PETERBOROUGH
HOUSING
CORPORATION

Peterborough Housing Corporation
Board of Directors

Wednesday, September 24, 2025 – 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. Land Acknowledgement

Open Session – 5:30 p.m.

2. Approval of Agenda
3. Conflict of Interest
4. Confirmation of Minutes
    a. Open Session Board Meeting, August 27, 2025
5. Presentations
    a. Report 2025-041 – Food Service Operations Review
    Mark Murdoch, Murdoch and Associates
    b. Report 2025-042 – Landlord and Tenant Board Experience
    Lisa Clark, Resident Services Manager & Krista Charette, Resident Services Officer
6. Operational Reports
    a. Report 2025-043 – KPI Report (Q1 & Q2)
    b. Report 2025-044 – CEO Report
7. Financial Reports
    a. No reports
8. Committee Reports
    a. Finance, Audit & Administrative Committee
        i. Report 2025-045 – 2026 Operating & Capital Budget
    b. Governance, Human Resources & Strategy Committee
        i. No report

9. Information from Staff
10. In Camera Session
11. Adjournment

PETERBOROUGH HOUSING CORPORATION

Board Meeting Minutes, Peterborough Housing Corporation

Date: Wednesday, August 27, 2025 – 5:30PM
Location: Hunt Terraces, Meeting Room #112,
555 Bonaccord Street, Peterborough, ON

Present:	Keith Riel	Chair
	Alex Bierk	Vice-Chair
	Andrew Beamer	Member
	Matthew Graham	Member
	Lesley Parnell	Member
	Sheldon Laidman	Board Advisor
	Travis Doak	CEO, PHC
	Jenna Cullon	Board Secretary
Guest:	Sondra Fitzgerald	PHC, Director of Corporate Services
	Richard Grotsch	PHC, Director of Operations
Regrets:	Rebecca Morgan-Quin	Board Advisor

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

1. Land Acknowledgement

2. Approval of Agenda

On a motion by Matthew Graham, seconded by Lesley Parnel and carried unanimously, it was **RESOLVED** to approve the agenda for the August 27th, PHC Board Meeting.

3. Conflict of Interest

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

4. Confirmation of Minutes

a) Open Session Board Meeting, June 25, 2025

On a motion by Alex Bierk, seconded by Andrew Beamer and carried unanimously, it was **RESOLVED** that the open minutes for June 25, 2025, be confirmed and accepted.

5. **Presentations**

a) No presentations

6. **Operational Reports**

a) Report 2025-035 – CEO Update

On a motion by Andrew Beamer, seconded by Lesley Parnell and carried unanimously, it was **RESOLVED** that Report 2025-035, "CEO Update", be received for information purposes.

The Board was advised that beginning in 2026, Ontario municipalities will have the option to reduce property taxes for eligible affordable rental units. The Service Manager confirmed that this matter will be brought to Council in September.

The majority of the discussion related to the CEO Report focused on the 2026 Budget Development Update, which will be formally presented to the Board in September. PHC shared their preliminary findings and outlined how they are currently responding to these factors in the budget planning process. The Board received this information, provided initial feedback, and will review the final budget upon its presentation.

7. **Financial Reports**

a) Report 2025-036 – 2025 Q2 Reporting Obligations (as at June 30th)

On a motion by Andrew Beamer, seconded by Matthew Graham and carried unanimously, it was **RESOLVED** that Report 2025-036, "2025 Q2 Reporting Obligations", be received for information.

b) Report 2025-037 – 2025 Operating Results (Q2)

On a motion by Andrew Beamer, seconded by Matthew Graham and carried unanimously, it was **RESOLVED** that Report 2025-037, "2025 Operating Results (Q2)", be received for information purposes.

It was noted that expenses related to the recent ice storm have been submitted to the City, and PHC is awaiting a response. The Board discussed various options to help manage operating expenses. Questions were raised regarding the impact of the new stormwater charge implemented by the City, with PHC projecting year-end costs in the range of $50,000 to $60,000.

c) Report 2025-038 – 2025 Capital Results (Q2)

On a motion by Andrew Beamer, seconded by Matthew Graham and carried unanimously, it was **RESOLVED** that Report 2025-038 "2025 Capital Report (Q2)", be received for information purposes.

8. **Committee Reports**
   a) Finance, Audit & Administrative Committee
      i. No report

   b) Governance, Human Resources & Strategy Committee
      i. No report

9. **Information from Staff**
   a) Employee Engagement Day – Wednesday, September 17
   Board members and advisors are invited to join PHC at Holiday Inn Peterborough for the Staff Recognition and Lunch portion of the day, starting at 11:30am

   b) Sondra Fitzgerald – Director of Corporate Services
   Sondra will be retiring at the end of this year, her last day in the office being in November. A celebration of her time here will be taking place later this year, when more information is available it will be communicated to the Board

Sheldon Laidman, Sondra Fitzgerald and Richard Grotsch left the meeting at 6:55 pm

10. **In Camera Session**

On a motion by Andrew Beamer, seconded by Matthew Graham and carried unanimously, it was **RESOVLED** to meet In Camera.

On a motion by Alex Bierk, seconded by Matthew Graham and carried unanimously, it was **RESOLVED** that the in camera minutes for June 25, 2025, be confirmed and accepted.

On a motion by Matthew Graham, seconded by Andrew Beamer, carried unanimously, it was **RESOLVED** to move out of **IN CAMERA SESSION** and into **OPEN SESSION**.

11. **Adjournment**

With there being no further business, the August 27, 2025 Board Meeting, was adjourned on a motion by Matthew Graham, seconded by Andrew Beamer, carried unanimously at 7:50 p.m.

Keith Riel	Travis Doak
Chair	CEO
Peterborough Housing Corporation	Peterborough Housing Corporation

Food Service Operations Review

Prepared for:

Travis Doak, CEO

Prepared by: Mark Murdoch
Murdoch and Associates
August, 2025

Table of Contents

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Executive Summary

Murdoch and Associates were engaged by Peterborough Housing Corporation (PHC) to complete the following tasks, specific to Hunt Terraces:

- An analysis of the current financial business model and methodology.
- Evaluation of day-to-day operational practices.
- Development of recommendations for improving cost-efficiency, service quality, and financial sustainability.
- Benchmarking and Best Practices.

Relevant documents were provided to Murdoch and Associates, covering the period January through June 2025. A tour was conducted of the facility on June 18.

The observations and recommendations contained in this report are specific to the operation of the facility by Maple Ridge. In September of 2025 the management of Nutra Services, the parent company of Maple Ridge, will transition to being operated under the umbrella of Aramark Canada. It is likely that some of the accounting processes and operating practices will change, to better align with Aramark's processes and practices. The underlying issue of having the facility operate on a breakeven basis will be unchanged.

The food service operation at Hunt Terraces is generally well and diligently managed. However, the operating loss for the first six months of 2025 was $132,000. The anticipated annual loss is $265,000.

The attached report supports several recommendations for the on-going operation of Hunt Terraces food service program. Most notably:

- Maintain a "Management Fee" model for the operation.
- Continue to supply meals to Wolfe Street and the Community Care Peterborough Meals on Wheels program. (Meals on Wheels).
- Discontinue paying Maple Ridge for the meals provided to Wolfe Street and concurrently discontinue recording the related expense.
- Develop a monthly reconciliation, for use by PHC, that reflects all the income and expense items recorded by the operator.
- Reduce the quantity and related value of inventory.
- The financial model requires that all 50 units that were intended to participate in the dining plan do so.
- Increase the price of a dining plan to $1,150 per month, and the meals sold to Wolfe Street and Meals on Wheels to $12.00 each, with appropriate annual increases.

- Explore the application of HST to the reimbursement paid to the operator.

Notes regarding the information provided for the review: During the review, and discussions with Maple Ridge, three anomalies were identified when comparing the monthly Statement of Revenue and Expenses provided by Maple Ridge and the Financial Summary that was jointly developed by Maple Ridge and PHC:

- The opening inventory value was misstated in January of 2025, having been shown as $18,822 when it was $28,822. The error does not affect the Cost of Goods Sold as Maple Ridge does not record the change in inventory value when completing its monthly Statement of Revenue and Expenses. The corrected inventory value was inserted into the calculations used in this report.
- In January of 2025, the charge for wages and benefits was misstated in the reconciliation that Maple Ridge provided, having been recorded as $57,464 in the Statement of Revenue and Expenses provided by Maple Ridge, but as $41,788 in the financial summary provided by PHC. The lower number is the more probable correct number as it better aligns with wage and benefits costs in all other months from the study period. A credit for the excess labour charge may be due to PHC.
- In March of 2025, Maple Ridge recognized sales for Meals on Wheels and Wolfe Street as $25,589. The financial summary shows $21,880. In March there was a fundraiser for Meals on Wheels and about 600 meals were sold, accounting for the higher than normal sales that month, but not the difference between the two entries.

1.0 Current Financial Business Model and Methodology.

The food service operations at Hunt Terraces operate under a "management fee" arrangement, whereby Peterborough Housing Corporation (PHC) pays Maple Ridge a monthly fee to operate the food service program on behalf of PHC. PHC maintains substantial control over all aspects of the food service program, most notably; hours of operation, menus, retail prices, the value and types of dining plans. Additionally, the Hunt Terraces kitchen is used to produce meals for PHC residents of Wolfe Street and the preparation and sale of meals to Meals on Wheels.

Services are provided under the terms of a Food Service Agreement, dated 18 May 2022.

1.1 Business Model

Food service operations at Hunt Terraces are intended to be break even. Many of the suites at Hunt Terraces do not provide the opportunity for residents to prepare their own meals, in a nutritionally sound manner. An on-site food service program is required to meet the basic needs of these residents. The use of a "management fee" model for operating the food service program at Hunt Terraces is appropriate as it places the responsibility of the cost of the program on PHC and the effective management of the program on Maple Ridge. Balancing these two interests requires constant dialogue between the parties. It is not immediately evident who, within PHC, is responsible for this daily oversight.

The sale of meals to Wolfe Street and Meals on Wheels provides a modest net income stream for PHC food service operations at Hunt Terraces. However, the per meal fees to these groups do not adequately cover the cost of providing these services. More information is provided in section 4.2.1.

PHC should maintain a management fee model for the operation of its on-site food service program.

Provision of meals to Wolfe Street and Meals on Wheels should be continued, with a review of the charge for meals.

An individual employed by PHC should be identified to oversee the food service program on a daily and monthly basis.

1.2 Methodology

The methodology for accounting for the revenues and costs of operating the food service program is mostly sound, with a couple of improvements that could be made.

1. The current practice has PHC collecting the revenue for the sale of meals to Wolfe Street, transferring these funds to Maple Ridge, through payment of an invoice, and Maple Ridge then crediting the sales back to PHC in its monthly Statement of Revenue and Expenses. The extra handling of these funds unnecessarily complicates the accounting for revenue, and as has been shown in March 2025, provides an opportunity for errors.

   Discontinue the practice of paying Maple Ridge for the meals sold to Wolfe Street.

2. PHC records the payment of the expense for meals sold to Wolfe Street. This results in a duplicate accounting for these costs, as the cost of providing these services has already been fully captured in the Cost of Goods Sold, Wages and Benefits and all other costs of the operation.

   Discontinue the practice of recognizing the expense for the sale of meals to Wolfe Street.

3. At the end of each accounting period, the parties jointly provide income and expense information for the monthly financial summary. Income from two different sources, Wolfe Street and Meals on Wheels are mingled. Expenses from several categories are also mingled. This practice, while expedient, does not provide a level of detail that is sufficient for the parties to understand the various income streams and expenses. Had this not been the practice errors like the items identified in the notes above may have been more easily and quickly identified. Some recurring expenses, when seen individually, rather than as part of a roll-up of expenses would be more obvious, for example the monthly charge for Licenses and Dues ($450 per month) and Maintenance and Repairs ($61 per month).

   The monthly financial summary should be built in the same level of detail as provided in the "Statement of Revenue and Expenses" that is developed by Maple Ridge.

Each revenue stream should be recognized by the party that receives the related payment. The transition to operation of the location by Aramark provides an excellent opportunity to adjust these practices.

Maple Ridge currently follows an accounting method that aligns with the calendar month. Aramark will transition to a method that records revenue and expenses from the start of an accounting period to the last Friday of the month. This will result in two accounting periods that are four weeks long, followed by one that is five weeks long. It will be incumbent on PHC to understand how revenues and expenses will vary widely between four and five week accounting periods. The parties will need to work together to determine how this change impacts the accounting process.

1.2.1 Meals on Wheels Accounting

There is some confusion about the process that is being used to account for the costs and revenue related to the preparation and sale of meals to Community Care Peterborough for the Meals on Wheels program.

Method A: All of the revenue and all of the costs of supporting the Meals on Wheels program are accounted for by Maple Ridge and reflected in the monthly Statement of Revenue and Expenses. The net cost of operating the program is ultimately carried by PHC.

Method B: Maple Ridge maintains a separate set of accounts for all the revenue and expenses to operate the program. Any profit or loss belongs to Maple Ridge. Under this model PHC provides the space and utilities to operate the program, so a portion of the expenses are borne by PHC.

As the operation transitions to Aramark as the new service provider, ensure that both parties understand and agree to the accounting method for the Meals on Wheels program.

1.3 Occupancy Cost and Depreciation

Currently PHC does not recognize an occupancy cost for the food services spaces. This would cover utilities, building repairs and other expenses related to operating the space. It is estimated that the annual cost for these items is $50,000.

Additionally, no amount is recognized for the depreciation of the food service equipment, fixtures and furniture or the establishment of a reserve fund to replace these items as they reach the end of life. These costs are estimated at $50,000 per year.

PHC may want to consider recognizing the occupancy cost of the food service space and the depreciation cost of the equipment, fixtures and furniture.

2.0 Evaluation of Day-to-Day Operational Practices

A tour of the facility at Hunt Terraces was carried out on June 18. There was an opportunity to observe the lunch service. The location was clean, well-organized and appeared to be operating efficiently, with the appropriate staffing level.

As expected, menus were posted, and a price list was available. (Appendices 1 and 2.)

The kitchen was clean and well organized. The inventory was in good order, neatly organized with appropriate food items and food quality for the business.

There was no visible record of if/when the exhaust hood and grease trap were last serviced and it was not clear who was responsible for managing that process, PHC or the operator.

The improved financial opportunity that PHC is looking for is not likely to be achieved at the operational level.

PHC must confirm when the exhaust hood and grease trap were last serviced and put in place a regular service schedule, complete with on-site documentation.

2.1 Vending

There is a single snack vending machine on-site. The machine is operated by Canteen of Canada, a division of Compass Canada. On-site vending provides a very modest income, about $200 per year. Compass Canada is a direct competitor of Aramark Canada. A change in the vending service provider may be required. For simplicity in accounting, PHC may wish to take over this relationship directly.

Consider direct oversight of the vending program by PHC. Ensure that revenue from the vending program is accurately recorded in the period during which it is received.

3.0 Improving Cost-efficiency, Service Quality, and Financial Sustainability

3.1 Cost-efficiency

3.1.1 Financial Key Performance Indicators

Cost per meal served

Using the information supplied for the six months ending in June 2025, (Appendix 3) it has been estimated that 32,000 meals were served during the period. The cost of goods sold for the period was $178,887. The food cost per meal served was $5.59. If a resident ate three meals per day the cost of food would be $503 per month.

Gross Margin

The gross margin from a resident's dining plan, calculated as revenue minus food cost is $650- $503.00 = $147.00

Labour Cost

The labour cost for the period was $237,412. Labour cost per meal served is $7.42. Labour cost per dining plan, per month, was $668.

Total Cost for Food and Labour

The total cost for food and labour for a full dining plan is $1,171.00.

3.2 Inventory Control

Inventory and Cost of Goods Sold

Inventory is not an expense when purchased but rather an asset until it's sold. When the inventory is sold, the cost of that inventory becomes an expense, specifically the Cost of Goods Sold (COGS). This is because the inventory represents a potential future benefit (being sold for a profit) until that point.

Inventory as an Asset:

When a business purchases inventory, it's treated as an asset on the balance sheet. This is because the inventory represents something of value that the business owns and can expect to use or sell in the future. In this situation, PHC owns this asset.**Cost of Goods Sold (COGS):**

When inventory is used for the production of goods for sale, the value of that inventory is transferred from the asset account (Inventory) to an expense account called Cost of Goods Sold (COGS) on the profit and loss statement. This represents the direct cost of the goods that were sold during the accounting period.

Impact on Financial Statements:

The proper accounting for inventory is crucial for accurate financial reporting. It impacts both the balance sheet (assets) and the profit and loss statement (expenses), ultimately affecting a company's profitability and tax liabilities.

How Inventory Changes Impact Cost of Goods Sold:

During a single operating period, the increase in the value of inventory will decrease the cost of goods sold for that period. The opposite is also true.

The accounting practice for inventory and cost of goods sold is:

Opening Inventory + Purchases – Closing Inventory = Cost of Goods Sold

The closing inventory of one period is the opening inventory of the next period.

Within the food service industry some operators do not record changes in the value of inventory on a monthly basis as it has little real effect on the cost of goods sold over time, assuming the inventory value remains relatively constant. Further, it appears that Maple Ridge is recording the full inventory value. Typically, anything with a shelf life of seven days or less is not recorded as inventory; fluid dairy, cheese, produce, bread and baked goods, fresh meat, open cases of packaging materials, open cases of napkins and chemicals, any custom order items, china and silverware, is not recorded as it not really an asset that could be sold.

The impact of not recording the inventory value for Hunt Terraces is very minimal.

The table below demonstrates the COGS, if the inventory value is recorded, as $180,011, for the six-month period

Opening Inventory Value	$	28,822
Food/Paper/Chemical Purchases	$	161,624
Packaging	$	17,263
Closing Inventory Value	$	27,698
Cost of Good Sold	**$**	**180,011**

Comparatively, if the inventory value is not recognized the COGS for the six-month period is $178,887, a variance of $1,124, or 0.006%. In the fullness of time, PHC will receive the full benefit of the inventory.

Opening Inventory Value	$	-
Food/Paper/Chemical Purchases	$	161,624
Packaging	$	17,263
Closing Inventory Value	$	-
Cost of Good Sold	**$**	**178,887**

The method of accounting that Maple Ridge is using does not accurately record Cost of Goods Sold as they charge PHC for the value of purchases only, and do not adjust the Cost of Goods Sold to reflect changs in inventory value. In the fullness of time, there is no significant net cost to PHC as the inventory will eventually be used, to feed residents.

As Aramark begins operating the location in September of 2025, they will assume the inventory. PHC will need to work with Aramark to determine how the inventory will be accounted for.

Inventory Turn Ratio:

A common measurement in the effectiveness of a business is the concept of "Inventory Turn Ratio." This is the number of times that the inventory is replenished during an accounting cycle.

The accounting practice for inventory turns is:

A. (Opening inventory + Closing Inventory) divided by 2 = Average Inventory
B. Average purchases per month divided by Average Inventory = Inventory Turns

For the six month period ending June 2025 at Hunt Terraces the Inventory Turn Ratio is:

A. ($28,822 + $28,678)/2 = $28,750 average inventory
B. $28,750 / ($178,887/6) = 0.96 turns per month.

The inventory is turning less than one time during the month.

For the purposes of Hunt Terraces, assume all accounting periods are 4 weeks. As Maple Ridge can receive deliveries of almost all products at least weekly, and that many of the items have a short shelf life, the inventory turn ratio should be much closer to 4. It is highly likely that Maple Ridge is carrying an inventory that is four or five times larger than is necessary to sustain operations. The inventory value on site should be closer to $7,500 to $8,000.

Having a higher than necessary inventory increases cost of goods sold as there is increased spoilage and shrinkage and a tendency to over portion. PHC should work with Maple Ridge to dramatically reduce inventory levels.

3.3 Service Quality

The guest satisfaction surveys that are referenced in the operating agreement with Maple Ridge were not provided. An assessment of service quality is limited to observations during the site visit.

The management of the kitchen and service area was consistent with an appropriate service level. The meals appeared appetizing and properly balanced. If substantial service or quality issues were present it is highly likely that PHC management would be made aware of residents' concerns.

Specific action items related to service quality are addressed in section 4.0.

3.4 Financial Sustainability

3.4.1 Current Financial Results

For the purpose of this review, a financial summary that provides all recorded income and expenses was developed using the information provided by Maple Ridge and PHC. Food Service operations at Hunt Terraces, including the management fee, had an operating loss of $132,989. (Appendix 3).

A version of the financial summary has been developed that reflects the recommendation to have PHC record the revenue from Wolfe Street and remove the revenue and expense from the Maple Ridge reconciliation. (Appendix 4).

Hunt Terraces Budget 2025			
Item	**TOTAL**	**Monthly AVG**	**Daily AVG**
Number of Days	181	6	181
REVENUE			
Mandatory Meal Plan ($650)	$ 115,050	$ 19,175	$635.64
Optional Meal Plan ($650, $495, $345, $295)	$ 25,567	$ 4,261	$141.25
Affordable Declining ($350)	$ 27,450	$ 4,575	$151.66
Revenue collectd by PHC	**$ 168,067**	**$ 28,011**	**$928.55**
Wolfe Street Meals $10.20	$ 127,588	$ 21,265	$704.90
Meals on Wheels	$ 6,774	$ 1,129	$37.43
Staff/ Vistor Sales	$ 14,121	$ 2,354	$78.02
Catering	$ 3,287	$ 548	$18.16
Vending Commission	$ 93	$ 16	$0.51
Revenue collected by Maple Ridge	**$ 151,863**	**$ 25,311**	**$839.02**
TOTAL REVENUE	**$ 319,930**	**$ 53,322**	**$1,767.57**
EXPENSES			
Wages and Benefits	$ 237,425	$ 39,571	$1,311.74
Other Eepenses			
Advertising	$ -	$ -	$0.00
Cleaning	$ 5,122	$ 854	$28.30
Credit Card	$ 617	$ 103	$3.41
Liceneces and Dues	$ 2,250	$ 375	$12.43
Maint and Repair	$ 336	$ 56	$1.86
Materials and Supplies	$ 6,937	$ 1,156	$38.33
Office and Postage	$ 843	$ 141	$4.66
Telephone	$ 366	$ 61	$2.02
Other Costs	$ -	$ -	$0.00
IT System	$ -	$ -	$0.00
Travel	$ 796	$ 133	$4.40
Uniforms	$ 1,340	$ 223	$7.40
Delivery	$ -	$ -	$0.00
TOTAL EXPENSES EXCL LABOUR	**$ 18,607**	**$ 3,101**	**$102.80**
TOTAL EXPENSES INCLUDING LABOUT	**$ 256,032**	**$ 42,672**	**$1,414.54**
Food/Paper/Chemical Purchases	$ 161,624	$ 26,937	$892.95
Packaging	$ 17,263	$ 2,877	$95.38
Cost of Good Sold	**$ 178,887**	**$ 29,815**	$988.33
NET RESULT FROM OPERATIONS	**$ (114,989)**	**$ (19,165)**	**-$635.30**
Management Fee	$ 18,000	$3,000.00	$99.45
NET RESULT	**$ (132,989)**	**-$22,164.83**	**-$734.75**

It is likely that, without a change to the cost of a dining plan, Hunt Terraces will have an operating loss of about $265,000 for the year.

3.5 Achieving Break Even Operations

Each full dining plan has a gross margin of $147. If, during the six month period, an additional 19 full dining plans had been provided to residents each month, it would only improve the bottom line by $2,793 per month or $33,516 for a full year.

If the cost of the dining plan were to increase, none of the other costs of operating the food service program would change in a material way. The breakeven cost for dining operations, based on 31 dining plans, is close to $1,400. If a dining plan was provided to all 50 residents, the breakeven cost would be about $1,150 per month.

For comparative purposes, the average dining plan cost at Ontario universities is approximately $800 per month. University students consume, on average, only 1.9 meals per day. This is equal to $14.04 per consumed meal. Residents of Hunt Terraces consume almost all their meals each month. Based on a 30-day month, using the cost of dining plans at Ontario Colleges and Universities the value of a dining plan would need to be $1,263.

The table below shows the current operating result for the first six months of 2025, in orange, the estimated full year operating result, in grey, and the anticipated operating result if the recommended dining plan fee and increase in the price of meals for Wolfe Street and Meals on Wheels were applied.

Hunt Terraces Budget 2025			
Item	**TOTAL**	**Estimated**	**Full Year**
Number of Days	Six Months	Full Year	New Rates
REVENUE			
Mandatory Meal Plan ($1,150)	$ 115,050	$ 230,100	$690,000.00
Optional Meal Plan ($650, $495, $345, $295)	$ 25,567	$ 51,134	$50,000.00
Affordable Declining ($350)	$ 27,450	$ 54,900	$55,000.00
Revenue collectd by PHC	**$ 168,067**	$ 336,134	**$795,000.00**
		$ -	
Wolfe Street Meals $12.00	$ 127,588	$ 255,175	$300,000.00
Meals on Wheels $12.00	$ 6,774	$ 13,549	$15,940.00
Staff/ Vistor Sales	$ 14,121	$ 28,242	$30,000.00
Catering	$ 3,287	$ 6,574	$6,575.00
Vending Commission	$ 93	$ 186	$200.00
Revenue collected by Maple Ridge	**$ 151,863**	$ 303,726	**$352,715.00**
		$ -	
TOTAL REVENUE	**$ 319,930**	$ 639,860	**$1,147,715.00**
		$ -	
EXPENSES		$ -	
		$ -	
Wages and Benefits	$ 237,425	$ 474,850	$475,000.00
Other Eepenses		$ -	
Advertising	$ -	$ -	
Cleaning	$ 5,122	$ 10,244	$10,250.00
Credit Card	$ 617	$ 1,234	$1,250.00
Liceneces and Dues	$ 2,250	$ 4,500	$4,500.00
Maint and Repair	$ 336	$ 672	$675.00
Materials and Supplies	$ 6,937	$ 13,874	$15,000.00
Office and Postage	$ 843	$ 1,686	$1,700.00
Telephone	$ 366	$ 732	$750.00
Other Costs	$ -	$ -	$0.00
IT System	$ -	$ -	$0.00
Travel	$ 796	$ 1,592	$1,600.00
Uniforms	$ 1,340	$ 2,680	$2,700.00
Delivery	$ -	$ -	
TOTAL EXPENSES EXCL LABOUR	**$ 18,607**	$ 37,214	**$38,425.00**
TOTAL EXPENSES INCLUDING LABOUT	**$ 256,032**	$ 512,064	**$513,425.00**
		$ -	
Food/Paper/Chemical Purchases	$ 161,624	$ 323,248	$521,500.00
Packaging	$ 17,263	$ 34,526	**$35,000.00**
Cost of Good Sold	**$ 178,887**	$ 357,774	**$556,500.00**
		$ -	
		$ -	
NET RESULT FROM OPERATIONS	**$ (114,989)**	$ (229,978)	**$ 77,790**
		$ -	
Management Fee	$ 18,000	$ 36,000	$36,000.00
		$ -	
NET RESULT	**$ (132,989)**	$ (265,978)	$41,790.00

To achieve a breakeven operation, PHC will need to charge all residents on a full dining plan, $1,150 per month. Additionally, meals for Meals on Wheels and Wolfe Street would need to increase to $12.00.

4.0 Benchmarking and Best Practices

4.1 Benchmarking

The program offered by PHC, with a mixture of dining plans, appears relatively unique and sites for benchmarking comparisons were not identified.

The food cost per meal of $5.59 is slightly higher than average for large scale food service programs such as a college or university. However, the cost per meal is appropriate given the smaller scale of the Hunt Terraces operation.

4.2 Best Practices

4.2.1 Fees to Meals on Wheels and Wolfe Street

The per meal fees charged to Meals on Wheels and to clients at Wolfe Street, should be reviewed. The current fees are Wolfe Street, $10.20 and Meals on Wheels $8.75. Given the food cost of $5.59 per meal, plus about $1.00 per meal in packaging costs, the per meal price should be closer to $12.00 per meal. Providing meals at below market rate to Meals on Wheels and Wolfe Street residents has a negative impact on PHC's food service program.

The cost per meal should be reviewed annually and appropriate increases taken.

4.2.2 Food Service Agreement

The operation appears to be well and diligently operated and consistent with the intent of the Food Service Agreement. There are several provisions in the agreement between PHC and Maple Ridge that may not be followed currently. These include:

- Amendments to the agreement to be provided by each party to the other February 1 each year
- Guest satisfaction surveys
- Continuous quality assurance program is in place
- Monthly facilities inspections, with reports to PHC and action plan to address any shortcomings
- Reports from Public Health provided to PHC, corrective action taken as required
- Annual update of the Certificate of Insurance
- Continuous update of the WSIB Clearance Certificate

An ongoing administration of the provisions of the Food Service Agreement is required.

4.3 Additional Revenue Opportunities

The development of the areas surrounding Hunt Terraces provides a modest opportunity to increase revenue from casual traffic into the food service space. The entrance into the food service space, off the patio area, would need to be more inviting and provide a stronger sense that a publicly accessible food and beverage outlet exists. The security of the remainder of the building needs to be studied, to ensure casual customers could not enter the residential areas of the building.

The current menu, designed for a residential food service program, is not appropriate for a publicly accessible retail food service program. This includes the ingredients that would be used, requiring a change in the make-up of the inventory. A retail-focused menu needs to be developed. A retail specific point of sales system would be required. If retail food and beverage sales of $10,000 per month could be achieved, an improved contribution of perhaps $2,000 per month could be realized.

Increased vending sales, if the machine(s) were to be placed closer to the entrance and be readily available to casual traffic, could generate some additional revenue. For scale, assume increased sales of $2,000 per month, with a contribution of about $400 per month.

Immediately adjacent to the expanding recreational space are a convenience store and a Subway. The retail food and beverage program at Hunt Terraces would be competing with these vendors. Further, given that the recreational spaces are likely to be used only during the warmer months, the net result would be muted with an estimated bottom-line contribution of $10,000 to $12,000 per year.

PHC should explore additional revenue opportunities. However, the fundamental issue of the dining plans being underpriced cannot be overcome through new retail and vending sales.

4.4 Application of HST

As Peterborough Housing Corporation is a public institution, and Maple Ridge provides services on PHC's site, using equipment owned by PHC, pursuant to *Section 2, Part VI, Schedule V of the Excise Tax Act* it is probable that HST should not be applied to the monthly reimbursement of net expenses. This is a matter that should be further explored by either or both parties' tax experts. As operations transition to Aramark, they may have a definitive position on this matter.

Explore if the monthly statement for reimbursement is exempt from HST.

5.0 Recommendations

1. PHC should maintain a management fee model for the operation of its on-site food service program. (1.1)
2. Provision of meals to Wolfe Street and Meals on Wheels should be continued, with a review of the charge for meals. (1.1)
3. An individual employed by PHC should be identified to oversee the food service program on a daily and monthly basis. (1.1)
4. Discontinue the practice of paying Maple Ridge for the meals sold to Wolfe Street. (1.2)
5. Discontinue the practice of recognizing the expense for the sale of meals to Wolfe Street.(1.2)
6. The monthly financial summary should be built in the same level of detail as provided in the “Statement of Revenue and Expenses” that is developed by Maple Ridge.(1.2)
7. As the operation transitions to Aramark as the new service provider, ensure that both parties understand and agree to the accounting method for the Meals on Wheels program. (1.2.1)
8. PHC may want to consider recognizing the occupancy cost of the food service space and the depreciation cost of the equipment, fixtures and furniture. (1.3)
9. PHC must confirm when the exhaust hood and grease trap were last serviced and put in place a regular service schedule, complete with on-site documentation. (2.0) **– different font**
10. Consider direct oversight of the vending program by PHC. Ensure that revenue from the vending program is accurately recorded in the period during which it is received. (2.1)
11. The method of accounting that Maple Ridge is using does not accurately record Cost of Goods Sold as they charge PHC for the value of purchases only, and do not adjust the Cost of Goods Sold to reflect changs in inventory value. In the fullness of time, there is no significant net cost to PHC as the inventory will eventually be used, to feed residents. (3.2)
12. As Aramark begins operating the location in September of 2025, they will assume the inventory. PHC will need to work with Aramark to determine how the inventory will be accounted for. (3.2)
13. Having a higher than necessary inventory increases cost of goods sold as there is increased spoilage and shrinkage and a tendency to over portion. PHC should work with Maple Ridge to dramatically reduce inventory levels. (3.2)
14. To achieve a breakeven operation, PHC will need to charge all residents on a full dining plan, $1,150 per month. Additionally, meals for Meals on Wheels and Wolfe Street would need to increase to $12.00. (3.5)

15. The cost per meal should be reviewed annually and appropriate increases taken. (4.2.1)
16. An ongoing administration of the provisions of the Food Service Agreement is required.(4.2.2)
17. PHC should explore additional revenue opportunities. However, the fundamental issue of the dining plans being underpriced cannot be overcome through new retail and vending sales. (4.3)
18. Explore if the monthly statement for reimbursement is exempt from HST. (4.4)

6.0 Appendices

Appendix 1: Weekly Menu.

Appendix 2: Price List.

Appendix 3: Restated Six Month Financial Summary

Hunt Terraces
Budget 2025

Item	January	February	March	April	May	June	TOTAL	Monthly AVG	Daily AVG
Number of Days	31	28	31	30	31	30	181	6	181
REVENUE									
Mandatory Meal Plan ($650)	$ 20,150	$ 19,500	$ 18,850	$ 18,850	$ 18,850	$ 18,850	$ 115,050	$ 19,175	$635.64
Optional Meal Plan ($650, $495, $345, $295)	$ 3,175	$ 3,361	$ 4,739	$ 4,532	$ 4,855	$ 4,905	$ 25,567	$ 4,261	$141.25
Affordable Declining ($350)	$ 6,300	$ 5,950	$ 5,950	$ 4,250	$ 3,000	$ 2,000	$ 27,450	$ 4,575	$151.66
Revenue collectd by PHC	**$ 29,625**	**$ 28,811**	**$ 29,539**	**$ 27,632**	**$ 26,705**	**$ 25,755**	**$ 168,067**	**$ 28,011**	**$928.55**
Wolfe Street Meals $10.20	$ 15,178	$ 19,824	$ 25,589	$ 21,412	$ 22,773	$ 22,812	$ 127,588	$ 21,265	$704.90
Meals on Wheels	$ 6,774	$ -	$ -	$ -	$ -	$ -	$ 6,774	$ 1,129	$37.43
Staff/ Vistor Sales	$ 2,968	$ 2,611	$ 1,993	$ 2,124	$ 2,081	$ 2,344	$ 14,121	$ 2,354	$78.02
Catering	$ 168	$ 140	$ 439	$ 871	$ 170	$ 1,499	$ 3,287	$ 548	$18.16
Vending Commission	$ 19	$ -	$ -	$ 33	$ 17	$ 24	$ 93	$ 16	$0.51
Revenue collected by Maple Ridge	**$ 25,107**	**$ 22,575**	**$ 28,021**	**$ 24,440**	**$ 25,041**	**$ 26,679**	**$ 151,863**	**$ 25,311**	**$839.02**
TOTAL REVENUE	**$ 54,732**	**$ 51,386**	**$ 57,560**	**$ 52,072**	**$ 51,746**	**$ 52,434**	**$ 319,930**	**$ 53,322**	**$1,767.57**
EXPENSES									
Wages and Benefits	$ 57,464	$ 35,827	$ 34,703	$ 35,021	$ 34,396	$ 40,014	$ 237,425	$ 39,571	$1,311.74
Other Eepenses									
Advertising	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$0.00
Cleaning	$ 1,171	$ 936	$ 751	$ 680	$ 881	$ 703	$ 5,122	$ 854	$28.30
Credit Card	$ 110	$ 99	$ 94	$ 96	$ 117	$ 101	$ 617	$ 103	$3.41
Liceneces and Dues	$ 450	$ -	$ -	$ 900	$ 450	$ 450	$ 2,250	$ 375	$12.43
Maint and Repair	$ 61	$ 61	$ 61	$ 61	$ 61	$ 31	$ 336	$ 56	$1.86
Materials and Supplies	$ 1,379	$ 1,207	$ 1,753	$ 761	$ 578	$ 1,259	$ 6,937	$ 1,156	$38.33
Office and Postage	$ 70	$ 189	$ 192	$ 105	$ -	$ 287	$ 843	$ 141	$4.66
Telephone	$ 61	$ 61	$ 61	$ 61	$ 61	$ 61	$ 366	$ 61	$2.02
Other Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$0.00
IT System	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$0.00
Travel	$ 127	$ 145	$ 133	$ 120	$ -	$ 271	$ 796	$ 133	$4.40
Uniforms	$ 527	$ 531	$ -	$ 282	$ -	$ -	$ 1,340	$ 223	$7.40
Delivery	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$0.00
TOTAL EXPENSES EXCL LABOUR	**$ 3,956**	**$ 3,229**	**$ 3,045**	**$ 3,066**	**$ 2,148**	**$ 3,163**	**$ 18,607**	**$ 3,101**	**$102.80**
TOTAL EXPENSES INCLUDING LABOUT	**$ 61,420**	**$ 39,056**	**$ 37,748**	**$ 38,087**	**$ 36,544**	**$ 43,177**	**$ 256,032**	**$ 42,672**	**$1,414.54**
Food/Paper/Chemical Purchases	$ 24,492	$ 25,074	$ 28,442	$ 28,883	$ 26,180	$ 28,553	$ 161,624	$ 26,937	$892.95
Packaging	$ 1,939	$ 3,484	$ 2,675	$ 3,097	$ 2,702	$ 3,366	$ 17,263	$ 2,877	$95.38
Cost of Good Sold	**$ 26,431**	**$ 28,558**	**$ 31,117**	**$ 31,980**	**$ 28,882**	**$ 31,919**	**$ 178,887**	**$ 29,815**	$988.33
NET RESULT FROM OPERATIONS	**$ (33,119)**	**$ (16,228)**	**$ (11,305)**	**$ (17,995)**	**$ (13,680)**	**$ (22,662)**	**$ (114,989)**	**$ (19,165)**	**-$635.30**
Management Fee	**$ 3,000.00**	**$ 3,000.00**	**$ 3,000.00**	**$ 3,000.00**	**$ 3,000.00**	**$ 3,000.00**	$ 18,000	$3,000.00	$99.45
NET RESULT	**$ (36,119.00)**	**$ (19,228.00)**	**$ (14,305.00)**	**$ (20,995.00)**	**$ (16,680.00)**	**$ (25,662.00)**	**$ (132,989)**	**-$22,164.83**	**-$734.75**

Appendix 4: Financial Statement Comparison with Maple Ridge or PHC reflecting Revenue for Wolfe Street

Hunt Terraces Budget 2025	*MR Revenue*	*PHC Revenue*
Item	**TOTAL**	**TOTAL**
Number of Days	181	181
REVENUE		
Mandatory Meal Plan ($650)	$ 115,050	$ 115,050
Optional Meal Plan ($650, $495, $345, $295)	$ 25,567	$ 25,567
Affordable Declining ($350)	$ 27,450	$ 27,450
Wolfe Street Meals $10.20		$ 127,588
Revenue collectd by PHC	**$ 168,067**	**$ 295,655**
Wolfe Street Meals $10.20	$ 127,588	
Meals on Wheels	$ 6,774	$ 6,774
Staff/ Vistor Sales	$ 14,121	$ 14,121
Catering	$ 3,287	$ 3,287
Vending Commission	$ 93	$ 93
Revenue collected by Maple Ridge	**$ 151,863**	**$ 24,275**
TOTAL REVENUE	**$ 319,930**	**$ 319,930**
EXPENSES		
Wages and Benefits	$ 237,425	$ 237,425
Other Eepenses		
Advertising	$ -	$ -
Cleaning	$ 5,122	$ 5,122
Credit Card	$ 617	$ 617
Liceneces and Dues	$ 2,250	$ 2,250
Maint and Repair	$ 336	$ 336
Materials and Supplies	$ 6,937	$ 6,937
Office and Postage	$ 843	$ 843
Telephone	$ 366	$ 366
Other Costs	$ -	$ -
IT System	$ -	$ -
Travel	$ 796	$ 796
Uniforms	$ 1,340	$ 1,340
Delivery	$ -	$ -
TOTAL EXPENSES EXCL LABOUR	**$ 18,607**	**$ 18,607**
TOTAL EXPENSES INCLUDING LABOUT	**$ 256,032**	**$ 256,032**
Food/Paper/Chemical Purchases	$ 161,624	$ 161,624
Packaging	$ 17,263	$ 17,263
Cost of Good Sold	**$ 178,887**	**$ 178,887**
NET RESULT FROM OPERATIONS	**$ (114,989)**	**$ (114,989)**
Management Fee	$ 18,000	$ 18,000
NET RESULT	**$ (132,989)**	**$ (132,989)**

Peterborough Housing Corporation

Report 2025-042

Meeting Date: September 24, 2025

Meeting Time: 5:30 p.m.

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

Subject: Landlord and Tenant Board Experience

Author Name and Title: Lisa Clark, Resident Services Manager

Recommendation(s):

Resolved That Report 2025-042, “Landlord and Tenant Board Experience,” be received for information purposes.

Chief Executive Officer

Background:

PHC's core functions as landlord are governed under provincial legislation known as the Residential Tenancies Act (RTA). PHC is to comply with all requirements under this legislation as it relates to both tenancy administration as well as building standards and maintenance. This legislation also sets out the roles and responsibilities of each tenancy which includes payment (rent), maintenance and reporting of deficiencies, and minding the reasonable enjoyment of others. The RTA governs the overall relationship between the landlord and tenant. In circumstances where there is a breach of this relationship, either party may apply to the landlord Tenant board (LTB) to seek their assistance resolving the matter

Rationale:

PHC recognizes that the diverse population it serves are largely low-income households and often have the presence of two or more distinct medical or mental health conditions, making suitable housing options limited. PHC staff in collaboration with many partners focus on stabilizing and supporting successful tenancies however there are times where intervention at the LTB is necessary. All applications to the LTB have had significant engagement by PHC staff and/or partners and it is concluded there is no other viable avenue to resolution. Applications to the LTB absorb considerable staff resources in document preparation, legal costs, and tribunal visits. It can be several months between an application to the LTB and a decision of the Adjudicator. The information contained within this report along with its supporting case study presentation will highlight occasions where PHC would access the support of the LTB, including its limitations, challenges and successes.

Tenancy and Eviction Prevention

PHC staff ensure that new tenancies are educated on role and responsibilities, at the time of their lease signing. By signing the lease agreement, a tenancy acknowledges and agrees to comply.

PHC provides further information related to Landlord and Tenancy rights within the pages of the PHC Tenant Handbook. These sections are reviewed as part of the lease signing procedures which would include landlord rights of entry, maintenance and resident responsibilities such as rent, cleanliness and damages.

In PHC Board Report 2024-026 entitled *Eviction Prevention Process Presentation* staff highlighted the work and action that PHC staff do and PHC commitment to Eviction Prevention. When LTB action is taken there has been significant effort to engage and stabilize tenancies.

Landlord Tenant Board (LTB)

A key challenge PHC experiences is the extensive wait period between a application and a hearing date at the LTB. On average PHC experiences delays of up to 6 months between the application and the first hearing date of which allows for issues to continue manifesting.

The impact of these delays is often felt by other PHC residents, the neighbors of the household that are breaching their lease agreement. PHC is bound by confidentiality and as such is limited in its ability to provide meaningful updates to neighbors often resulting in the belief that the landlord is failing to act.

L1: Rent Arrears

One of the most common LTB applications is associated with rent arrears. Prior to any legal action at LTB, the Resident Services team will make numerous attempts to engage residents and households, providing the opportunity to rectify and return their account to good standing status. PHC has well established procedures for how it engages situations of arrears of which includes opportunities to enter repayment agreements

If necessary, an L1 application is submitted to the LTB. Resident Services staff continue to engage and attempt to resolve the matter. Letters, emails, phone calls and door knocks attempt to ensure that residents are aware of the arrears and pending legal action. PHC key focus is to always sustain tenancies wherever possible.

L2: Interference with the Property, Damage, or Illegal Acts

The most complex application that PHC files at the LTB is referred to as the L2. This type of application is behavior based and involves compiling significant documentation to warrant a notice. This requires PHC to gather significant evidence to support the application most substantially as it relates to the interference of the reasonable enjoyment of the community.

The process begins with a legal notice being served outlining what has occurred and in many cases a period for which the tenancy can rectify the situation is provided. The landlord has the obligation of proving that the behavior has continued since the initial notice before proceeding. Assistance from external paralegal services is often accessed at this stage due to the complexity of these hearings.

These types of applications are rarely expedited in the LTB and staff will continue to engage the household and try to reduce impact on the community.

Future Action and Considerations:

PHC continues to review and refine its work to stabilize at risk tenancies. This includes efforts to support neighboring households that are often impacted. Building community partnerships is essential as PHC must rely on those in the community that provide support, such as CMHA and Fourcast.

Other Alternatives Considered:

None

Alignment to Strategic Priority Areas:

This report aligns to the 2019-2024 Strategic Plan as follows:

1. Serving Our Clients & Community – Customer Service
2. Serving Our Clients & Community – Finance & Resources
3. Strengthening Relationships – Partnerships
4. Strengthening Relationships – Community Safety Net

Financial Considerations:

There are no direct financial considerations for this report.

Consultations:

Richard Grotsch, Director of Operations
Rebekah Vettor, Sr. Resident Services Manager
Jake Dean, Resident Services Manager
Krista Charette, Housing Support Worker

Attachments:

None

Peterborough Housing Corporation

Report 2025-043

Meeting Date: September 24, 2025

Meeting Time: 5:30 p.m.

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

Subject: Quarterly Key Performance Indicator (KPI) Report (Q1 and Q2)

Author Name and Title: Richard Grotsch, Director of Operations

Recommendation(s):

Resolved That Report 2025-043, "Quarterly Key Performance Indicator (KPI) Report (Q1 and Q2)", be received for information purposes.

Richard Grotsch

Director of Operations

Background:

In 2021, PHC started collaborating with other Local Housing Corporations (LHCs) to develop a set of Key Performance Indicators (KPIs) for reporting on financial arrears, using an agreed-upon set of definitions.

The purpose of implementing this comparative data-sharing framework was to select specific indicators for regular collection, analysis, and reporting. This initiative aims to foster learning about various operational strategies and best practices, particularly regarding financial arrears and other key metrics.

The Executive Leadership Team (ELT) considers this statistical data valuable for sharing with the Board, replacing the previous Arrears Reports. A Key Performance Indicator (KPI) Report is submitted to the Board for informational purposes, illustrating PHC's performance relative to other LHCs on these critical metrics.

The following 6 performance measurements have been mutually agreed upon and are tracked on a quarterly basis.

Measurements	**KPI**	**Definition**
Measurement 1	Housing Occupancy Rate	Establishes the LHC percentage of homes that are occupied from the inventory of rentable homes in the housing portfolio
Measurement 2	Unit Turn Over Days	Establishes the LHC average for the number of days that rentable units are vacant between tenancies
Measurement 3	Tenant Move Out Rate	Provides the LHC percentage of tenant move outs
Measurement 4	Households in Good Financial Standing (Rent & Parking)	Identifies the LHC percentage of households that are current with rent and parking charges
Measurement 5	Rent Collection Rate	Identifies the LHC percentage of tenants rent and parking charges that has been collected
Measurement 6	Tenant Debt	Identifies the distribution of current tenant rent and parking arrears in ranges of the dollar amounts and by the number of tenant accounts

Five of the six LHC measurements are presented on a weighted average basis (# of total LHC: units, tenants, rent collected, etc.). The exception is the Turnover Days which is a straight average calculation divided by the number of LHC benchmarking participants. Data is an average of year-to-date results.

The LHC group consists of 9 LHC's. These include LHC's in Ottawa, Kingston-Frontenac, Peterborough, Haldimand Norfolk, London Middlesex, Windsor Essex, Hamilton, Toronto, and Toronto Seniors.

The data in this report represents PHC KPI's for the 1st and 2nd quarters of 2025 (Q1 – January 1 to March 31; Q2 – April 1 to June 30). All 9 LHC's submitted data for this reporting period, however there are some metrics that have yet to be submitted by one LHC. *Note: Data is subject to change once all LHC's data is received.*

2025 Q1 and Q2 Key Performance Indicators

Measurements	**PHC Q1**	**PHC Q2**	**LHC**
Housing Occupancy Rate	97%	96.1%	97.2%
Unit Turn Over Days	110 days	110 days	73.7 days
Tenant Move Out Rate	1.45%	1.9%	1.4%
Households in Good Financial Standing	91.5%	91.7%	77%
Rent Collection Rate	99.0%	99.0%	91.8%

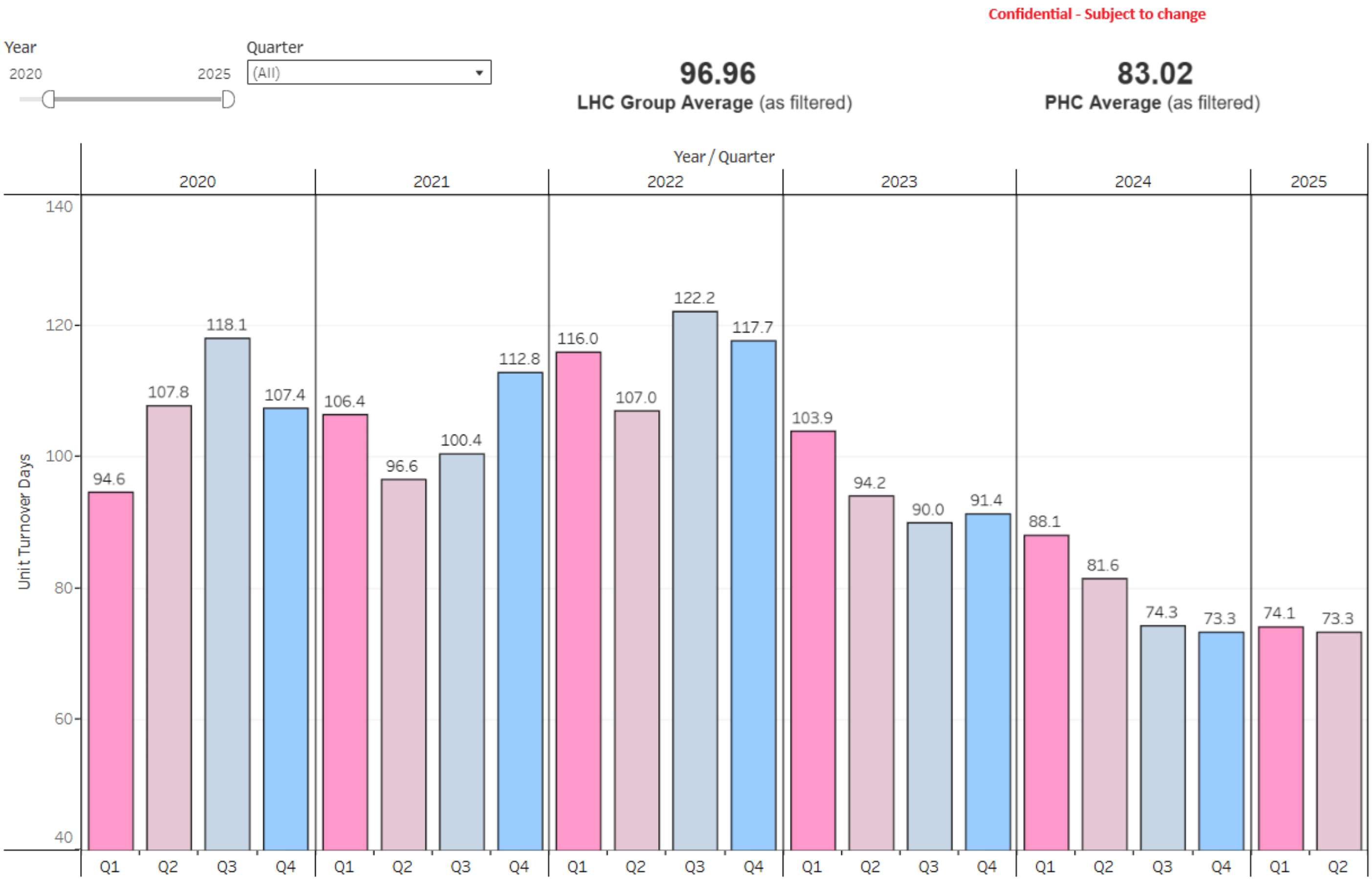
Throughout the first half of 2025, PHC performed well overall compared to the other LHCs in the province. However, there is one area of focus where PHC's performance continues to fall below the cumulative LHC average: unit turnover days. PHC remains below the cumulative average ranking 6th of the 9 LHC's. It is important to note that one LHC group has not submitted data for this metric which impacts the accuracy of the overall average. It is recognized that effective management of vacancies is essential to PHC meeting its core operational mandate. Changes are being made to the unit turnover and tenant placement processes to ensure future improvement in this metric. Our team continues to collaborate with the highest ranking LHC's to adopt best practices and to drive this metric down.

The following chart shows a rolling average of unit turnover days over the last 5 years. Throughout this period, the overall average was 96.96 days for the group. For the last 5 years the average for Q1 and Q2 (including 2025) has been 93.45 days.

Unit Turnover Days

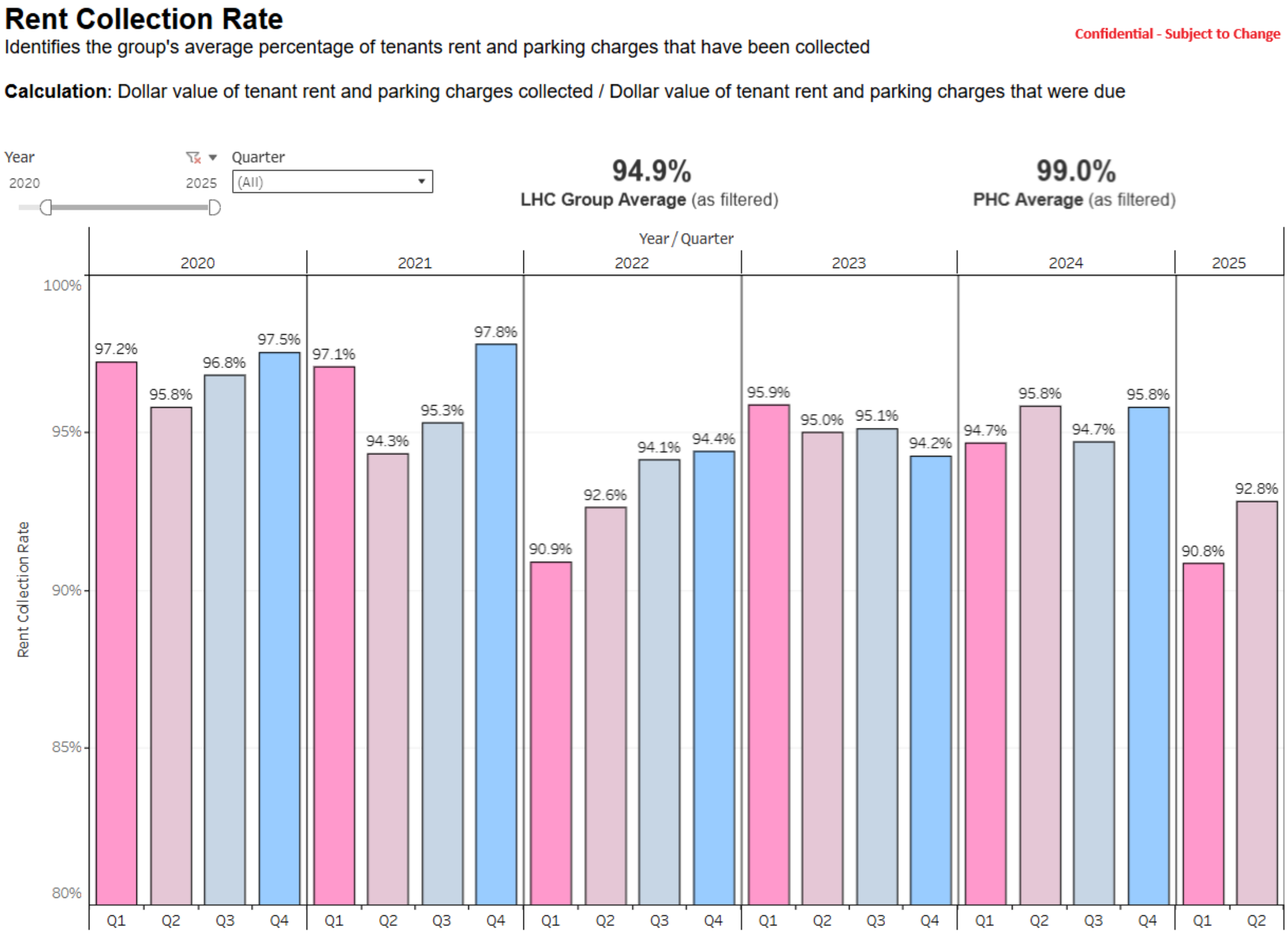
Establishes the group's average for the number of days that rentable units are vacant between tenancies

Calculation: Average number of days that a unit is vacant from the date of landlord possession to the first day of the new tenancy



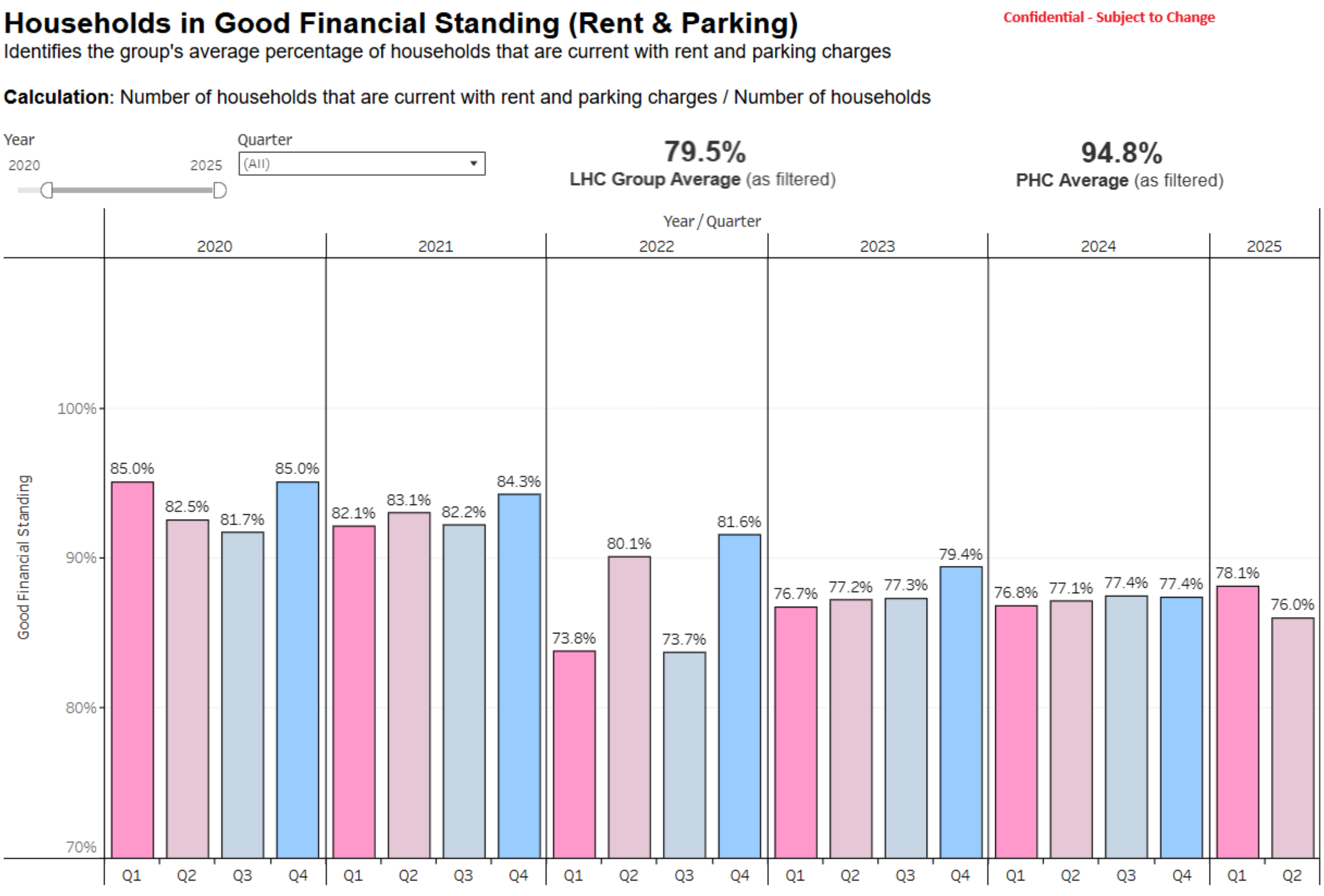
PHC consistently outperforms the LHC average in rent collection, a success driven by our staff's proactive and transparent communication with tenants. Our approach combines effectiveness with empathy, ensuring that when tenants encounter difficulties, our team works closely with them to offer flexible solutions that address their specific financial needs.

The following chart shows the average rent collection rate for the LHC group since 2020. For Q1 and Q2 of 2025, PHC averaged a rate of 99.1% compared to the group average of 91.8%.



The "Households in Good Financial Standing" metric showcases PHC's strong performance, exceeding the LHC average by 14.6% in Q1 and Q2. This metric monitors households that remain up to date with their rent and parking payments. While tenant subsidy programs play a significant role in this achievement, the primary factor is the proactive daily efforts of our staff to assist tenants in avoiding arrears. This reflects PHC's commitment to providing personalized, tenant-centered support.

The following chart shows the LHC average of households in good financial standing since 2020. The overall average has been 79.5% for the group with PHC sitting at 94.8% over the five-year period.



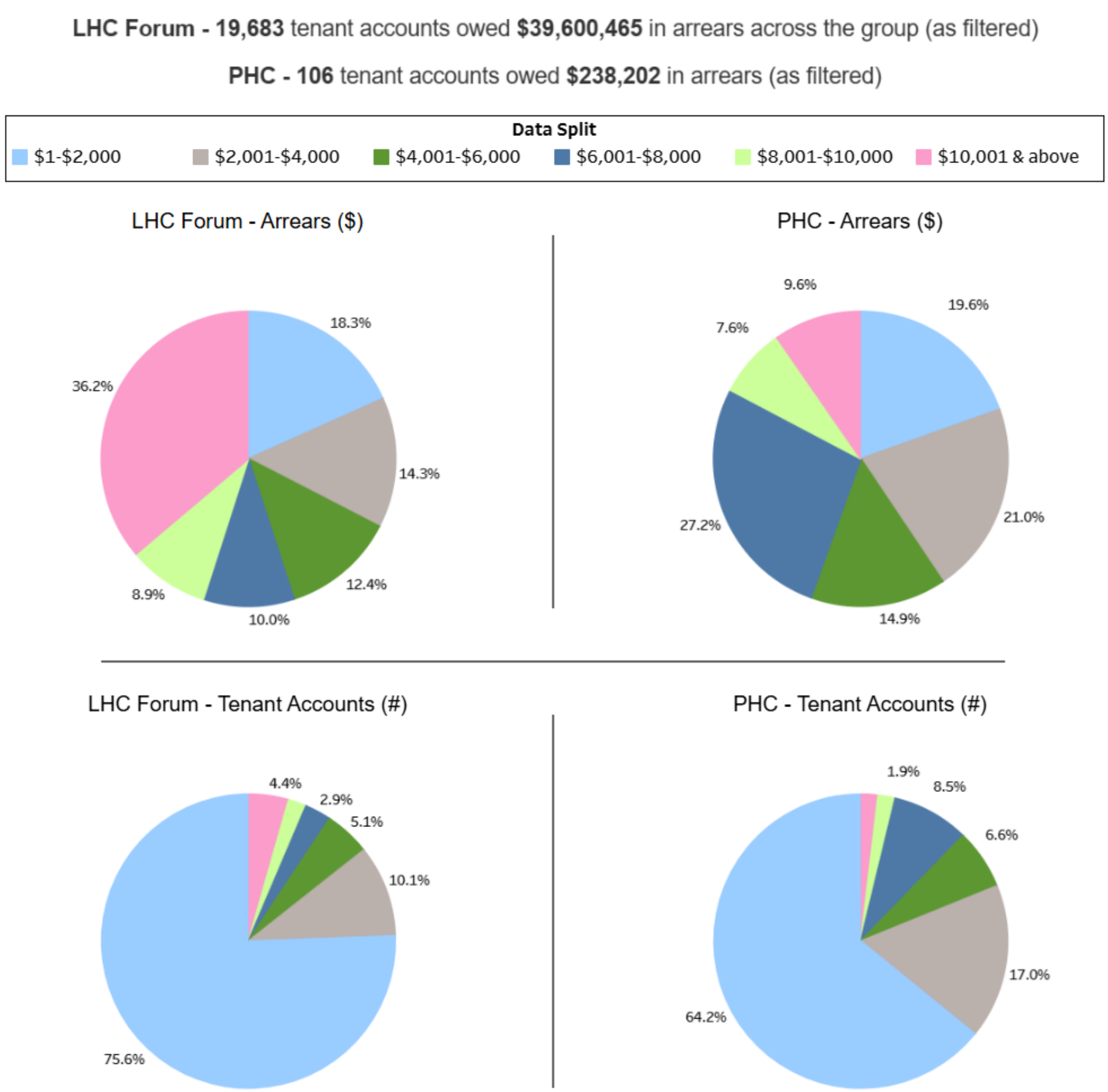
The “Tenant Debt” metric identifies the distribution of current tenant rent and parking arrears in ranges of dollar amounts and by the number of tenant accounts. The data split is the total tenant debt amount for rent and parking and the number of tenant accounts for arrears within the following ranges ($): 1-2,000, 2001-4,000, 4,001-6,000, 6,001-8,000, 8,001-10,000, 10,001 and above. The Q1 and Q2 data show PHC’s Average Amount of Tenant Arrears is just slightly higher than the LHC average.

An important metric to highlight is the Percentage of Total Households with Tenant Debt. PHC reports that 8.4% of its tenants were in arrears, well below the LHC average of 15.3%. This statistic emphasizes the success of staff efforts in working closely with tenants to develop proactive strategies to prevent arrears.

2025 Tenant Debt

Measurements	PHC Q1	PHC Q2	LHC
Average Number of Tenant Accounts with Arrears	108	106	Not Reported
Percentage of Total Number of Households with Tenant Debt	8.5%	8.3%	15.3%
Average Amount of Tenant Arrears	$1,803	$2,247	$1,690

The following chart shows the total tenant debt within the system for Q2.



Confidential - Subject to Change

Q1 2025 (Previous Quarter)

15,185 Tenant Accounts

$38,505,191 in Arrears

Q2 2024 (Previous Year)

19,144 Tenant Accounts

$39,600,465 in arrears

Rationale:

Information purposes only.

Other Alternatives Considered:

None.

Alignment to Strategic Priority Areas:

This report aligns to the 2019-2024 Strategic Plan as follows:

1. Investing in Our People – Board Governance
2. Serving Our Clients & Community – Finance & Resources

Financial Considerations:

There are no direct financial considerations to this report. However, the report does provide an overview of PHC’s current statistical arrear’s status.

Consultations:

Rebekah Vettor, Senior Resident Services Manager

Attachments:

None

Peterborough Housing Corporation

Report 2025-044

Meeting Date: September 24, 2025

Meeting Time: 5:30 p.m.

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

Subject: CEO Update

Author Name and Title: Travis Doak, CEO

Recommendation(s):

Resolved That Report 2025-044, “CEO Update”, be received for information purposes.

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:

Commercial Space at Hunt Terraces

While not yet formally announced and currently under embargo, PHC can share they are moving forward with a new partnership with a third-party provider to lease space at Hunt Terraces for the delivery of health-related services. This initiative marks a significant step in improving access to care for PHC tenants and the broader community, while further positioning Hunt Terraces as a hub for integrated supports.

The proposed location is 848 square feet**,** located on the first floor of Hunt Terraces. The following requirements will be part of the space:

- 2 rooms for health professionals**:** outfitted with a pedestal sink, suitable for an exam bed
- 1 room: office space for Social Worker
- Patient waiting area**:** seating capacity for 1–3 individuals
- Storage: closet or cupboard space for supplies and coats
- Accessibility**:** all space must be fully AODA compliant
-

Discussions are ongoing regarding the location of a medical secretary, including whether the existing reception desk at the Hunt Terraces entrance can be utilized, or if space for a desk can be integrated within new space.

The estimated capital cost to retrofit the space is approximately $83,000, which will be externally funded, with PHC staff providing oversight of the work.

This partnership has the potential to enhance the quality of life of community members by providing additional primary health services in the community. It also aligns with PHC's broader strategy of leveraging partnerships to bring services directly into our communities and generate a consistent stream of revenue.

Further information will be provided to the Board when the embargo is lifted, and lease arrangements are finalized.

Community Advocacy – Housing Continuum Group Letter to MP Emma Harrison

In September, PHC joined other members of the Peterborough Housing Continuum Group in signing a letter to MP Emma Harrison regarding federal housing funding programs administered by the Canada Mortgage and Housing Corporation (CMHC).

The Housing Continuum Group, which brings together representatives from across the housing spectrum, from prevention and outreach to supportive housing, social housing, affordable home ownership, co-ops, and market housing was formed in

November 2024 to identify gaps and advocate for coordinated solutions in the region.

In August the committee met with CMHC staff who and shared details about current funding programs and the limited availability of funds for new projects within this budget cycle. The letter, signed by PHC and several other key organizations, urges the federal government to consider adjustments in future funding programs by:

- Ensuring more consistent and predictable criteria so that builders and non-profits can plan effectively and manage risk
- Extending funding timelines to better reflect the actual length of municipal approvals and construction processes

PHC's participation in this letter demonstrates our continued commitment to regional housing advocacy and to ensuring that the needs of our tenants, partners, and community are represented in federal housing policy discussions.

Potential Development Opportunity – 461 Paterson Street

PHC has been approached by local property owners, Keith and Christa Payne, regarding a vacant city lot located at 461 Paterson Street in Peterborough. The property is currently zoned for up to eight residential units.

Following the initial outreach, I conducted a site visit with the owner to better understand the property and its potential. The owner provided preliminary building plans for review and indicated their interest in selling the lot.

From a strategic perspective, this site presents potential alignment with PHC's development objectives. Its zoning supports medium-density infill housing, which complements municipal intensification goals and PHC's interest in smaller-scale, community-based developments. Its location within the urban area also positions it well for access to services, transit, and amenities, which are important considerations for tenant success.

At this stage, PHC has not entered into any formal discussions regarding acquisition, nor are we currently in a financial position to independently pursue the purchase of this property. That said, the lot represents a potential opportunity that could be explored further if external funding sources, strategic partnerships, or other forms of support were to become available.

Further updates will be brought forward to the Board should this opportunity progress to a more formal evaluation stage.

37 George Street, Havelock Update

Reconstruction work continues to advance at PHC's property located at 37 George Street in Havelock. All major structural reconstruction, along with plumbing, electrical, HVAC, and window and door upgrades, has now been completed and successfully inspected. With these core elements finalized, construction crews have transitioned to the interior finishing stage. The second floor has been fully drywalled, and flooring installation is now underway.

The project remains on schedule and budget, with December 8th confirmed as the target date for the first tenancies to move back into the building. This milestone reflects the efforts of the construction team and the close oversight of PHC staff to ensure both quality and timeliness.

Resident Services staff will begin tenant engagement activities in October, starting with outreach to households that were previously displaced by the fire. Following this, offers will be extended through the centralized housing waitlist to ensure any remaining vacancies are filled promptly. It is anticipated that all displaced households will have the opportunity to return home in time for the Christmas holidays, marking an important moment of stability and renewal for these residents and the community.

37 George Street, Havelock

37 George Street, Havelock

37 George Street, Havelock

Strategic Planning Update

PHC's Strategic Planning process remains on track and continues to advance steadily toward completion, with the consulting team at SHS Consulting supporting the refinement of core content. Over the past month, our focus has shifted from broad engagement and research into the practical details of implementation, measurement, and alignment with organizational capacity.

Key activities since the last update include:

- Implementation Roadmap: Each member of the leadership team provided input into the draft Implementation Roadmap. These contributions have been consolidated into one integrated document, reflecting a shared understanding of sequencing, timelines, and resourcing. This roadmap will be the foundation for ensuring that PHC's strategic goals can be translated into concrete, achievable actions.
- KPI Development: A high-level set of performance indicators was reviewed, including the option of drawing on LHC group indicators for benchmarking. This discussion underscored the importance of balancing comparability across the sector with the need for PHC-specific measures that reflect our unique priorities, such as resident well-being, service quality, and financial resilience.
- Resource Assessment: Leaders summarized the additional resources required to support implementation, including staffing, technology, and operational tools. These discussions are helping PHC prioritize where investments will yield the greatest impact and ensure that resource planning is aligned with organizational realities.
- Identified Gaps: Through this process, key gaps were highlighted that need to be addressed in the final plan. Diversity, equity, and inclusion emerged as an area requiring more deliberate integration into tactics and measures. Additional operational considerations were also raised to ensure no critical elements are overlooked.

Looking ahead, the development of Draft v.2 of the Strategic Plan is now underway. This next version will incorporate:

- A performance measurement framework with clear indicators for tracking outcomes.
- A detailed implementation roadmap that outlines resource implications, sequencing, and responsibilities.
- A communications strategy to ensure both internal and external stakeholders understand the plan and its priorities.

These refinements will be validated through upcoming leadership discussions and further consultation with SHS Consulting. The final Strategic Plan will then be presented to the Board in October 2025 for review and approval.

PHC remains committed to delivering a forward looking plan that reflects the voices of tenants, staff, partners, and the broader community. This plan will not only set direction for the next five years but will also provide a clear framework for measuring progress, holding ourselves accountable, and ensuring that PHC continues to evolve in response to the needs of the community.

Partnership with YES Shelter

In fall 2024, PHC and the YES Shelter launched an innovative partnership aimed at addressing the urgent housing needs of families experiencing homelessness. Through this initiative, tenancy was established under a headlease arrangement, with YES Shelter acting as the leaseholder for eight PHC units. This model ensured families could access stable, affordable housing while also benefiting from the wraparound supports provided by YES.

The headlease approach has allowed families to settle into a safe environment without the immediate pressures of managing a direct tenancy, creating space for them to focus on rebuilding stability, strengthening financial security, and working toward long-term housing independence. YES staff have been closely engaged with each household, offering case management, life skills support, and connections to community resources.

As we approach the one-year mark of this program, we are pleased to share a significant milestone: one household has successfully completed their first year of occupancy and will now transition from the headlease into their own direct lease with PHC. This achievement reflects the family's resilience, commitment, and readiness to assume independent tenancy. It also highlights the effectiveness of this collaborative model in creating a clear pathway from homelessness to long-term housing stability.

The success of this first transition reinforces the value of partnerships that combine housing with supports, and it demonstrates the tangible outcomes that can be achieved when service providers work together. For PHC, it underscores the role of housing as a platform for positive change, and most importantly, for families, it represents the opportunity for a new chapter rooted in stability, dignity, and hope.

PHC Annual Employee Engagement Day

On September 17, PHC hosted its Annual Employee Engagement Day at Holiday Inn in Peterborough. The event brought together staff from across the organization to reflect on the past year, strengthen connections, and focus on our shared priorities for the future.

The event included presentations by the CEO and members of the Executive Leadership Team, providing updates on PHC's progress over the summer, including changes in leadership, operational highlights, and a preview of the next phase of PHC's Strategic Plan. A key theme throughout the day was the importance of resilience, collaboration, and cultural awareness in strengthening PHC's workplace and service delivery.

Staff participated in cultural sensitivity presentation, facilitated by the City Of Peterborough staff, which provided insights into equity, diversity, and inclusion in the workplace and in service delivery. The session highlighted the importance of understanding different cultural perspectives, recognizing unconscious bias, and fostering respectful communication. Staff engaged in thoughtful discussions and interactive exercises that encouraged reflection on their own practices and experiences.

The event also featured recognition of staff contributions, celebrating the dedication and resilience of PHC employees during a period of significant organizational activity. The day concluded with a team-building activity at the Lift lock Escape Room that fostered camaraderie and reinforced the value of connection across departments. Employee Engagement Day continues to be a cornerstone of PHC’s commitment to building an engaged, informed, and resilient workforce.

Other Alternatives Considered:

None

Alignment to Strategic Priority Areas:

These operational updates align to all three priority areas:

- Investing in Our People
- Serving Our Clients & Community
- Strengthening Our Relationships

Financial Considerations:

None

Consultations:

Richard Grotsch, Director of Operations
Lisa Clark, Resident Service Manager

Attachments:

Housing Continuum Letter to MP Harrison

Sept. 16, 2025

Dear MP Emma Harrison,

In November 2024, the Peterborough Housing Continuum Group began meeting to bring together private and publicly funded housing providers. Our group represents every phase of service:

- Prevention and outreach
- Shelters
- Transitional housing
- Supportive housing
- Geared-to-income social housing
- Affordable rents
- Affordable home ownership
- Co-ops
- Market rents
- Market ownership

Our goal is to identify gaps in the housing continuum in the Peterborough region and to collaborate **to lessen or bridge them**. Not surprisingly, **one of the largest obstacles** to achieving our individual and collective goals **is adequate funding when it is most needed.**

On Aug. 12, 2025, we hosted two staff members from Canada Mortgage and Housing Corporation (CMHC) to learn which programs are operating and the capacity available for each. We appreciate you sending staff member Jessica Nyznik to join us and to gather the information to bring back to your office.

We are grateful for the candor of CMHC and the support offered to applicants for its funding programs; they do the best they can within each program's parameters. However, much of the funding for this current budget cycle has been allocated, leaving few options for new projects that are desperately needed.

Clearly, this region – and other parts of Canada – are facing a housing crisis. It is undermining the health of individuals, businesses and the economy in general. As you and your colleagues aim to improve this situation, we have insights to share from the vast experience within our group.

In addition to **advocating for continued funding**, we ask you to consider the pressures facing builders and non-profits and create **programs that align better with the realities** we face. The biggest challenges are funds' **criteria that are inconsistent with market demand** and **inadequate timelines to accommodate new building**.

As a result, we get caught between the deadline to submit robust applications and having approvals from municipalities to proceed. Once criteria are announced, groups must identify which concepts match the funding available, create designs and get zoning or planning approvals.

In most cases, **municipal processes take far longer than the window provided to spend funds allocated from CMHC**. Over the past five years, site plan approvals in the City of Peterborough can take anywhere from two months to two years. Those timelines do not account for the required studies for development, such as traffic, environmental, or archaeological studies, which can add another year or two to the planning process. Going through this expensive and labour-intensive process **adds financial risk** when our members don't know if funding will be forthcoming.

For private builders, it takes additional time to pivot from building condominiums to a business model based on rental units or converting structures when that type of funding becomes available. Non-profit housing providers face even more barriers due to their limited resources while dealing with the most precariously housed.

Therefore, we respectfully ask that **future CMHC funding programs** offer:

- **more consistency** in criteria so builders and their clients can predict and manage risk; and
- **longer timelines** to spend allocated funds that reflect actual planning and construction cycles.

Further, we ask that you and your caucus colleagues **deal with this issue as soon as possible** now that Parliament is back in session. Prime Minister Carney has obviously made this a priority. We are heartened to see the launch of the Build Canada Homes program. Federally funded affordable housing is essential for Canada to build the 5.8 million homes we need from coast to coast over the next decade. We wish to build on the momentum created by the National Housing Strategy by **refining how and when funds are funneled** to those building the walls and providing people with the housing they need.

Our group is willing to contribute its expertise during public consultation on housing issues and CMHC funding processes and criteria. We invite you to keep communication channels open. This way, we can serve as a conduit between your office and a dozen organizations during the vital, on-the-groundwork to get more individuals housed in the most affordable way possible.

Rebecca Schillemat, Executive Director, Peterborough and the Kawarthas Home Builders Association

Lois Tuffin, former board member of YES Shelter, Homegrown Homes and The Mount Community Centre

Michael VanDerHerberg, Director of Property Development, One City Peterborough

Dawn Berry Merriam, Chair of Age-friendly Peterborough

Susan Zambonin, Chief Executive Officer, Habitat for Humanity Peterborough & Kawartha Region

Travis Doak, Chief Executive Officer, Peterborough Housing Corporation

Martin Kopp, Sr. Relationship Manager, Commercial Financial Services, RBC Royal Bank

Aimée Le Lagadec, Executive Director, YES Shelter

Arshed Bhatti, Executive Director, The Mount Community Centre

Peterborough Housing Corporation
Finance, Audit & Administration Committee

Report 2025-045

Meeting Date: September 24, 2025

Meeting Time: 5:30 p.m.

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

Subject: Proposed 2026 Operating & Capital Portfolio Budget

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

Recommendation(s):

Resolved That Report 2025-045, "Proposed 2026 Operating & Capital Budget", be received;

That the following recommendations of the Finance, Audit and Administration Committee, are adopted by the Board:

> **That** the 2026 operating & capital budget, outlined in Report FAA2025-002 is approved.

That the CEO is directed to request operating subsidy in the amount of **$4,336,635** in order to support the 2026 portfolio operations and capital subsidy in the amount of **$987,698** from the Service Manager on behalf of the City of Peterborough and Peterborough County ; and

That the CEO reports back to the Board with any 2026 operating or capital budget amendments based on the Service Manager's approvals.

Chief Executive Officer

Background:

This report represents the Proposed 2026 Operating and Capital Portfolio Budget. Staff began the 2026 budget preparation and review in April with the knowledge that it was going to be a challenging task in light of several emerging fiscal pressures for the year ahead. There have been several internal staff consultations along with two meetings and additional consultations with City staff throughout the budget process to arrive at the proposed 2026 budget.

As part of the budget process, a detailed review of all revenue and expense lines has been completed by PHC staff in order to propose a prudent budget for the 2026 fiscal year. Each budget line was thoroughly scrutinized with all feasible cost saving measures implemented. Some of the cost savings measures that we are proposing come with an associated risk for PHC which will need to be balanced with the needs of the tenants and communities. We are requesting an increase of 8.5% ($340,506) in the base operational funding. This has been presented to City staff and will be incorporated into the Social Services housing budget. We will not receive confirmation if this funding request has been approved until the Service Manager's budget is approved by council in December.

Spruce Corners is and will continue to be separated from the balance of the portfolio. This project is funded by the MOH, using a provincial formula. It is not reliant on municipal subsidy and PHC has been working with the MOH to ensure it remains this way.

Rationale:

Operating:

Table 1 provides a description of budget lines as well as an explanation of any variance for Revenues and Expenses. The lines and numbers correspond with those identified in Attachment A.

Table 1 REVENUE AND EXPENSES			
REVENUES			
Name	**Number**	**Description**	**Variance**
Residential Rental Income	1	Rent received from tenants or on behalf of tenants	2.1% increase is the result of a 2.1% rent control guideline increase to bring rent for affordable properties to maximum rents. Rent for Community Housing remains static due to the current economic instability.
Commercial Rental Income	2	Rent payment received from commercial tenants	3.2% increase is a result of scheduled increases as outlined in commercial leases.

Miscellaneous Revenue	3	Combination of revenue other than rent received from tenants (i.e., meal plans, parking, laundry etc.) and investment income	31.5% increase is a result of increasing parking, laundry, and meal plan fees. In addition, there is an adjustment relating to the Wolfe Street meal plan not reflected in 2025.
Municipal Operational Subsidies	4	Subsidy received from the Service Manager to assist with expenses not offset by rent or other revenue.	8.5% increase to base funding for the portfolio based on staff review and input.
Property Management Agreements	5	Fees received to manage other properties	11.5% increase is attributed to a full year of a new property management agreement along with existing agreements that have an economic increase as per their agreements.
EXPENSES			
Name	**Number**	**Description**	**Variance**
Corporate Costs	6	Includes all costs related to bank and payroll management fees.	21.5% decrease is primarily related to realignment of costs and reduction in expenses
Bad Debts	7	Represents the write off of uncollectible former tenant accounts.	21.3% increase can be related to the overall economic environment with significant inflationary pressures post COVID. In addition, PHC continues to experience significant delays in getting hearing dates with the Landlord and Tenant Board which results in increased arrears that become insurmountable for tenants to repay.
Salaries, Wages & Benefits	8	Includes all staff wages and benefits, including statutory deductions, health, and OMERS	5.4% (wages) 12.9% (benefits) increase respectively is a combination of wage increases which reflects an anticipated 3% increase pending the outcome of Collective

			Bargaining which will take place in Q4 2025. This increase has been applied to non-union staff as well. This will be the first full year for the Custodial Services Manager and the Waste Services Operator. Benefits increase is in line with the contract increase. There are no new staff complement included in the 2026 budget.
Fleet Maintenance & Travel	9	Represents costs associated with corporate vehicle fleet and staff travel	26.7% increase relates to additional insurance and preventative maintenance on the new waste removal vehicle. In addition, staff mileage usage has been increasing due to stronger community presence along with annual mileage increase as per CRA
Administrative Services	10	Represents costs associated with supporting the operations of PHC i.e., telecommunications, software licenses, IT services, consulting fees, and staff development	The 10.2% increase reflects economic increases for services as well as the cost for a new upgraded website.
Food Services	11	Represents food costs at Hunt Terraces, including Wolfe Street	51.3% increase is forecasted based on 2025 costs. Costs of food and labour continue to rise for the food provider. As previously discussed, a consultant was hired to review all aspects of this program. It has been determined that we are not charging a realistic fee for the service that is provided. This may be adjusted based on the final review of the consultant's report.
Insurance	12	Represents insurance on PHC's assets.	Based on information provided by HSC (Insurance Broker), it is anticipated that there will

			be an 8% increase for the next policy year. The property deductible for PHC is $100,000. In the previous draft, this was included as it is commonplace that we have at least one major insurable event each year. In order to reduce the subsidy request, this was removed. **There is a risk of not budgeting for it in that we risk having to adjust the budget in other areas to pay for the deductible if an insurance claim arises**.
Materials & Services	13	All day-to-day operational expenses related to maintaining the properties including the grounds, buildings, and units	As a result of the end of capital funding for 2023, 2024 and 2025 that was used to cover some eligible Materials & Services costs, there is a resulting 6.1% decrease to 2026 operating costs. While PHC will work to ensure safe and habitable housing, in making these budget reductions, there are associated risks that must be considered. **Primary risks are:** **- fewer non-urgent repairs will be completed (i.e., flooring, common area refurbishments, non-essential mechanical)** **- possible extension of preventative maintenance cycles which may impact future budgets** **- longer timelines for addressing tenant reported deficiencies**

Contribution to Capital Replacement Reserves	14	Any mandatory requirements to transfer funds to a reserve to cover future capital costs, as required through funding or financing agreements. 4% used based on majority of banking requirements.	A decrease of 45.6% due to adjustment of reserve contributions to include only those that are contractually required. The budget was adjusted to remove the non-contractual contributions to decrease the subsidy request to the Service Manager. **The impact of ceasing these contributions is that we may not have the necessary resources in the future to address major capital needs in our portfolio.**
Utilities	15	Includes utilities provided to the properties including hydro, gas, water, and water heater rentals	The 4.4% increase reflects the anticipated usage increase due to extreme weather along with a 2% increase for water. It is anticipated that PHC will continue to benefit from continued savings on electricity through provincial programs as well as anticipated savings as a result of energy projects carried out through the capital program.
Utilities – Storm Water Charge	16	Storm water utility charge is now part of the water bill effective April 2025	There is a 100% increase as this is a new charge and is based on 2025 YTD expense.
Property Taxes	17	Property taxes for all PHC buildings paid to the City and County.	Represents an overall increase of 6% for City buildings and 7% for County buildings.
Mortgage and Debenture Payments	18	Principal and interest on mortgage, debenture and loan payments related to the newer affordable housing properties and the new waste vehicle loan.	.6% increase relates to the Sunshine mortgage being fully paid off in March 2024, the renewal of 6 mortgages throughout 2026 at an anticipated rate of 4.5% (current rates range from 2.19% to

			2.91%) and the addition of the waste removal vehicle loan.

Capital:

The CMHC funding of $3.45M that PHC was the beneficiary of in 2022, comes to an end in 2025 along with COCHI funding received from the Service Manager for 2024 and 2025 ($2.2M). This means that PHC will only receive the base capital subsidy from the Service Manager for fiscal 2026. Over the last three years, PHC strategically used these capital funding sources to cover eligible costs that would otherwise fall under Materials & Services. With the end of these funding streams, these expenses must now be fully integrated into the operating budget. The base capital subsidy request is $987,698 which will address only the most critical projects.

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 and Community

Finance and Resources: Maintaining the highest financial and resource management practices, to ensure that our community can rely on us for its future needs, including compliance with all legislative and code requirements.

Capital Assets: Ensuring that our asset management strategies remain current. We will plan for future enhancements to existing properties in order to increase marketability, sustainability, and energy efficiency. We will continue to make strategic and prudent investments of capital reserves.

Financial Considerations:

Staff have developed the proposed 2026 budget based on the overall needs of the portfolio for both operating and capital. It ensures that PHC operates as a prudent business understanding the needs of its customers. While it strives to maximize revenues, it does so realizing the low to moderate incomes of our customers. PHC will manage expenses ensuring that there is consistency across the portfolio, that units are kept in good condition and that adequate staffing resources are present. Table 3 provides a summary of the 2026 budget.

Table 3	
Operating	
Total Net Project Revenue	$15,709,534
Total Project Expenses	$15,709,534
Capital	
Total Project Expenses	$987,698

Operating Subsidy Request to the Service Manager

Based on the need of the entire portfolio, PHC is requesting an operating subsidy of **$4,336,635** for 2026 representing an 8.5% or $340,506 increase over 2025 base funding. This translates to an annual subsidy cost per unit of $3,425.

Capital Subsidy Request to the Service Manager

Based on only the most critical capital needs, PHC is requesting a capital subsidy of **$987,698 for** 2026 representing a 3% or $28,768 increase. PHC is requesting that if the Service Manager is the recipient of Provincial and/or Federal capital funding, that our capital needs for our aging portfolio be considered as a priority.

Consultations:

Sondra Fitzgerald, Director of Corporate Services, PHC
Richard Grotsch, Director of Operations, PHC
Rebecca Morgan-Quinn Director of Social Services, City of Peterborough
Marnie Sicker, Financial Analyst Social Services, City of Peterborough

Attachments:

Attachment A 2026 Draft Operating Budget Detail

ATTACHMENT A - 2026 DRAFT OPERATING BUDGET

	2025 Budget	2026 Budget	Variance From 2025	% Variance From 2025	NOTE
REVENUES					
Residential Rental Income	10,005,823	10,213,158	207,335	2.1%	1
Commercial Rental Income	308,729	318,624	9,895	3.2%	2
Gross Rental Income	10,314,552	10,531,782	217,230	2.1%	
Other Revenue					
Miscellaneous Revenue	496,601	653,086	156,485	31.5%	3
Municipal Subsidy - Operating (excludes capital)	3,996,129	4,336,635	340,506	8.5%	4
Property Management Agreements	168,663	188,031	19,368	11.5%	5
Total Revenue	**14,975,945**	**15,709,534**	**733,589**	**4.9%**	
EXPENSES					
Corporate Costs	31,344	24,595	-6,748	-21.5%	6
Bad Debts	161,803	196,268	34,465	21.3%	7
Wages	3,214,285	3,389,048	174,763	5.4%	8
Benefits	905,004	1,021,300	116,296	12.9%	8
Fleet Maintenance & Travel	50,408	63,861	13,453	26.7%	9
Administrative Services	513,880	566,335	52,455	10.2%	10
Food Services	396,448	600,000	203,552	51.3%	11
Insurance	455,446	491,720	36,274	8.0%	12
Building - Materials and Services					
Unit Turnover and Repair	172,767	172,767	0	0.0%	
Demand General Repair	121,792	121,000	-792	-0.7%	
Service Contracts	891,848	800,000	-91,848	-10.3%	
Plumbing, Electrical, HVAC and Elevators	453,922	452,921	-1,001	-0.2%	
Building Supplies and Other	145,825	130,000	-15,825	-10.9%	
	1,786,154	1,676,688	-109,466	-6.1%	13
Transfer to Capital Replacement Reserves	301,150	163,896	-137,254	-45.6%	14
Utilities - Electricity, Gas and Water	2,457,617	2,565,216	107,599	4.4%	15
Utilities - Storm Water Charge	0	57,372	57,372	100.0%	16
Property Tax	2,432,289	2,610,135	177,845	7.3%	17
Debt Servicing	2,270,117	2,283,100	12,983	0.6%	18
Total Expenses	**14,975,945**	**15,709,534**	**733,589**	**4.9%**	
Annual Surplus (shortfall)	0	0	0		