbe capital replacement	124,016	106,227
AHP - note 14(b)	659,018	592,107
Sunshine Homes capital replacement	1,204,393	1,164,947
Spruce Corners capital replacement	6,398	6,783
Total Reserve Funds	2,013,552	1,887,725
	44,468,677	43,006,471

14. ACCUMULATED SURPLUS, continued

(b) AHP reserve funds include:

	2022 $	2021 $
River Ridge capital replacement	228,730	203,125
Woollen Mill capital replacement	198,800	177,600
Trailview Terrace capital replacement	180,729	161,671
Saunder's Court capital replacement	26,077	25,485
Anson House capital replacement	24,682	24,226
	659,018	592,107

(c) Social Housing operations surplus/(deficit) includes:

	2022 $	2021 $
Social housing operations	(13,684)	194,660
Finally a Home	59,553	59,406
	45,869	254,066

15. CITY OF PETERBOROUGH SUBSIDIES

City of Peterborough subsidies is comprised of:

	2022 $	2021 $
Anishnawbe - operating	75,000	75,000
Social Housing operations - operating	2,892,750	2,850,000
Capital	1,985,394	876,000
Sunshine Homes - operating	674,273	698,810
Social Infrastructure Fund	-	437,342
Rent supplement	1,311,623	1,617,953
Social worker	79,170	78,000
Investment in Affordable Housing	-	227,658
	7,018,210	6,860,763

16. MATERIALS AND SUPPLIES

Materials and supplies consist of the following:

	2022 $	2021 $
Repairs and maintenance	1,655,011	1,352,172
Security	21,119	23,881
Grounds	798,442	578,037
Food - Spruce Corners	34,924	33,587
	2,509,496	1,987,677

17. UTILITIES

Utilities consist of the following:

	2022 $	2021 $
Electricity	1,082,557	1,057,705
Water	652,324	668,736
Fuel	416,568	355,833
	2,151,449	2,082,274

18. ADMINISTRATIVE OVERHEAD

Administrative overhead consists of the following:

	2022 $	2021 $
Promotion	15,105	9,278
Bank and collection charges	15,749	169,728
Office	70,324	64,948
Legal fees	30,108	20,558
Audit fees	32,189	44,876
Professional fees	86,123	74,223
Information technology	135,993	94,631
Travel	26,750	21,732
Telephone and telecommunications	48,027	44,652
Memberships	3,263	3,890
	463,631	548,516

19. CONTINGENT LIABILITIES

The Corporation, in the course of its operations, has been named in lawsuits the outcomes of which are indeterminable at this time. No amounts in connection with these items have been reflected in these financial statements. The majority of these cases are covered by the Corporation's insurance.

The Corporation has received capital grants from the City of Peterborough that are forgivable over a specified period of time. In order to earn forgiveness, the Corporation must continue to own and operate these properties as affordable housing over the specified period of time, otherwise, the loan is repayable. It is the Corporation's intention to operate these facilities within the conditions of the loan agreements as such these loans are not recorded on the statement of financial position. The Corporation has forgivable loans as follows:

Property & Program	Forgiveness	Completion date	Original Amount $	Remaining Forgiveness $
Bradburn House - AHP	25 years	October 1, 2036	2,160,000	1,188,000
Trailview Terrace - Quad - AHP	25 years	January 1, 2035	480,000	230,400
Trailview Terrace - AHP	20 years	January 1, 2030	1,330,000	465,500
Saunder's Court - AHP	20 years	November 1, 2030	798,000	312,550
Home Grown Homes - AHP	20 years	January 2, 2029	280,000	84,000
Anson House - AHP	20 years	August 1, 2029	1,000,000	329,167
Woollen Mill - ARHP	20 years	July 1, 2027	1,450,000	326,250
River Ridge - AHP	20 years	June 1, 2026	2,000,000	341,667
Home Grown Homes - CMHC	8 years	August 29, 2024	26,478	5,516
Woollen Mill - RRAP	15 years	April 1, 2022	900,000	-
			10,424,478	3,283,050

20. SEGMENTED INFORMATION

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 2. For additional information see the Consolidated Schedule of Segment Disclosure.

AHP Fund

Revenues and expenses related to the Corporation of the Affordable Housing Program (AHP) funded properties are charged to this fund. These include properties known as River Ridge, Woollen Mill, Anson House, Saunder's Court, Trailview Terrace, Bradburn House, Home Grown Homes, Gerow Place and Malcolm Court.

Anishnawbe Fund

Funds received from the City of Peterborough and tenants for the operation of the units of the Anishnawbe properties are charged to this fund. All expenses incurred to operate the units are also charged to this fund.

20. SEGMENTED INFORMATION, continued

Spruce Corners Fund

Funds received from the Ministry of Health and Long Term Care and tenants for the operation of the units of Spruce Corners are charged to this fund. All expenses incurred to operate the units are also charged to this fund.

Sunshine Homes Fund

Funds received from the City of Peterborough, Ontario Power Authority and tenants for the operation of the units of the Sunshine Homes properties are charged to this fund. All expenses incurred to operate the units are also charged to this fund.

Capital Fund

Funds received from the City of Peterborough for capital expenditures are accounted for in the Capital Fund. Preventative maintenance expenses are charged to this fund.

Rent Supplement Fund

Funds received from the City of Peterborough to provide rent supplement under the rent supplement program are accounted for in the Rent Supplement Fund. Rent supplement expenses are charged to this fund.

Social Housing Operations Fund

All mandated Social Housing responsibilities and activities not included in any of the other funds and Finally A Home are accounted for in this fund.

New Development Fund

Funds received from the City of Peterborough, Township of Havelock-Belmont-Methuen, and Canada Mortgage and Housing Corporation for new development expenditures are accounted for in the New Development Fund. All expenses incurred that are not capital in nature are charged to this fund.

PETERBOROUGH HOUSING CORPORATION

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
For the Year Ended December 31, 2022

	General					
	Land $	Buildings $	Building Improvements $	Equipment, furniture and fixtures $	Assets Under Construction $	Totals $
COST						
Balance, beginning of year	11,212,150	88,741,291	1,629,453	821,639	18,901,431	121,305,964
Add: additions during the year	-	242,087	-	150,896	10,890,308	11,283,291
Less: disposals during the year	100,305	110,516	-	-	-	210,821
Balance, end of year	11,111,845	88,872,862	1,629,453	972,535	29,791,739	132,378,434
ACCUMULATED AMORTIZATION						
Balance, beginning of year	-	48,851,918	492,344	726,106	-	50,070,368
Add: additions during the year	-	1,617,234	46,564	41,768	-	1,705,566
Less: disposals during the year	-	107,116	-	-	-	107,116
Balance, end of year	-	50,362,036	538,908	767,874	-	51,668,818
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	11,111,845	38,510,826	1,090,545	204,661	29,791,739	80,709,616

PETERBOROUGH HOUSING CORPORATION

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE
For the Year Ended December 31, 2022

	AHP $	Anishnawbe $	Spruce Corners $	Sunshine Homes $	Capital $	Rent Supplement $	Social Housing Operations $	Consolidated $
Revenues								
Rent	2,942,786	37,716	45,663	590,027	-	-	4,325,499	7,941,691
City of Peterborough subsidy	-	75,000	-	674,273	1,985,394	1,311,623	2,971,920	7,018,210
Laundry and miscellaneous recoveries	85,992	512	31,092	26,225	-	-	158,766	302,587
Other subsidies	24,000	-	55,685	18,986	-	-	60,000	158,671
Management fees	(77,135)	(1,358)	(2,173)	(29,876)	-	-	145,542	35,000
Interfunctional rental fees	58,344	-	-	-	-	-	(58,344)	-
Investment income	16,517	2,789	160	28,284	28,131	11,001	106,801	193,683
Interest on loans receivable	53,023	-	-	-	-	-	-	53,023
Gain on sales of tangible capital assets	-	-	-	-	-	-	1,015,581	1,015,581
Total revenues	3,103,527	114,659	130,427	1,307,919	2,013,525	1,322,624	8,725,765	16,718,446
Expenses								
Materials and services	655,643	12,172	67,158	208,931	-	-	1,565,592	2,509,496
Utilities	504,942	18,703	15,959	22,777	-	-	1,589,068	2,151,449
Administrative overhead	35,672	1,064	4,080	12,317	-	-	410,498	463,631
Bad debts	5,500	1,100	-	4,331	-	-	85,792	96,723
Insurance	89,075	1,937	2,132	30,650	-	-	296,086	419,880
Salaries and benefits	623,740	6,466	23,680	142,246	-	-	2,064,272	2,860,404
Property taxes	243,132	9,749	3,966	255,421	-	-	1,624,331	2,136,599
Major repairs	6,106	-	4,401	87,230	823,296	-	-	921,033
Interest on long-term debt	560,594	6,434	2,742	14,866	-	-	381	585,017
Rent supplements	-	-	-	-	-	1,406,442	-	1,406,442
Amortization of capital assets	1,419,418	10,618	21,831	123,381	-	-	130,318	1,705,566
Total expenses	4,143,822	68,243	145,949	902,150	823,296	1,406,442	7,766,338	15,256,240
Net surplus/(deficit)	(1,040,295)	46,416	(15,522)	405,769	1,190,229	(83,818)	959,427	1,462,206

PETERBOROUGH HOUSING CORPORATION

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE
For the Year Ended December 31, 2021

	AHP $	Anishnawbe $	Spruce Corners $	Sunshine Homes $	Capital $	Rent Supplement $	Social Housing Operations $	New Development $	Consolidated $
Revenues									
Rent	2,875,192	39,878	52,224	522,159	-	-	4,147,330	-	7,636,783
City of Peterborough subsidy	-	75,000	-	698,810	876,000	1,617,953	2,928,000	665,000	6,860,763
Laundry and miscellaneous recoveries	67,967	186	31,195	17,634	-	-	151,433	-	268,415
Other subsidies	-	-	56,541	41,672	-	-	-	-	98,213
Management fees	(70,000)	(6,500)	(6,763)	-	-	-	114,263	-	31,000
Interfunctional rental fees	58,200	-	-	-	-	-	(58,200)	-	-
Investment income	5,036	686	33	17,698	124,937	68,002	25,650	-	242,042
Interest on loans receivable	87,015	-	-	-	-	-	-	-	87,015
Gain on sales of tangible capital assets	-	-	-	-	-	-	3,362,190	-	3,362,190
Total revenues	3,023,410	109,250	133,230	1,297,973	1,000,937	1,685,955	10,670,666	665,000	18,586,421
Expenses									
Materials and services	429,269	9,563	61,316	194,125	-	-	1,293,404	-	1,987,677
Utilities	478,445	16,126	12,634	22,584	-	-	1,552,485	-	2,082,274
Administrative overhead	197,668	1,219	4,449	14,645	-	-	330,535	-	548,516
Bad debts	5,092	1,100	-	2,462	-	-	57,402	-	66,056
Insurance	108,857	1,728	1,870	54,496	-	-	243,832	-	410,783
Salaries and benefits	263,064	-	13,915	99,996	-	-	2,036,699	-	2,413,674
Property taxes	231,776	9,558	3,870	247,635	-	-	1,602,567	-	2,095,406
Major repairs	56,162	-	9,688	174,222	934,461	-	-	-	1,174,533
Interest on long-term debt	398,389	6,488	2,990	23,367	-	-	1,473	-	432,707
Rent supplements	-	-	-	-	-	1,543,424	-	-	1,543,424
Amortization of capital assets	1,309,292	11,361	21,831	123,381	-	-	124,750	-	1,590,615
Total expenses	3,478,014	57,143	132,563	956,913	934,461	1,543,424	7,243,147	-	14,345,665
Net surplus/(deficit)	(454,604)	52,107	667	341,060	66,476	142,531	3,427,519	665,000	4,240,756

PETERBOROUGH HOUSING CORPORATION

CONSOLIDATED CONTINUITY OF SURPLUS/(DEFICIT) AND RESERVE FUNDS
For the Year Ended December 31, 2022

	AHP $	Anishnawbe $	Spruce Corners $	Sunshine Homes $	Capital $	Rent Supplement $	Social Housing Operations $	New Development $	Consolidated $
Surplus/(Deficit)									
Net surplus/(deficit)	(1,040,295)	46,416	(15,522)	405,769	1,190,229	(83,818)	959,427	-	1,462,206
Add: Amortization	1,419,418	10,618	21,831	123,381	-	-	130,318	-	1,705,566
Net proceeds on short and long term debt	-	-	-	-	-	-	-	4,135,811	4,135,811
Unfunded employee future benefits	2,327	28	105	621	-	-	9,504	-	12,585
Less: Debt principal repayments	(691,275)	(19,801)	(23,690)	(462,674)	-	-	-	-	(1,197,440)
Net transfer from/(to) Capital	(94,350)	(1,486)	-	-	-	-	(185,262)	(10,898,488)	(11,179,586)
Net transfer from/(to) Reserve Funds	(66,911)	(17,789)	385	(39,446)	-	-	(2,066)	-	(125,827)
Internal transfers	(119,354)	-	-	-	-	-	(1,120,118)	1,239,472	-
Change in Surplus/(Deficit)	(590,440)	17,986	(16,891)	27,651	1,190,229	(83,818)	(208,197)	(5,523,205)	(5,186,685)
Opening Surplus/(Deficit)	2,366,962	159,198	31,634	189,843	2,735,721	1,993,741	254,066	444,556	8,175,721
Closing Surplus/(Deficit)	1,776,522	177,184	14,743	217,494	3,925,950	1,909,923	45,869	(5,078,649)	2,989,036
Reserve Funds									
Add: Interest	16,517	2,789	160	28,284	-	-	-	-	47,750
Transfer from Operations	56,500	15,000	1,719	98,392	-	-	2,066	-	173,677
Less: Transfer to Operations	(6,106)	-	(2,264)	(87,230)	-	-	-	-	(95,600)
Change in Reserve Funds	66,911	17,789	(385)	39,446	-	-	2,066	-	125,827
Opening Reserve Funds	592,107	106,227	6,783	1,164,947	-	-	17,661	-	1,887,725
Closing Reserve Funds	659,018	124,016	6,398	1,204,393	-	-	19,727	-	2,013,552

PETERBOROUGH HOUSING CORPORATION

CONSOLIDATED SCHEDULE OF OPERATIONS FOR AHP PROPERTIES
For the Year Ended December 31, 2022

	River Ridge $	Woollen Mill $	Anson House $	Saunder's Court $	Trailview Terrace $	Bradburn House $	Home Grown Homes $	Malcolm Court $	Gerow Havelock $	Total $
Revenues										
Rent	515,361	516,019	232,791	231,770	428,217	136,884	105,934	477,709	298,101	2,942,786
Laundry and miscellaneous recoveries	1,362	20,495	31,642	4,197	9,764	639	2,571	9,900	5,422	85,992
Other subsidies	-	-	-	-	-	-	-	-	24,000	24,000
Management fees	(10,864)	(13,580)	(7,062)	(8,148)	(14,667)	(4,889)	(2,173)	(9,234)	(6,518)	(77,135)
Interfunctional rental fees	-	51,000	-	-	-	7,344	-	-	-	58,344
Investment income	5,105	6,306	456	592	4,058	-	-	-	-	16,517
Interest on loans receivable	-	-	-	18,678	34,345	-	-	-	-	53,023
Total revenues	510,964	580,240	257,827	247,089	461,717	139,978	106,332	478,375	321,005	3,103,527
Expenses										
Materials and services	73,871	107,709	71,159	85,245	59,312	35,749	10,620	120,104	91,874	655,643
Utilities	133,485	104,542	36,386	22,972	38,973	28,467	11,733	57,925	70,459	504,942
Administrative overhead	3,199	4,481	3,236	2,606	6,587	2,515	2,763	5,823	4,462	35,672
Bad debts	2,000	2,500	1,000	-	-	-	-	-	-	5,500
Insurance	11,329	14,350	7,489	9,440	15,922	5,570	2,741	13,215	9,019	89,075
Salaries and benefits	51,726	113,044	63,336	70,554	127,666	37,399	10,345	86,810	62,860	623,740
Property taxes	46,548	2,902	42,267	48,770	31,927	20,060	16,391	1,486	32,781	243,132
Major repairs	-	6,106	-	-	-	-	-	-	-	6,106
Interest on long-term debt	27,119	55,320	29,660	94,799	169,475	13,638	12,545	74,033	84,005	560,594
Amortization of capital assets	139,753	189,378	92,322	134,951	199,402	79,288	25,647	337,492	221,185	1,419,418
Total expenses	489,030	600,332	346,855	469,337	649,264	222,686	92,785	696,888	576,645	4,143,822
Net surplus/(deficit)	21,934	(20,092)	(89,028)	(222,248)	(187,547)	(82,708)	13,547	(218,513)	(255,640)	(1,040,295)

PETERBOROUGH HOUSING CORPORATION

CONSOLIDATED SCHEDULE OF OPERATIONS FOR AHP PROPERTIES
For the Year Ended December 31, 2021

	River Ridge $	Woollen Mill $	Anson House $	Saunder's Court $	Trailview Terrace $	Bradburn House $	Home Grown Homes $	Malcom Court $	Gerow Havelock $	Total $
Revenues										
Rent	511,681	523,107	236,822	235,445	428,913	137,175	98,614	460,768	242,667	2,875,192
Laundry and miscellaneous recoveries	2,627	20,147	16,516	3,476	6,612	3,698	-	11,299	3,592	67,967
Management fees	(20,300)	(20,300)	(9,800)	(9,800)	(9,800)	-	-	-	-	(70,000)
Interfunctional rental fees	-	51,000	-	-	-	7,200	-	-	-	58,200
Investment income	1,548	1,958	153	136	1,241	-	-	-	-	5,036
Interest on loans receivable	-	-	-	48,801	38,214	-	-	-	-	87,015
Total revenues	495,556	575,912	243,691	278,058	465,180	148,073	98,614	472,067	246,259	3,023,410
Expenses										
Materials and services	57,829	86,209	51,316	40,821	59,136	31,142	17,510	46,195	39,111	429,269
Utilities	118,561	95,382	38,210	19,460	39,694	28,724	11,244	68,248	58,922	478,445
Administrative overhead	5,559	5,534	76,579	88,197	5,577	2,939	1,789	5,234	6,260	197,668
Bad debts	2,000	2,500	592	-	-	-	-	-	-	5,092
Insurance	9,970	12,635	8,250	256	14,035	4,921	2,433	43,556	12,801	108,857
Salaries and benefits	-	45,602	27,095	28,942	55,698	34,179	-	45,350	26,198	263,064
Property taxes	45,200	2,658	41,043	47,357	31,052	19,479	15,931	1,361	27,695	231,776
Major repairs	27,119	29,043	-	-	-	-	-	-	-	56,162
Interest on long-term debt	29,291	59,937	37,993	62,640	176,094	17,514	14,920	-	-	398,389
Amortization of capital assets	140,265	189,378	89,890	134,287	199,402	79,309	25,109	342,196	109,456	1,309,292
Total expenses	435,794	528,878	370,968	421,960	580,688	218,207	88,936	552,140	280,443	3,478,014
Net surplus/(deficit)	59,762	47,034	(127,277)	(143,902)	(115,508)	(70,134)	9,678	(80,073)	(34,184)	(454,604)

REPORT ON SUPPLEMENTARY MATTERS ARISING FROM AN AUDIT ENGAGEMENT

To the Ministry of Health and Long-Term Care

In accordance with the project operating agreement with the Ministry of Health and Long-Term Care, we have been engaged to report the financial results of Spruce Corners as at and for the year ended December 31, 2022 (the "other reporting responsibility"). This other reporting responsibility relates to our audit of the consolidated financial statements of Peterborough Housing Corporation (PHC) as at December 31, 2022 on which we issued our report dated May 15, 2023. We prepared the supplementary matter.

This report has been prepared in accordance with Canadian Standard on Related Services (CSRS) 4460, Reports on Supplementary matters Arising from an Audit or a Review Engagement. Our responsibility is to report on the supplementary matter. This standard requires us to comply with ethical requirements and to plan and perform procedures to address the other reporting responsibility. The procedures were selected based on our professional judgment to enable us to form a basis for this report. The procedures vary in nature from, and are less in extent than for, those required when providing an audit opinion or a review conclusion. Users are cautioned that the procedures performed may not be suitable for their purposes.

Accordingly, we do not express an audit opinion or a review conclusion on the supplementary matter.

In response to the other reporting responsibility, the financial results of Spruce Corners as at and for the year ended December 31, 2022 are provided in the attached Spruce Corners statements of financial position and operations and the related notes.

This report is intended solely for use by Ministry of Health and Long-Term Care and should not be used by other parties.

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
May 15, 2023

PETERBOROUGH HOUSING CORPORATION

SPRUCE CORNERS
STATEMENT OF FINANCIAL POSITION
At December 31, 2022

	General Fund $	Capital Fund $	2022 Total $	2021 Total $
FINANCIAL ASSETS				
Cash	-	8,662	8,662	5,065
Due from/(to) PHC	4,694	(2,264)	2,430	23,407
Tangible capital assets (note 2)	126,445	-	126,445	150,135
	131,139	6,398	137,537	178,607
LIABILITIES AND FUND BALANCES				
CURRENT LIABILITIES				
Mortgage payable	125,329	-	125,329	149,019
FUND BALANCES	5,810	6,398	12,208	29,588
	131,139	6,398	137,537	178,607

PETERBOROUGH HOUSING CORPORATION

SPRUCE CORNERS
STATEMENT OF OPERATIONS
For the Year Ended December 31, 2022

	General Fund $	Capital Fund $	2022 Total $	2021 Total $
RECEIPTS				
Ministry of Health and Long-Term Care	53,966	1,719	55,685	56,541
Rent	45,663	-	45,663	52,224
Other	31,092	-	31,092	31,200
Interest	-	160	160	32
	130,721	1,879	132,600	139,997
EXPENSES				
Salaries and benefits	23,680	-	23,680	13,915
Management fee	2,173	-	2,173	6,763
Administration	4,080	-	4,080	4,449
Maintenance materials and services	32,233	-	32,233	27,729
Property taxes	3,966	-	3,966	3,870
Insurance	2,132	-	2,132	1,870
Utilities	15,959	-	15,959	12,634
Food	34,924	-	34,924	33,587
Interest	2,742	-	2,742	2,990
Amortization	23,690	-	23,690	23,252
Major repairs	2,137	2,264	4,401	9,688
	147,716	2,264	149,980	140,747
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE) FOR THE YEAR	(16,995)	(385)	(17,380)	(750)
FUND BALANCES - beginning of year	22,805	6,783	29,588	30,338
FUND BALANCES - end of year	5,810	6,398	12,208	29,588

1. SIGNIFICANT ACCOUNTING POLICIES

This supplementary financial information has been prepared in accordance with Canadian Public Sector Accounting Standards, except for:

(a) Amortization is not provided on the building over the estimated useful life of the asset but rather at a rate equal to the annual principal reduction of the mortgage on the property;

(b) Amortization is provided on land proportionally equal to the annual principal reduction of the mortgage on the property rather than not being amortized; and

(c) Tangible capital assets purchased after the original interest adjustment date are charged to operations of the appropriate fund in the year the expense was incurred rather than being capitalized on the statement of financial position and amortized over their useful lives.

2. TANGIBLE CAPITAL ASSETS

	2022 $	2021 $
Cost		
Land	33,831	33,831
Building	322,285	322,285
	356,116	356,116
Less: accumulated amortization	(229,671)	(205,981)
	126,445	150,135

REPORT ON SUPPLEMENTARY MATTERS ARISING FROM AN AUDIT ENGAGEMENT

To the City of Peterborough

In accordance with the project operating agreement with the City of Peterborough, we have been engaged to report the financial results of Sunshine Homes as at and for the year ended December 31, 2022 (the "other reporting responsibility"). This other reporting responsibility relates to our audit of the consolidated financial statements of Peterborough Housing Corporation (PHC) as at December 31, 2022 on which we issued our report dated May 15, 2023. We prepared the supplementary matter.

This report has been prepared in accordance with Canadian Standard on Related Services (CSRS) 4460, Reports on Supplementary matters Arising from an Audit or a Review Engagement. Our responsibility is to report on the supplementary matter. This standard requires us to comply with ethical requirements and to plan and perform procedures to address the other reporting responsibility. The procedures were selected based on our professional judgment to enable us to form a basis for this report. The procedures vary in nature from, and are less in extent than for, those required when providing an audit opinion or a review conclusion. Users are cautioned that the procedures performed may not be suitable for their purposes.

Accordingly, we do not express an audit opinion or a review conclusion on the supplementary matter.

In response to the other reporting responsibility, the financial results of Sunshine Homes as at and for the year ended December 31, 2022 are provided in the attached Sunshine Homes statements of financial position and operations and the related notes.

This report is intended solely for use by The City of Peterborough and should not be used by other parties.

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
May 15, 2023

PETERBOROUGH HOUSING CORPORATION

SUNSHINE HOMES
STATEMENT OF FINANCIAL POSITION
At December 31, 2022

	General Fund $	Capital Fund $	2022 Total $	2021 Total $
FINANCIAL ASSETS				
Cash	-	454,465	454,465	365,689
Investments	-	997,137	997,137	977,456
Tangible capital assets (note 2)	590,585	-	590,585	1,053,258
Due from (to) other fund	247,209	(247,209)	-	-
Due from the City of Peterborough	62,471	-	62,471	60,250
	900,265	1,204,393	2,104,658	2,456,653
LIABILITIES AND TRUST FUND BALANCES				
CURRENT LIABILITIES				
Due to the City of Peterborough	75,000	-	75,000	24,190
Mortgage payable	590,585	-	590,585	1,053,258
Due to PHC	20,302	-	20,302	26,911
	685,887	-	685,887	1,104,359
FUND BALANCE	214,378	1,204,393	1,418,771	1,352,294
	900,265	1,204,393	2,104,658	2,456,653

The accompanying notes are an integral part of these financial statements

PETERBOROUGH HOUSING CORPORATION

SUNSHINE HOMES
STATEMENT OF OPERATIONS
For the Year Ended December 31, 2022

	General Fund $	Capital Fund $	2022 Total $	2021 Total $
RECEIPTS				
City of Peterborough	594,867	79,406	674,273	698,810
Rent	590,027	-	590,027	522,159
Ontario Power Authority solar	-	18,986	18,986	41,672
Other	26,225	-	26,225	17,634
Interest	-	28,284	28,284	17,698
	1,211,119	126,676	1,337,795	1,297,973
EXPENSES				
Salaries and benefits	142,246	-	142,246	99,996
Administration	47,571	-	47,571	17,336
Maintenance materials and services	207,883	87,230	295,113	368,118
Property taxes	255,421	-	255,421	247,635
Insurance	30,650	-	30,650	54,496
Utilities	22,777	-	22,777	22,584
Interest	14,866	-	14,866	23,366
Amortization	462,674	-	462,674	454,193
	1,184,088	87,230	1,271,318	1,287,724
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	27,031	39,446	66,477	10,249
FUND BALANCES - beginning of year	187,347	1,164,947	1,352,294	1,342,045
FUND BALANCES - end of year	214,378	1,204,393	1,418,771	1,352,294

PETERBOROUGH HOUSING CORPORATION

SUNSHINE HOMES
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES

This supplementary financial information has been prepared in accordance with Canadian Public Sector Accounting Standards, except for:

(a) Amortization is not provided on the building over the estimated useful life of the asset but rather at a rate equal to the annual principal reduction of the mortgage on the property;

(b) Amortization is provided on land proportionally equal to the annual principal reduction of the mortgage on the property rather than not being amortized; and

(c) Tangible capital assets purchased after the original interest adjustment date are charged to operations of the appropriate fund in the year the expense was incurred rather than being capitalized on the statement of financial position and amortized over their useful lives.

2. TANGIBLE CAPITAL ASSETS

The net book value of Sunshine's tangible capital assets are:

	2022 $	2021 $
Cost		
Land	898,085	898,085
Building	7,709,440	7,709,440
Equipment, furniture and fixtures	126,620	126,620
	8,734,145	8,734,145
Less: accumulated amortization	(8,143,560)	(7,680,887)
	590,585	1,053,258

PETERBOROUGH HOUSING CORPORATION
WORLDSOURCE RENT SUPPLEMENT AND CAPITAL RESERVE INVESTMENTS
31-Dec-22

Background:

PHC has 3 separate investment pools - Rent Supplement, Capital Reserve and Sunshine Homes Reserve. While the Sunshine Homes Reserve is mandated by legislation, the other 2 were set up to maximize the return on these funds. Under the Public Sector Accounting rules, PHC is required to record the investments at book value not market value. Both book value and market value as well as the original investments are presented.

Following is a summary of performance for fiscal 2022:

	RENT SUPPLEMENT		CAPITAL RESERVE			SUNSHINE	
	BOND	EQUITY	S/T BOND A	CDN BOND A	EQUITY A	S/T BOND A	TOTAL
Book Value @ 12/31/2021	350,501	409,645	489,223	563,193	742,254	977,456	3,532,272
2022 Earnings/Gains	7,299	3,702	9,883	11,829	6,419	19,681	58,813
Book Value @ 12/31/2022	357,800	413,347	499,106	575,022	748,673	997,137	3,591,085
Market Value @ 12/31/2022	308,355	385,225	457,092	499,749	667,940	910,298	3,228,659
Original Capital Invested	218,110	132,806	450,000	500,000	500,000	905,503	2,706,419

Peterborough Housing Corporation
Finance, Audit and Administrative Committee

Date: Monday, May 15th, 2023 – 5:00PM
Location: Woollen Mill, 526 McDonnel Street, Peterborough, ON

Present:	Keith Riel	Chair
	Alex Bierk	Vice-Chair
	Andrew Beamer	Member
	Matthew Graham	Member
	Rebecca Morgan-Quin	Board Advisor
	Travis Doak	Director of Operations
	Sondra Fitzgerald	Director of Corporate Services
	Hope Lee	CEO, PHC/Board Secretary
	Jenna Cullon	Recording Secretary
Guest:	Richard Steiginga	Baker Tilly

Purpose of the meeting is to review financial statements prepared by Baker Tilly for December 31, 2022.

- Richard Steiginga provided the committee with a thorough overview and explanation of Peterborough Housing Corporation's financial statements and the related documentation supporting the financial statements for December 31, 2022.

- Matthew Graham had questions regarding Note 16, Materials and Supplies. Matthew was looking for more information regarding what the costs that are listed included and the reasoning behind the significant increase. Sondra and Travis spoke to this. Main reasoning for the increase is that general cost of items has increased globally. PHC has experienced several unexpected costs this year that are not typical. PHC is working towards a higher standard for units and properties too, which incurs costs that are slightly higher than the past. This was the first year that Malcolm Court and Gerow Building were on PHC's books as well.

- Keith Riel questioned why Peterborough Housing Corporation is paying city property tax on some of their properties and not others, wondered if there were any other tax incentives that PHC could have. Rebecca Morgan-Quin spoke to this. At this current time there is not the opportunity to provide tax incentives, but that this type of programming is something that the City of Peterborough would like to work on.

At this point there were no further questions from the committee.

The meeting was called to a close at 5:45 p.m.