

The Corporation of the City of Kawartha Lakes

Agenda

Special Council Information Meeting

CC2018-19

Tuesday, November 13, 2018

Open Session Commencing at 10:00 a.m.

Victoria Room

City Hall

26 Francis Street, Lindsay, Ontario K9V 5R8

Members:

Mayor Andy Letham

Councillor Isaac Breadner

Councillor Pat Dunn

Councillor Doug Elmslie

Councillor Gord James

Councillor Gerard Jilesen

Councillor Brian S. Junkin

Councillor Rob Macklem

Councillor Mary Ann Martin

Councillor Patrick O'Reilly

Councillor John Pollard

Councillor Kathleen Seymour-Fagan

Councillor Heather Stauble

Councillor Stephen Strangway

Councillor Andrew Veale

Councillor Emmett Yeo

Accessible formats and communication supports are available upon request.

1.	Call to Order	
1.1	Moment of Silent Reflection	
2.	Adoption of Agenda	
3.	Disclosure of Pecuniary Interest	
4.	Presentations and Deputations	
4.1	CC2018-19.4.1	4 - 63
	Timed Appointment: 10:00 a.m. Kawartha Lakes-Haliburton Housing Corporation Annual General Meeting Eleanor Harrison, Chair Pat O'Reilly, Vice-Chair	
4.2	CC2018-19.4.2	64 - 70
	Kawartha Lakes-Haliburton Housing Corporation (KLHHC) 2019 Proposed Budget Hope Lee, CEO	
4.3	CC2018-19.4.3	71 - 73
	Kawartha Lakes Police Services Board 2019 Proposed Budget Mark Mitchell, Chief of Police Don Thomas, Chair	
4.4	CC2018-19.4.4	74 - 87
	Lake Simcoe Region Conservation Area 2019 Proposed Budget Mike Walters, CAO	
4.5	CC2018-19.4.5	
	Kawartha Conservation 2019 Proposed Budget Mark Majchrowski, CAO	
4.6	CC2018-19.4.6	
	Kawartha Lakes Public Library Board 2019 Proposed Budget Gail Jackson, Vice-Chair Jamie Anderson, Library Director/CEO	

- 4.7 CC2018-19.4.7
- Lindsay Downtown Business Improvement Area (BIA) 2019 Proposed Budget**
 Charlie McDonald, Chair
 Steve Podolsky, Vice-Chair
- 4.8 CC2018-19.4.8
- Kawartha Lakes Municipal Airport Board 2019 Proposed Budget**
 Doug Erlandson, Chair
 Bob Hunter, City of Kawartha Lakes Airport Manager, Loomex
- 4.9 CC2018-19.4.9
- City of Kawartha Lakes 2019 Proposed Budget Overview**
 Jennifer Stover, Director of Corporate Services
- The Meeting will recess for lunch and reconvene at 1:00 p.m.
- 4.10 CC2018-19.4.10
- Paramedic Recognition Ceremony**
 Keith Kirkpatrick, Chief of Paramedic Service
- 4.11 CC2018-19.4.11 88 - 89
- Speed Issues on William Street North, Lindsay**
 Phillip Lee
5. **Reports**
6. **Closed Session**
7. **Matters from Closed Session**
8. **Confirming By-Law**
- 8.1 CC2018-19.8.1 90 - 90
- A By-law to Confirm the Proceedings of a Special Information Meeting of Council, Tuesday, November 13, 2018 (Meeting CC2018-19)**
9. **Adjournment**

KAWARTHA LAKES-HALIBURTON HOUSING CORPORATION

NOTICE OF AN ANNUAL GENERAL MEETING OF THE SHAREHOLDER

**Tuesday, November 13, 2018
Commencing at 10:00 a.m.**

**Victoria Room
City Hall
26 Francis Street, Lindsay, Ontario K9V 5R8**

The purposes of the meeting are:

- 1. To receive the report of the Auditor;**
- 2. To receive and approve the audited financial statements for 2017;**
- 3. To appoint the Auditor for 2018; and**
- 4. To receive the Annual Report.**



**Hope Lee
Corporate Secretary
October 31, 2018**

**Kawartha Lakes-Haliburton
Housing Corporation**

**Annual General Meeting Of
The Shareholder**

Tuesday, November 13, 2018

Commencing at 10:00 a.m.

Victoria Room

City Hall

26 Francis Street, Lindsay, Ontario K9V 5R8

Agenda

1. Call To Order

2. Adoption Of Agenda

Resolved That the agenda for meeting AGM 2018-01 of the Shareholder The Corporation of the City of Kawartha Lakes be adopted as circulated.

3. Deputations And Presentations

KLH Housing Corp. 2016-17 Annual Report – Presentation by Hope Lee, CEO

4. Approval Of Minutes From Previous Meetings

4.1. Open Session Minutes of the Annual General Meeting, October 17, 2017

Resolved That the open session minutes of the Annual General Meeting of the Shareholder of October 17, 2017 be approved as circulated.

4.2. Closed Session Minutes of the Annual General Meeting, October 17, 2017

Resolved That the confidential closed session minutes of the Annual General Meeting, October 17, 2017 be approved as circulated.

5. New Business

**5.1. Report 2018-046, 2017 Audited Financial Statements
Auditor's report and the audited financial statements**

Resolved That Report 2018-046, "2017 Audited Financial Statements", be received;
and,

That the auditor's report be received and the audited financial statements for 2017 be approved as circulated.

5.2. Appointment of the Auditor for 2018

Resolved That Deloitte and Touche LLP be appointed as auditors for the year ending December 31, 2018 at the quoted total annual fee up to \$10,500 plus HST

5.3. Report 2018-048, AGM – KLH Housing Corp 2016-17 Annual Report

Resolved That Report 2018-045, "AGM – KLH Housing Corp 2016-17 Annual Report", be received.

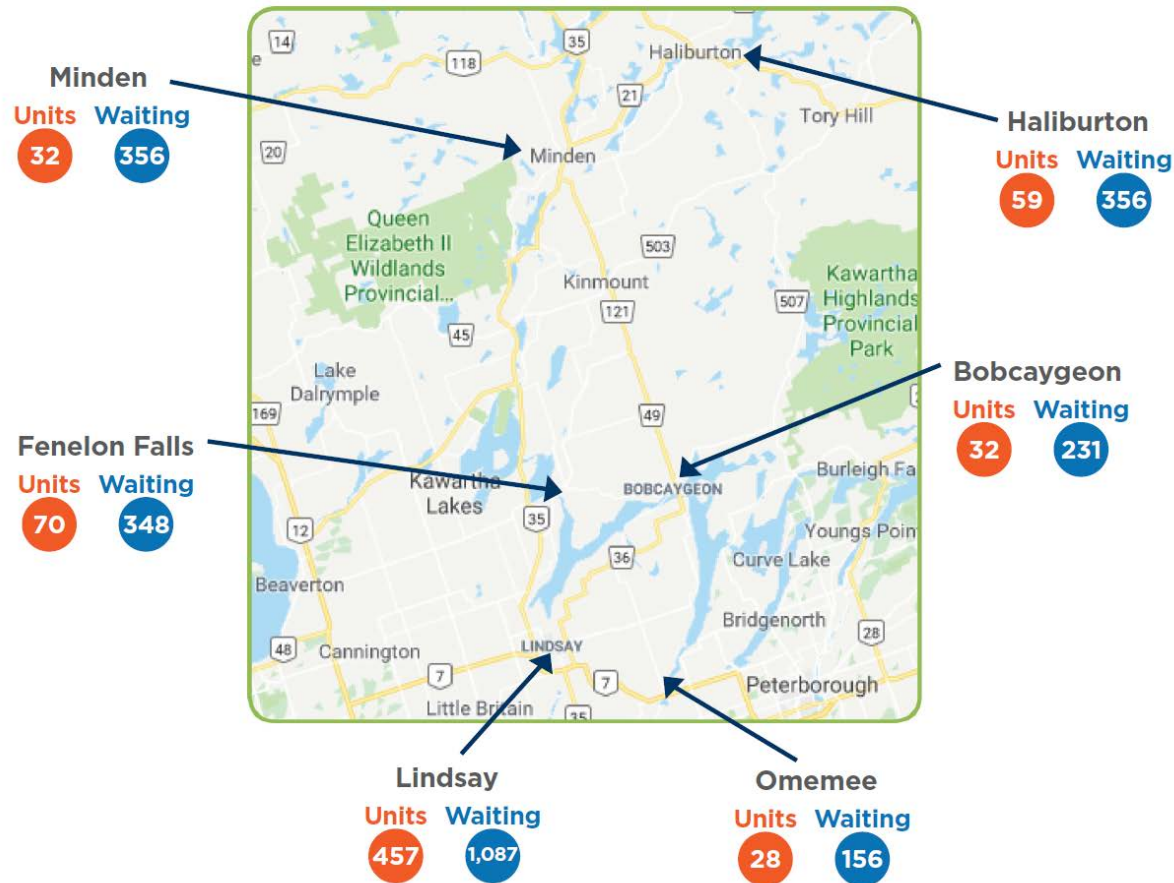
6. Adjournment

2016-17 Annual Report



KLH
Housing
Corp.

Balancing Act of Maintaining & Growing



Make the right move

Asset Management

- 130 million current construction value (excludes the cost of land and primary site servicing)
- Invest approximately 2 million annually in existing stock
- Strong focus on energy efficiency
- Regeneration of existing assets where possible

Our communities



71 Melbourne Street East
Lindsay

Built in: 1972
1 bedrooms: 50



111 William Street North
Lindsay

Built in: 1974
1 bedrooms: 64
2 bedrooms: 1



123 Need Street
Bobcaygeon

Built in: 1975
1 bedrooms: 32



Mary & James Street
Lindsay

Built in: 1975
2 bedrooms: 12
3 bedrooms: 12



8 James Street
Omeme

Built in: 1976
1 bedrooms: 28



40 Francis Street East
Fenelon Falls

Built in: 1976
1 bedrooms: 69
2 bedrooms: 1



Our communities



20 Sussex Street South

Lindsay

Built in: 1976

1 bedrooms: 65

2 bedrooms: 2



610 Mountain Street

Haliburton

Built in: 1978

1 bedrooms: 34

2 bedrooms: 1



6 Parkside Street

Minden

Built in: 1978

1 bedrooms: 19

2 bedrooms: 1



40 Dominion Drive

Lindsay

Built in: 1979

3 bedrooms: 10

4 bedrooms: 2



19 Hamilton Street

Lindsay

Built in: 1982

1 bedrooms: 45

2 bedrooms: 15



92 Albert Street South

Lindsay

Built in: 1985

2 bedrooms: 24

3 bedrooms: 24

4 bedrooms: 2



Our communities



45 Durham Street East

Lindsay

Built in: 1986

2 bedrooms: 26

3 bedrooms: 24



45 St Patrick Street

Lindsay

Built in: 1991

1 bedrooms: 10



48 St Paul Street

Lindsay

Built in: 1991

1 bedrooms: 30

2 bedrooms: 10



4977 County Road 21

Haliburton

Built in: 2013

1 bedrooms: 24



1 Devan Court

Lindsay

Built in: 2015

1 bedrooms: 14

2 bedrooms: 2

3 bedrooms: 13



57 Parkside Street

Minden

Built in: 2017

1 bedrooms: 12



Older properties with the ability to sell

Single homes built in the 50's



Semi-detached homes built in the 60's



Year	Number Sold	Average Sale
2014	7	\$155,714
2015	18	\$155,444
2016	7	\$187,849
2017	5	\$229,000
2018	3	\$235,262

Make the right move

A Snap Shot of the Last Five Years

	2013	2014	2015	2016	2017
Subsidy	\$2,617,535	\$2,517,168	\$2,628,901	\$2,628,901	\$2,728,895
Rental Revenue	\$2,937,346	\$3,014,196	\$3,113,318	\$3,369,384	\$3,548,754
Other Revenue	\$112,730	\$165,24	\$148,783	\$162,084	505,198
Micro Fit Revenue	\$18,480	\$16,337	\$18,644	\$18,929	\$16,888
Total Revenue	\$5,686,091	\$5,712,945	\$5,909,646	\$6,179,298	\$6,799,735
Administration	\$1,315,023	\$1,339,518	\$1,380,661	\$1,327,074	\$1,355,669
Bad Debt	\$27,661	\$30,086	\$53,194	\$10,835	\$37,284
Insurance	\$219,076	\$218,162	\$229,168	\$212,500	\$159,446
Maintenance	\$535,399	\$491,550	\$414,011	\$461,535	\$787,082
Municipal Taxes	\$868,979	\$894,557	\$917,467	\$944,691	\$999,840
Utilities	\$1,642,893	\$1,733,434	\$1,796,428	\$1,859,804	\$1,595,419
Mortgages & Debentures	\$777,623	\$823,087	\$822,043	\$819,463	\$1,185,775
Reserves	\$145,903	\$151,880	\$167,433	\$14,894	\$251,860
Total Expenses	\$5,532,557	\$5,682,274	\$5,780,405	\$5,650,796	\$6,372,375
Surplus	\$153,533	\$30,671	\$129,241	\$528,502	\$427,360

24 new units
added

Replaced 18 units,
added 11 new units

12 new units
added

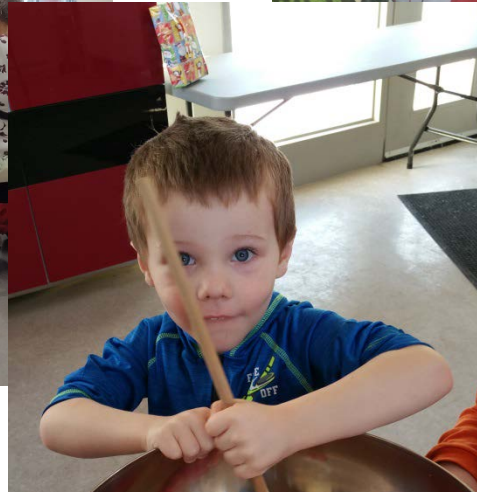
Make the right move

The reason we do this



89%

noted that they Agree or Strongly Agree that they **feel safe in their communities.**



83%

noted that they live in a community where **people help their neighbours.**

Our partners in creating successful tenancies

- Community Care
- Health Unit
- PARN
- Fourcast
- Haliburton Highlands Mental Health
- CMHA
- Community Living

Growing to meet the needs

Occupancy Year	Location	Total # of Units	# Replacing Sales	Net New Units
2013	Haliburton (WP Phase 1)	24	0	24
2015	Lindsay (Devan Court)	29	18	11
2017	Minden (Pinegrove Place)	12	0	12
2018	Lindsay (Flynn Gardens)	16	10	6
2018	Lindsay (Bond by the River)	12	9	3
2019	Lindsay (leasing building from CKL)	24	0	24
2019	Haliburton (WP Phase 2)	12	0	12
2020	Minden (Pinegrove Phase 2)	21	0	21
2020	Fenelon Falls (106 Murray)	30	0	30
2021	Phase 2 (Lindsay North)	16	11	5
2021	Lindsay (Site to be confirmed)	26	16	10
		222	64	158

Make the right move

New communities in 2018

48 St Paul Street addition

Used revenue from 10 home sales to create 9 one bedroom and 7 two bedroom units (occupancy July 2018).



5 Bond Street East

Used revenue from 9 home sales to create 12 three bedroom townhouses (occupancy late 2018).



More new communities in 2019

68 Lindsay Street North

Through a partnership with the City, KLH will be able to provide 24 one bedroom units for the homeless population (occupancy early 2019).



4977 County Road 21, Haliburton

Used Investment in Affordable Housing funding to create 6 two bedroom and 6 three bedroom townhouses (occupancy May 2019).



In the works for 2020

Phase 2 in Minden



106 Murray, Fenelon Falls

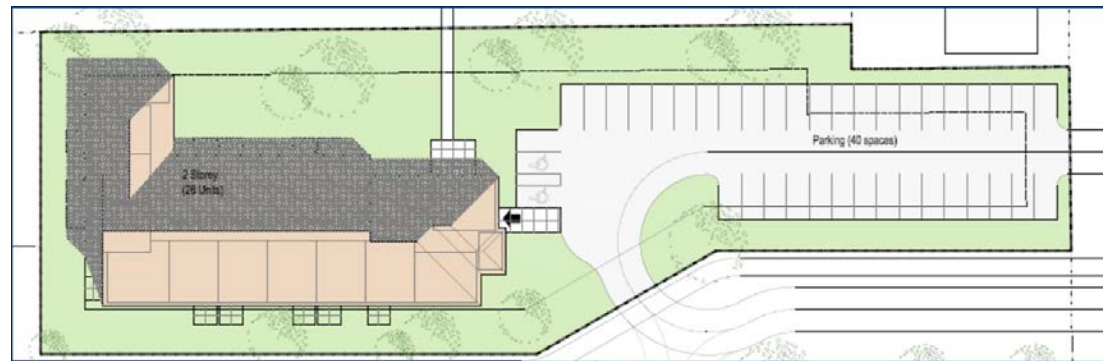


In the works for 2021



Phase 2 on Lindsay Street North

Proposed building for Lindsay



Make the right move

Looking Ahead

- Continued focus on maintaining the older
 - Housing Asset Management Plan
- Continued development activities including regeneration and other financing and funding models
 - Housing Master Plan
- Continued collaboration with partners to help support tenants with a variety of needs have successful tenancies
- Continued approach to grow in size without increasing municipal subsidy

Thank You

Questions

Kawartha Lakes-Haliburton Housing Corporation

Annual General Meeting of the Shareholder

Tuesday, October 17, 2017
Open Session Commencing at 1:00 P.M.

Council Chambers
City Hall
26 Francis Street, Lindsay, Ontario K9V 5R8

Minutes

Members

Mayor	A. Letham
Councillor	I. Breadner
Councillor	P. Dunn
Councillor	D. Elmslie
Councillor	G. James
Councilor	G. Jilesen
Councillor	B. Junkin
Councillor	R. Macklem
Councillor	M.A. Martin
Councillor	G. Miller
Councillor	P. O'Reilly
Councillor	J. Pollard
Councillor	K. Seymour-Fagan
Councillor	S. Strangway
Councillor	H. Stauble
Councillor	A. Veale
Councillor	E. Yeo

Meeting AGM 2017-01

1. Call To Order

Kawartha Lakes-Haliburton Housing Corporation Vice Chair Pat O'Reilly called the meeting to order at 1:05 p.m.

Mayor Letham, Councillors I. Breadner, P. Dunn, D. Elmslie, G. James, G. Jilesen, B. Junkin, R. Macklem, M.A. Martin, G. Miller, P. O'Reilly, J. Pollard, K. Seymour-Fagan, H. Stauble, S. Strangway and A. Veale were in attendance.

Chief Executive Officer Hope Lee, Director Brent Devolin, Director CAO Ron Taylor, Treasurer Carolyn Daynes, Deputy Treasurer Nancy Paish Executive Assistant Holly Russett were also in attendance.

2. Adoption Of Agenda

Moved by Councillor Strangway, seconded by Councillor Elmslie
Resolved That the agenda be approved as circulated.

Carried

3. Closed Session

Moved by Councillor Dunn, seconded by Councillor Macklem
Resolved That the Shareholder convene into closed session in order to consider matters on the Tuesday, October 17, 2017 Closed Session Agenda that are permitted to be discussed in a session closed to the public pursuant to Section 239 (2) of the Municipal Act, S.O. 2001. S.25.

Carried

4. Matters From Closed

4.1 2018 Appointments to the Board of Directors

Moved by Councillor Elmslie, seconded by Councillor Junkin
Resolved That the following persons be re-appointed to the Board of Directors effective January 1, 2018 for a four year term;

That Elizabeth Howell-Jones, a resident of the geographical area, be recommended for re-appointment to serve a term of four years commencing January 1, 2018 and ending December 31, 2021; and

That Suzanne Tigwell, a resident of the geographical area, be recommended for re-appointment to serve a term of four years commencing January 1, 2018 and ending December 31, 2021.

Carried

5. Deputations And Presentations

None

6. Approval Of Minutes From Previous Meeting

6.1 Open Session Minutes of the Annual General Meeting September 27, 2016

Moved by Councillor Martin, seconded by Councillor Junkin

Resolved That the open session minutes of the Annual General Meeting of the Shareholder, September 27, 2016 be approved as circulated.

Carried

7. New Business

**7.1 Report 2017-032, 2016 Audited Financial Statements
Auditor's report and the audited financial statements**

Moved by Councillor Strangway, seconded by Councillor James

Resolved That Report 2017-032, "2016 Audited Financial Statements", be received; and

That the auditor's report be received and the audited financial statements for 2016 be approved as circulated.

Carried

7.2 Appointment of the Auditor for 2017

Moved by Councillor Veale, seconded by Councillor Strangway

Resolved That Deloitte and Touche LLP be appointed as auditors for the year ending December 31, 2017 at the quoted total annual fee up to \$10,750 plus HST.

Carried

8. Adjournment

Moved by Councillor Stauble, seconded by Councillor Pollard

Resolved That the Vice Chair called the Annual General Meeting of the Shareholder to adjourn at 1:10 p.m.

Carried

Kawartha Lakes-Haliburton Housing Corporation

Report 2018-046

Meeting Date: Tuesday, November 13, 2018

Meeting Time: 10:00 a.m.

Meeting Place: Victoria Room, City Hall, 26 Francis Street, Lindsay

**Kawartha Lakes-Haliburton Housing Corporation
Annual General Meeting of the Shareholder**

Subject: 2017 Audited Financial Statements

Author Name and Title: Carolyn Daynes, Treasurer

Recommendation(s):

Resolved That Report 2018-046, "2017 Audited Financial Statements", be received; and

That the auditor's report be received and the audited financial statements for 2017 be approved as circulated.

Treasurer (if applicable)


Chief Executive Officer

Background:

The audited financial statements, Attachment “A” to this report, are compliant with the standards provided by the Public Sector Accounting Board (PSAB) which includes the capitalization of assets and the surplus treatment of reserves. As is the case in most places of the Province, the way that the budget is developed has not changed to reflect these new standards. Kawartha Lakes Haliburton Housing Corporation still budgets for the capital fund on a project oriented basis and reports revenue less expenses. In addition the long term debt principal payments are included in the budget as in prior years and amortization is excluded from the budget. The following table illustrates the surplus as shown on the 2017 Statement of Operations. Furthermore it shows the changes that illustrate the adjustments to the total surplus to reflect the budget actually adopted by the Board.

Description	2017	2016
Annual Surplus	\$3,152,508	\$1,647,715
Add Back:		
Amortization	914,259	1,697,291
Minor Capital	410,274	303,955
Less:		
Capital Financing	(3,065,445)	(2,518,907)
Debt Principal Payments	(611,016)	(584,804)
Reserve Transfer	(903,095)	(142,305)
Accrued Interest on Long Term Debt	1,375	(3,686)
IN YEAR OPERATING SURPLUS	\$(101,140)	\$399,259
OPENING SURPLUS – 2016	528,500	129,241
ENDING SURPLUS-2017	<u>\$427,360</u>	<u>\$528,500</u>

Further explanation can be found in Note 10 (see below) which is the Accumulated Surplus section. The Corporation ended the year in an overall cumulative operating surplus position of \$427,360. This surplus can be explained by lower than expected utility costs (Attachment B indicates utilities were below budget by \$649,410).

It should be noted that the City of Kawartha Lakes and the County of Haliburton only contributed their budgeted contribution in 2017. No additional dollars were required from either municipality. The Accumulated Capital Surplus shows a deficit of \$485,016 which can be attributed to Devan Court still requiring debenture financing. This has been completed as of June 1, 2018. Note 10 is included below for ease of reading.

Note 10. Accumulated Surplus

	Dec 31, 2017	Dec 31, 2016
Share Capital	1	1
Operating Surplus	427,360	528,500
Capital Surplus	(485,016)	(292,019)
Accrued interest on LTD	(11,995)	(13,370)
Long Term Debt	(3,613,005)	(4,224,020)
Reserve and Reserve Funds	2,791,580	2,112,910
Tangible Capital Assets	36,157,643	34,002,058
	35,266,568	32,114,060

Rationale:

There are a few variances for each statement that require explanation.

Statement Of Financial Position (Page 2)

The following accounts require some explanation:

Due to City of Kawartha Lakes

The City of Kawartha Lakes handles all the payable and payroll processing through the City's main bank account for KLH HC. At any given time KLH HC will owe the City back for these charges less any subsidy provided back to the

Housing Corporation. It was slightly lower than 2017 due to the amount of large capital projects occurring in 2017. Reconciliation was done in January 2018.

Long Term Debt

The long term debt balance has decreased due to payments made over the year. This amount will increase once the debenture is recorded in 2018 for Devan Court. It is due to that delay in debenturing that has resulted in this figure being lower than normal.

Statement Of Operations (Page 3)

The statement of operations in 2017 shows increases in revenue and a decrease in expense as compared to 2017. The main reason for the increase in revenue is that 2017 was a provincial grant of \$1million received for the Minden housing project called Pinegrove. There were slight increases in other revenue lines but that is from regular activity and nothing specific to 2017. The main reason for the decrease is amortization, which was as a result of an error found in the 2016 balances carried forward. This has been corrected in 2017. The amortization in 2018 will be closer to the 2016 balance given the new buildings and therefore greater amortization then the fully depreciated older buildings that were sold off in the last couple of years.

Expenses

Please see Note 9 (page 10) for a list of expenditures by object code.

Minor capital

In the development of the capital budget the project nature of the item is the primary reason for inclusion. However some of these capital items are actual operating in nature such as repairs and maintenance or studies. The Minor capital line item shows the expenses for those items in the capital budget that are not considered capital. This would include repairs, accessibility audit and cycle painting. The total minor capital expense in 2017 is comparable to 2016 levels.

Statement Of Changes In Net Debt (Page 4)

This statement shows the surplus and shows the effect of the amortization and acquisition of capital assets.

Statement of Cash Flows – Page 5

This statement shows how the cash was spent in the corporation over the year.

Statement Of Revenue And Expenses (Schedule 1) – Page 12

This statement shows a surplus of \$3,152,508. As stated previously this statement includes all capital funding in the revenue section but only the amortization of the assets in the expenditures. Please refer to the Table in the Background section that shows the effect that these figures have on the bottom line of the Housing Stock Statement. The surplus in this area is due to the sale of the older housing properties, as well the increase in provincial grants in funding the capital program. Additionally the utility line was significantly under budget and lower than 2016.

Other Alternatives Considered:

Not applicable

Financial Considerations:

Not applicable

Consultations:

Attachments:

Attachment A – 2017 Audited Financial Statements

Financial statements of Kawartha Lakes – Haliburton Housing Corporation

December 31, 2017

Independent Auditor's Report	1
Statement of financial position	2
Statement of operations.....	3
Statement of change in net debt	4
Statement of cash flows.....	5
Notes to the financial statements	6-11
Schedule of revenue and expenses	12

Independent Auditor's Report

To the Directors of
Kawartha Lakes - Haliburton Housing Corporation

We have audited the accompanying financial statements of Kawartha Lakes - Haliburton Housing Corporation, which comprise the statement of financial position as at December 31, 2017, and the statements of operations, change in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Kawartha Lakes - Haliburton Housing Corporation as at December 31, 2017 and the results of its operations, change in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



Chartered Professional Accountants
Licensed Public Accountants
May 31, 2018

Kawartha Lakes - Haliburton Housing Corporation**Statement of financial position**

As at December 31, 2017

	Notes	2017	2016
		\$	\$
Assets			
Cash		1,505,532	1,534,499
Investments	6	4,110,150	3,988,837
Accounts receivable and other assets		310,427	193,822
		5,926,109	5,717,158
Liabilities			
Accounts payable and accrued liabilities		957,160	736,974
Deferred revenue		37,595	—
Due to City of Kawartha Lakes	5	2,346,285	2,814,827
Accrued interest		11,995	13,370
Long term debt	4	3,613,005	4,224,021
		6,966,040	7,789,192
Net debt		(1,039,931)	(2,072,034)
Non-financial assets			
Tangible capital assets	3	36,157,643	34,002,058
Inventory and prepaid expenses		148,856	184,036
		36,306,499	34,186,094
Accumulated surplus	10	35,266,568	32,114,060

The accompanying notes are an integral part of the financial statements.

On behalf of the Board

_____, Director

_____, Director

Kawartha Lakes - Haliburton Housing Corporation

Statement of operations

Year ended December 31, 2017

		2017	2016
	Budget	Actual	Actual
	\$	\$	\$
Revenue			
Federal subsidy	97,505	98,505	213,079
Provincial subsidy	1,230,934	1,409,759	204,359
Municipal contributions			
Kawartha Lakes – KLHHC	3,460,952	3,460,952	3,468,847
Haliburton	107,270	61,055	196,103
Rental revenue	3,415,360	3,369,929	3,186,506
Fee revenue	97,974	98,524	82,767
Property maintenance revenue	—	—	4,891
Donations and other revenue	82,108	66,649	115,475
Gain on disposal of tangible capital assets	—	1,041,255	1,229,237
	8,492,103	9,606,628	8,701,264
Expenses			
Social housing	6,434,488	6,454,120	7,053,549
Annual surplus	2,057,615	3,152,508	1,647,715
Accumulated surplus, beginning of year	32,114,060	32,114,060	30,466,345
Accumulated surplus, end of year	34,171,675	35,266,568	32,114,060

The accompanying notes are an integral part of the financial statements.

Kawartha Lakes - Haliburton Housing Corporation

Statement of change in net debt

Year ended December 31, 2017

		2017	2016
	Budget	Actual	Actual
	\$	\$	\$
Annual surplus	729,176	3,152,508	1,647,715
Acquisition of tangible capital assets	(839,327)	(3,173,590)	(2,766,721)
Amortization of tangible capital assets	1,450,433	914,259	1,697,291
Gain on sale of tangible capital assets	—	(1,041,254)	(1,226,397)
Proceeds on sale of assets	—	1,145,000	1,314,944
	1,340,282	996,923	666,832
Net change in inventory and prepaid expenses	—	35,180	10,915
Change in net debt	1,340,282	1,032,103	677,747
Net debt, beginning of year	(2,072,034)	(2,072,034)	(2,749,781)
Net debt, end of year	(731,752)	(1,039,931)	(2,072,034)

The accompanying notes are an integral part of the financial statements.

Kawartha Lakes - Haliburton Housing Corporation

Statement of cash flows

Year ended December 31, 2017

	2017	2016
	\$	\$
Operating activities		
Annual surplus	3,152,508	1,647,715
Item not affecting cash		
Amortization of capital assets	914,259	1,697,291
(Gain) on disposal of capital assets	(1,041,254)	(1,226,397)
	<u>3,025,513</u>	<u>2,118,609</u>
Changes in non-cash working capital items		
Accounts receivable and other assets	(116,605)	(177,205)
Inventory and prepaid expenses	35,180	10,915
Accounts payable and accrued liabilities	220,186	213,612
Deferred revenue	37,595	-
Accrued interest	(1,375)	(3,686)
	<u>3,200,494</u>	<u>2,162,245</u>
Capital activities		
Acquisition of tangible capital assets	(3,173,590)	(2,766,721)
Proceeds on sale of assets	1,145,000	1,314,944
	<u>(2,028,590)</u>	<u>(1,451,777)</u>
Investing activities		
Increase in investments	<u>(121,313)</u>	<u>(360,933)</u>
Financing activities		
Increase in amount due to City of Kawartha Lakes	(468,542)	1,657,853
Repayment of long term debt	(611,016)	(584,803)
	<u>(1,079,558)</u>	<u>1,073,050</u>
(Decrease) increase in cash	(28,967)	1,422,585
Cash, beginning of year	1,534,499	111,914
Cash, end of year	<u>1,505,532</u>	<u>1,534,499</u>

The accompanying notes are an integral part of the financial statements.

Kawartha Lakes - Haliburton Housing Corporation

Notes to the financial statements

December 31, 2017

1. Nature of business

On December 15, 2005, Kawartha Lakes - Haliburton Housing Corporation (the "Corporation") entered into an amalgamation agreement with Non-Profit Housing Corporation ("NPHC"). Under the terms of the agreement the Corporation and NPHC amalgamated to form a new corporation (also known as Kawartha Lakes - Haliburton Housing Corporation) which commenced operations on January 1, 2006. The corporation is exempt from income taxes under the Income Tax Act. The City (the "City") is the sole shareholder and this corporation is engaged in the business of providing housing primarily for persons of low or modest income at rentals below the median current rental market in the area of the City and the County of Haliburton.

Effective January 1, 2016 the structure of the Corporation was revised to combine three different divisions consisting of Local Housing Corporation ("LHC"), Non Profit ("NP") and Affordable Housing Project ("AHP") into one overall division with the base year subsidy established by taking the 2015 subsidy level and then year over year applying budget directions set by the City. The surplus and capital reserves have been merged into one surplus reserve to fund projects with the City.

2. Significant accounting policies

The financial statements of the Corporation are representations of management prepared in accordance with generally accepted accounting principles for government not-for-profit organizations as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada.

Accrual basis of presentation

Revenue and expenses are recorded according to the accrual basis of accounting. The accrual basis of accounting recognizes revenues 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.

Financial instruments

All financial instruments reported on the statement of financial position of the Corporation are measured as follows:

Cash	Fair value
Accounts receivable and other assets	Amortized cost
Investments	Fair value
Accounts payable and accrued liabilities	Amortized cost
Long-term debt	Amortised cost

The fair value of investments is determined by the market value of investments. Transaction costs are expensed as incurred. The carrying value of cash, accounts receivable and other assets, accounts payable and accrued liabilities approximate respective fair values due to their relatively short term maturity. The carrying value of long-term debt approximate fair value due to the terms and conditions of the borrowing arrangements compared to current market conditions of similar items.

2. Significant accounting policies (continued)

Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of tangible capital assets, excluding land, is amortized on a straight line basis over their estimated useful lives as follows:

	<u>Useful life – years</u>
Land improvements	20–30
Buildings	50
Vehicles	10–15
Equipment	<u>15–20</u>

Annual amortization is charged in the year of acquisition and in the year of disposal. Tangible capital assets under construction are not amortized until the tangible capital asset is in service.

Use of estimates

In preparing financial statements in accordance with Canadian Public Sector Accounting Standards, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Amounts requiring significant estimates include tangible capital assets, accounts payable and accrued liabilities.

3. Tangible capital assets

	2017		2016
	Cost	Accumulated amortization	Net book value
	\$	\$	\$
Land and land improvements	4,157,957	752,075	3,405,882
Buildings	60,734,713	31,400,038	29,334,675
Equipment and vehicles	1,333,988	649,144	684,844
Work in progress	2,732,242	—	2,732,242
	68,958,900	32,801,257	36,157,643
			2,732,585
			28,649,222
			633,305
			1,986,946
			34,002,058

Kawartha Lakes - Haliburton Housing Corporation
Notes to the financial statements
December 31, 2017

4. Long-term debt

	2017	2016
	\$	\$
Non-Profit Housing Provider Stock		
Mortgages		
1.62%, payable \$10,567 monthly (principal and interest), due February 2018	21,123	146,489
1.62%, payable \$15,537 monthly (principal and interest), due February 2023	937,810	1,107,861
0.96%, payable \$12,811 monthly (principal and interest), due October 2021	514,964	649,950
5.83%, payable \$25,793 monthly (principal and interest), due May 2024	2,139,108	2,319,721
Total debt	3,613,005	4,224,021

Responsibility for the payment of debentures for the Public Stock Debentures was not transferred to the Corporation as part of the devolution of social housing under the Social Housing Reform Act, 2000 (the "Act"). In accordance with the Act the Province of Ontario (the "Province") makes all payments on debentures related to properties transferred to the Corporation by the Act and recovers the outlay by reducing federal subsidy payment cash flows. The debentures bear interest ranging from .096% to 5.83%.

Principal repayments on long-term debt for the Non-Profit Housing Provider stock over the next five years are set out below:

	\$
2018	613,735
2019	638,529
2020	667,029
2021	698,624
2022	732,000
Thereafter	263,088
	3,613,005

5. Related party transactions and balances

The City is the sole shareholder of the Corporation. The balance owed to the City is disclosed separately on the statement of financial position. The following table summarizes the Corporation's transactions with related parties in the year:

	2017	2016
	\$	\$
Expenses		
Wages and benefits cost allocation for use of employees of the City of Kawartha Lakes	1,300,984	1,262,056
Property taxes to City of Kawartha Lakes	999,841	944,691

These transactions are in the normal course of operations and are measured at the exchange value (the amount of consideration established and agreed to by the related parties), which approximates the arm's length equivalent value.

6. Investments

Investments are marketable securities which are comprised of corporate and government debt securities and investment certificates from chartered banks. The costs presented approximate fair value.

	2017	2016
	\$	\$
Unrestricted	4,110,150	3,988,837

7. Funding

The funding provided to the Corporation is administered by the City. Some funds originate at the Federal level and are flowed through to the City via the Province for programs covered by the social housing agreement. Federal and Provincial funding that has been earmarked for the Corporation specifically has been reported as grant revenue from the government level that flows funding through the City.

Any operating expenditures in excess of government funding are funded by the City (71%) and the County of Haliburton (29%). Capital expenditures after application of federal and provincial grants are funded by the municipality in which the housing unit is located. Municipal funding is administered by the City as service manager for the area.

8. Financial instruments

The Corporation's financial instruments consist of cash, accounts receivable, investments, accounts payable and accrued liabilities and long-term debt. It is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values.

9. Expenses by object

	2017	2016
	\$	\$
Administrative salaries	842,184	652,057
Amortization	914,259	1,697,291
Bad debts	45,910	18,728
Insurance	159,446	212,500
Maintenance		
Labour	458,800	609,999
Building and general	419,043	266,935
Heating, plumbing and electrical	160,500	141,185
Other	67,671	29,471
Fleet charge	21,557	47,944
Mortgage interest	172,219	206,974
Municipal taxes	999,841	944,691
Other	14,940	9,255
Supplies	32,814	52,760
Utilities	1,734,662	1,859,804
Minor capital	410,274	303,955
	6,454,120	7,053,549

10. Accumulated surplus

Accumulated surplus consists of the following:

	2017	2016
	\$	\$
Share capital	1	1
Operating surplus	427,360	528,504
Capital surplus	(485,016)	(292,022)
Accrued interest on long term debt	(11,995)	(13,370)
Long term debt	(3,613,005)	(4,224,021)
Reserve and reserve funds	2,791,580	2,112,910
Tangible capital assets	36,157,643	32,356,593
	35,266,568	30,468,595

The Corporation may only issue common shares which are only allowed to be acquired by a related service manager or a related municipality. The Minister of Housing must give written consent for the issuance of shares to any other party. Upon issuance or transfer of the common shares, the service manager (City) must maintain a majority ownership of the issued shares.

The Corporation cannot declare or pay dividends on any issued shares.

11. Contingencies and commitments

Various legal actions and claims have been initiated against the Corporation, some of which cannot be quantified. No provision has been made for any uninsured claims. It is management's opinion there will be no material uninsured liability arising from these claims. An expense will be recorded in the fiscal period in which a settlement becomes likely and measurable.

Commitment – water and sewer operating agreements

The Corporation is committed to two agreements with the Ontario Clean Water Agency to operate the water systems for Omemee and Haliburton housing properties. In addition to fixed annual charges adjusted for inflation, the Corporation must pay for capital upgrades and unusual maintenance necessary to meet legislative requirements. The agreement is for a five year period from June 27, 2016 to June 26, 2021.

Commitment – elevator agreement

The Corporation is committed to an agreement with ThyssenKrupp Elevator (Canada) Ltd. to provide maintenance and inspection work for all elevator systems. The agreement is for a five year period from October 1, 2012 to May 31, 2017 for a total cost of \$115,260. The contract included an option to extend for an additional term of one year and has been extended to May 31, 2018.

Commitment – water tank agreement

The Corporation is committed to an agreement with Vista Credit to provide hot water tank replacement and maintenance service for a total cost of \$281,431 for a ten year term ending in 2026.

Commitment – capital projects

The Corporation has committed to many capital projects expected to be completed over several years. As at December 31, 2017, the Corporation had awarded contracts in the amount of \$6,588,319 (\$2,458,223 in 2016) and has recorded \$2,139,148 (\$1,577,807 in 2016) of those awarded amounts. Therefore, the remaining contractual commitments will be recorded in future years as the projects are completed.

Funding for the completion costs is expected to include the use of capital surplus carried forward, grants, City and County of Haliburton funding and use of funds from reserves.

Kawartha Lakes - Haliburton Housing Corporation**Schedule of revenue and expenses**

Year ended December 31, 2017

	2017		2016
	Budget	Actual	Actual
	\$	\$	\$
Revenue			
Federal subsidy	97,505	98,505	213,079
Provincial subsidy	1,230,934	1,409,759	204,359
Municipal contributions			
Kawartha Lakes – general subsidy	3,460,952	3,460,952	3,468,847
Haliburton	107,270	61,055	196,103
Rental revenue	3,415,360	3,369,929	3,186,506
Fee revenue	97,974	98,524	82,767
Property management revenue	—	—	4,891
Donations and other	82,108	66,649	115,475
Gain (loss) on disposal of tangible capital assets	—	1,041,255	1,229,237
	8,492,103	9,606,628	8,701,264
Expenses			
Operating			
Administrative salaries	644,751	842,184	652,057
Amortization	839,327	914,259	1,697,291
Audit fees	10,300	10,504	10,481
Bad debts	40,000	45,910	18,728
Legal fees	1,500	—	2,855
Insurance	225,500	159,446	212,500
Maintenance			
Labour	690,725	458,800	609,999
Building and general	235,442	419,043	266,935
Heating, plumbing and electrical	122,730	160,500	141,185
Waste removal	10,869	13,401	12,064
Grounds maintenance	56,508	54,270	17,407
Fleet charge	25,000	21,557	47,944
Municipal taxes	1,011,610	999,841	944,691
Mortgage interest	247,102	172,219	206,974
Other	2,200	2,043	2,106
Staff and board expenses	6,200	12,897	7,149
Supplies and services	20,000	22,310	39,424
Utilities	2,244,724	1,734,662	1,859,804
Minor capital	—	410,274	303,955
	6,434,488	6,454,120	7,053,549
Excess of revenue over expenses	2,057,615	3,152,508	1,647,715

The accompanying notes are an integral part of the financial statements.

Kawartha Lakes-Haliburton Housing Corporation

Report 2018-048

Meeting Date: Tuesday, November 13th, 2018

Meeting Time: 10:00 a.m.

Meeting Place: Victoria Room, City Hall, 26 Francis Street, Lindsay

**Kawartha Lakes-Haliburton Housing Corporation
Annual General Meeting of the Shareholder**

Subject: AGM – KLH Housing Corp 2016-17 Annual Report

Author Name and Title: Hope Lee, CEO

Recommendation(s):

Resolved That Report 2018-045, “AGM – KLH Housing Corp 2016-17 Annual Report”, be received.

Treasurer (if applicable)


Chief Executive Officer

Background:

The Board's Communication Strategy includes the commitment to publish an annual report.

The annual report covers the two year period that coincides with planning/goal cycles of the Board.

Rationale:

Following the AGM it will be more widely distributed including the following:

- Hard copies forwarded to the County of Haliburton for County Council
- Reviewed with tenants at upcoming tenant meeting
- Electronically forwarded to agencies we regularly interact with
- Available on KLH webpage

Other Alternatives Considered:

None

Financial Considerations:

None

Consultations:

Board of Directors
Manager, Building & Property, Housing
Program Supervisor, KLH Housing

Attachments:

Attachment A KLH Housing Corp 2016-17 Annual Report



KLH Housing Corp.

Make The Right Move



2016 - 2017 Annual Report

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Board of Directors and Officers

Chair • Eleanor Harrison

Vice Chair • Patrick O'Reilly

Director • Brent Devolin

Chief Executive Officer • Hope Lee

Director • Larry O'Connor

Treasurer • Carolyn Daynes

Director • Fay Martin

Deputy Treasurer • Nancy Paish

Director • Dana Bowman

Secretary • Hope Lee

Director • Stephen Strangway

Director • Suzanne Tigwell

Director • Elizabeth Howell-Jones

Message from our Chair and CEO

We believe in investing in good quality affordable housing. It provides a solid cornerstone for our communities. KLH Housing continued to work together with tenants, staff, board members, and volunteers to provide good quality, safe, accessible, sustainable and affordable housing in the City of Kawartha Lakes and Haliburton County.

In cooperation with other organizations, KLH Housing is committed to creating communities that foster good health and well-being by ensuring our tenants receive the services they require. Our commitment is to our tenants and staff and we thank each of them for their dedication to the wellbeing of our communities.

We have and will continue to work with non-profit housing providers, other organizations and all levels of government to find ways of better meeting the needs of the people we jointly serve through advocacy, better coordination of services, and joint planning and development of new and enhanced services.

KLH Housing has taken a leadership role in the provision of affordable housing over the past several years creating new housing opportunities in various communities. We thank all who have joined with us in the many endeavours to provide a continuum of housing within our communities.

KLH Housing will continue to ***move forward together*** in the provision of affordable housing in our communities.

Sincerely,



Eleanor Harrison
KLH Housing Chair



Hope Lee
KLH Housing CEO

Corporate Governance

KLH Housing is a housing provider regulated by the *Housing Services Act*, 2011 (HSA). KLH Housing is incorporated under the *Ontario Business Corporations Act*, and it is responsible for owning and operating affordable residential rental housing. The City of Kawartha Lakes is the sole shareholder of the Corporation.

A Board of Directors is responsible for the governance of KLH Housing.

The Board establishes the Vision, Mission, Values, Commitments and Goals for the corporation.

Vision

Our vision is of good quality affordable housing with support services across all of our communities.

Mission

The KLH Housing provides a variety of good quality, safe, accessible, sustainable and affordable housing options for households in the City of Kawartha Lakes and the County of Haliburton, with a priority focus on low income, homeless and people with special needs. In cooperation with other organizations, we create communities that foster good health and well-being by advocating for our tenants to receive the services they require.

Values and Commitments

- Provide good quality affordable housing
- Recognize the diversity of our tenants and treat all with dignity and respect
- Provide opportunity for expression of concerns and respond in timely manner
- Provide resources to staff and Board Members to work effectively
- Advocate for funding
- Work with other organizations and government levels
- Plan, budget and manage our finances responsibly



KLH Housing Communities

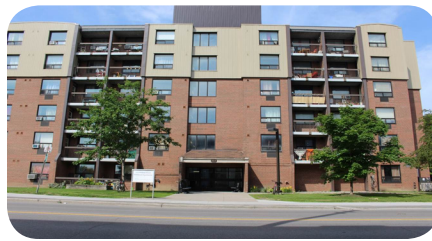


71 Melbourne Street East

Lindsay

Built in: 1972

1 bedrooms: 50



111 William Street North

Lindsay

Built in: 1974

1 bedrooms: 64

2 bedrooms: 1



123 Need Street

Bobcaygeon

Built in: 1975

1 bedrooms: 32



Mary & James Street

Lindsay

Built in: 1975

2 bedrooms: 12

3 bedrooms: 12



8 James Street

Omeme

Built in: 1976

1 bedrooms: 28



40 Francis Street East

Fenelon Falls

Built in: 1976

1 bedrooms: 69

2 bedrooms: 1



20 Sussex Street South

Lindsay

Built in: 1976

1 bedrooms: 65

2 bedrooms: 2



610 Mountain Street

Haliburton

Built in: 1978

1 bedrooms: 34

2 bedrooms: 1



6 Parkside Street

Minden

Built in: 1978

1 bedrooms: 19

2 bedrooms: 1



KLH Housing Communities



40 Dominion Drive

Lindsay

Built in: 1979

3 bedrooms: 10

4 bedrooms: 2



19 Hamilton Street

Lindsay

Built in: 1982

1 bedrooms: 45

2 bedrooms: 15



92 Albert Street South

Lindsay

Built in: 1985

2 bedrooms: 24

3 bedrooms: 24

4 bedrooms: 2



45 Durham Street East

Lindsay

Built in: 1986

2 bedrooms: 26

3 bedrooms: 24



45 St Patrick Street

Lindsay

Built in: 1991

1 bedrooms: 10



48 St Paul Street

Lindsay

Built in: 1991

1 bedrooms: 30

2 bedrooms: 10



4977 County Road 21

Haliburton

Built in: 2013

1 bedrooms: 24



1 Devan Court

Lindsay

Built in: 2015

1 bedrooms: 14

2 bedrooms: 2

3 bedrooms: 13



57 Parkside Street

Minden

Built in: 2017

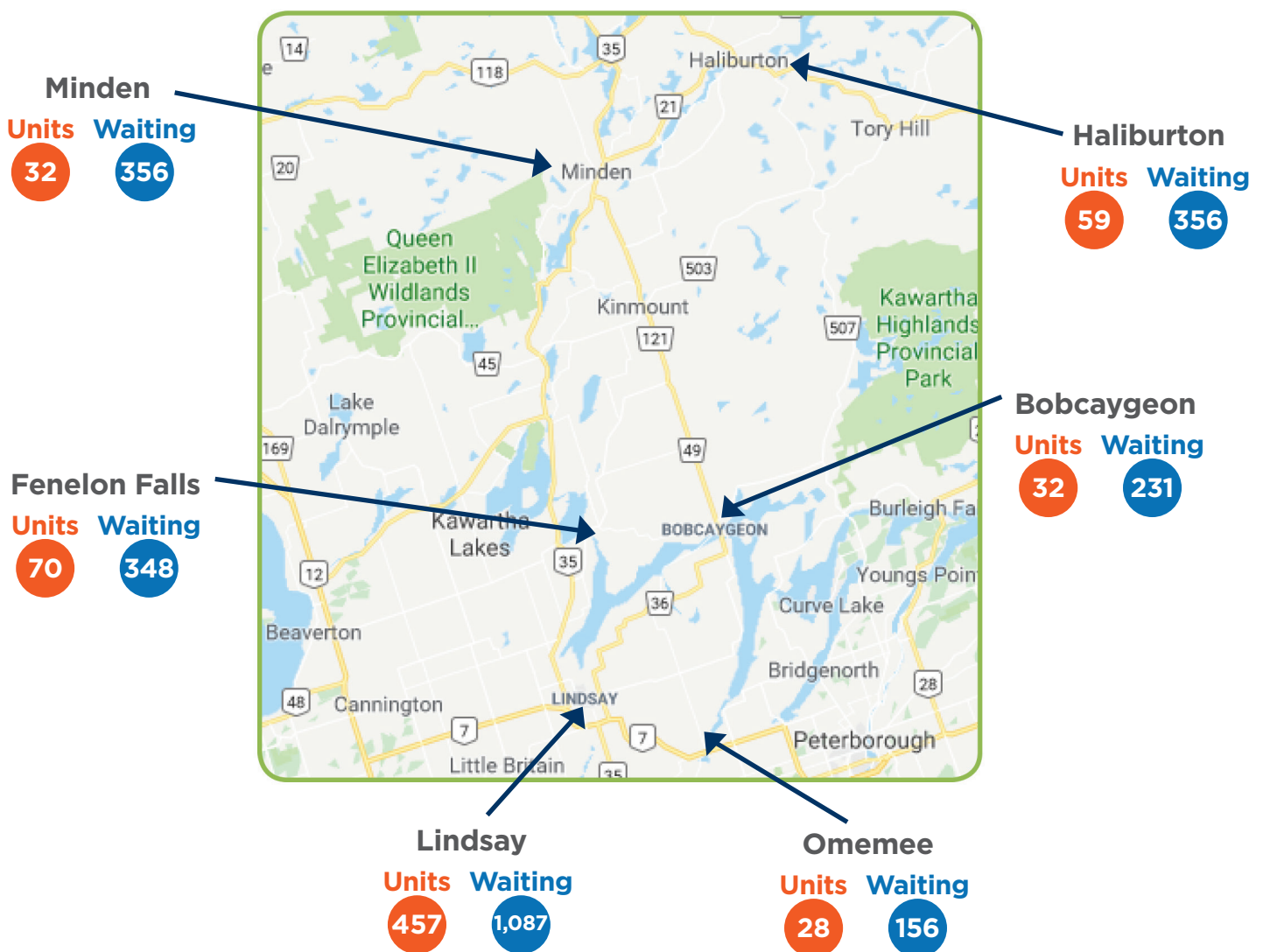
1 bedrooms: 12



The Balancing Act of Maintaining and Growing

While KLH Housing strives to maintain its current communities it can't ignore the local needs.

Community	Number of KLH Housing units in that community	Number of households waiting in that community
Haliburton	59	356
Minden	32	356
Bobcaygeon	32	231
Fenelon Falls	70	348
Lindsay	457	1,087
Omeme	28	156
Total	678	2,534



2016 - 2017 Goals and Accomplishments



Goal

To continue toward leveraging 25 of the KLH Housing's older and less efficient single and semi-detached housing assets in order to complete Phase 2, the construction of 25-36 new townhouse and one bedroom apartment units in Lindsay.

Accomplishments



48 St Paul Street addition

Used revenue from 10 home sales to create 9 one bedroom and 7 two bedroom units (occupancy July 2018).



5 Bond Street East

Used revenue from 9 home sales to create 12 three bedroom townhouses (occupancy late 2018).



Goal

To explore, prepare plans and secure approvals in order to construct new affordable housing projects in the County of Haliburton utilizing Investment in Affordable Housing rental funding and existing land for Phase 1 and Phase 2 in Minden Hills and a possible Phase 2 in Dysart et al.

Accomplishments



57 Parkside Street, Minden

Used Investment in Affordable Housing funding to create 12 one bedroom apartments (occupancy April 2017).



4977 County Road 21, Haliburton

Used Investment in Affordable Housing funding to create 6 two bedroom and 6 three bedroom townhouses (occupancy May 2019).



2016 - 2017 Goals and Accomplishments



Goal

To explore, evaluate, identify options and prepare plans which include municipal financial and planning incentives, funding, land and partnership opportunities in order to recommend new affordable housing projects in both the City and the County based on the communities needs while assisting both municipalities to meet affordable housing targets established in their official plans.

Accomplishment



68 Lindsay Street North

Through a partnership with the City, KLH will be able to provide 24 one bedroom units for the homeless population (occupancy early 2019).



Goal

To develop for consideration, a communication strategy which will incorporate the goals, audience, message, forms, resources and timelines of the communication as well as methods for evaluating the success of the communication strategy.

Accomplishment



New branding and tag line and a board adopted communications strategy (see below).



The butterfly icon conveys the key components of KLH Housing Corp.

- Security through structure
- Care through softness
- Potential through imagery
- Dignity through colour and symmetry.

2016 - 2017 Asset Management Highlights

KLH Housing believes strongly in following capital asset practices to ensure preservation of our building and to maintain the quality of life for our tenants. KLH Housing utilizes Asset Planner Software and its Building Condition Assessment (updated in 2017) for each community when planning and prioritizing annually to ensure the best investment of resources.

The current construction value of KLH Housing's housing portfolio is **130 million** (excludes the cost of land and primary site servicing).

- KLH Housing added approximately **2 million** to the asset base with the construction of 57 Parkside in 2017.



- KLH Housing invested close to **2 million** from a variety of funding sources toward capital projects in 2016-17 including:



Updating older common area lighting to LED, estimated to **save \$20,000 annually in utility costs.**

Installation of security cameras to **improve safety.**



Refreshed older kitchens with new cabinets, countertops, taps, flooring, etc.



Replaced **140 hot water heaters** with new energy efficient models.



Installation of a system to control wattage to electric baseboard heating in a building where other energy methods are not possible, estimated **annualized savings of \$18,000.**

Replaced aging **shingles.**



Replaced **windows** to conserve energy.

2016 - 2017 Financial Highlights

KLH Housing ended 2016 and 2017 with an operating surplus

KLH Housing Income Statement

* To be read in conjunction with the audited financial statements available at www.klhhousingcorp.ca

	APPROVED BUDGET 2016	YEAR END ACTUALS 2016	APPROVED BUDGET 2017	YEAR END ACTUALS 2017
Revenue				
Municipal Subsidy	(2,628,901)	(2,628,901)	(2,728,895)	(2,728,895)
Federal Subsidy		(14,500)	-	(379,542)
Rental Revenue	(3,288,228)	(3,369,384)	(3,415,360)	(3,548,754)
Management Fee	(4,891)	(4,891)	-	-
Micro Fit Revenue - Hydro One	(17,000)	(18,929)	(17,000)	(16,888)
Other Revenue	(139,621)	(133,616)	(163,082)	(123,341)
Bad Debts	-	(7,245)	-	-
KLH Housing Reserve		(1,832)	-	(2,315)
Total Revenue	(6,078,641)	(6,179,298)	(6,324,337)	(6,799,735)
Expenses				
Administration	1,247,021	1,296,589	1,355,371	1,324,710
Bad Debts	29,692	10,835	30,000	37,284
Insurance	220,000	212,500	225,500	159,446
Building and Maintenance	449,251	413,591	401,549	746,794
Fleet Charges	25,000	47,944	25,000	40,288
Municipal Taxes	952,044	944,691	1,011,609	999,840
Professional Fees	9,960	13,336	12,500	10,504
Board Expenses	5,500	7,149	5,500	9,786
Fees and Charges (Tribunal, Sheriff, Bank)	9,038	9,999	12,200	10,668
Utilities	2,134,909	1,859,804	2,244,829	1,595,419
Mortgages & Debentures	959,006	819,463	965,479	1,185,775
KLH Housing Reserve	37,220	14,894	34,800	251,860
Total Expenses	6,078,641	5,650,796	6,324,337	6,372,375
Surplus (-) / Deficit	-	(528,502)	-	(427,360)

2016 - 2017

Tenants, Communities and Partnerships

Bi-Annual Survey – 2016 Results

Every two years KLH Housing conducts a comprehensive survey of our tenants. We use the information to make any necessary changes, gather ideas for capital improvements and review community activities.

Here are a few highlights of the survey (based on those who responded to the following questions):



90%

rated KLH
Housing Overall
Administration as
Good or Excellent.

87%

rated KLH Housing
Overall **Maintenance**
as **Good or**
Excellent.

89%

noted that they Agree or
Strongly Agree that they **feel**
safe in their communities.

83%

noted that they live in a
community where **people**
help their neighbours.

68%

rated **Contractors** as
Good or Excellent.

95%

liked to receive
the **newsletter.**

80%

said the **Community Programs**
were of **good quality.**

Partnership with Community Agencies & Local Services

1. Blood Pressure Clinics, Income tax clinics, Closing the Gap (Falls prevention and education) – Community Care and Health Unit
2. Providing Direct Support to tenants through our Community Housing Support Workers
3. Facilitating Agency assistance with organizations such as Fourcast, Community Living, CMHA, Community Care, Haliburton Highlands Mental Health Services, etc



Tenants Engaging in Their Community



"Coming Together"

Seniors created a Task Group and applied for and received grant for common room refurbishing at 19 Hamilton St.



An embroidery group was the first group to use the Common Room:



"Annual Spring Clean Up"

Tenants taking ownership and pride in their communities.



"Green Peppers in the Greenhouse"



In partnership with Master Gardeners of Lindsay and Sir Sanford Fleming College-Ag Program, the green house continues to produce vegetables for tenants.



"Celebrating"

To Celebrate Canada's 150 years, communities were offered \$150 to organize their own Community Canada Day Celebrations.



"Paying it Forward"



Tenants making dresses for children in Africa.



"Community Smoking Area"

Tenants working together to create and maintain a community smoking area.



"Kids and Food"

The children enjoyed making their own jam at a workshop presented by the Health Unit. KLH Housing has partnered with Food Source to plant 73 fruit trees throughout our KLH Housing Communities.

Looking ahead to 2018 - 2019

The KLH Housing Board and Officers reviewed its direction and goals in its bi-annual Strategic Planning Session in October 2017.

KLH Housing adopted four strategic goals and a number of actions to meet those goals through 2018-19:



To explore funding options, prepare plans and secure approvals in order to construct new affordable housing projects where land options are currently available at 106 Murray Street in Fenelon Falls and at Parkside Street in Minden. Plans should focus on a mixed community that provides housing options for low to modest income households, singles, couples, seniors and families, with a portion of each community dedicated to homelessness and to those with special needs



To explore, evaluate and identify the future housing needs throughout the City and County in order to seek land opportunities, explore funding options and prepare plans in order to secure approvals for new affordable housing projects. Plans should focus on a mixed community that provides housing options for low to modest income households, singles, couples, seniors and families, with a portion of each community dedicated to homelessness and those with special needs



To explore, evaluate and prepare plans that consider a variety of financing tools such as refinancing of existing assets once their mortgages expire with a goal to support the continuing capital needs, KLH Housing existing or new services and the creation of additional affordable housing.



To explore, evaluate and identify gaps that exist in support services or programs which are necessary to ensure that KLH Housing tenants have long and successful tenancies. KLH Housing will take a lead role in collaborating with agencies in order to seek out new funding opportunities or suggest ways to restructure current funding and resources in order to address gaps and secure the dedication of programs and services needed.

KLH Housing will increase its portfolio in 2018-19 with new developments being ready for tenants at 48 St Paul Street in Lindsay, 5 Bond Street in Lindsay, 68 Lindsay Street North in Lindsay and 4977 County Road 21 in Haliburton.

It will also begin work toward new developments in Minden, Fenelon Falls and Lindsay.

An important element of KLH Housing's ongoing success is the governance role of the KLH Housing Board of Directors. We acknowledge their leadership in providing a solid foundation to create and maintain communities for the tenants we serve.

Contact

KLH Housing Corp.



KLH Housing Corp.

Make The Right Move



705-324-6401
1-800-463-4120



klhhousingrequests@kawarthalakes.ca



www.klhhousingcorp.ca

Office

322 Kent Street West
Lindsay, ON K9V 4S7



Make The Right Move

October 3rd, 2018

City of Kawartha Lakes
26 Francis Street
Lindsay, ON K9V 5R8

Attention: Ron Taylor, CAO

Dear Mr Taylor;

At the October 3rd, 2018 meeting of the Kawartha Lakes-Haliburton Housing Corporation (KLH) the Board of Directors approved its 2019 budget. KLH is pleased to submit a subsidy request consistent with the City's request in its September 4th, 2018 letter. The 2019 subsidy request to the City (operating and capital combined) represents a small decrease of \$1,558.

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>Variance</u>
Operating Subsidy	\$2,628,901	\$2,728,895	\$1,917,050	\$1,917,050	\$0
Capital Subsidy	\$839,946	\$732,057	\$920,558	\$919,000	-\$1,558

KLH has continued to review processes and to make changes that will help manage costs while still meeting its vision and mission of providing good quality, safe, accessible, sustainable and housing for low-modest income households. This is often a difficult balance but one which KLH feels it is quite successful in managing.

KLH looks forward to presenting its 2019 Budget to Council on November 13th, 2018.

Sincerely,

Hope Lee, CEO

Kawartha Lakes-Haliburton Housing Corporation

cc. KLH Board of Directors
Rod Sutherland, Director, Human Services, City of Kawartha Lakes
Carolyn Daynes, Treasurer, KLH, and Treasurer, City of Kawartha Lakes

322 Kent Street West – PO Box 2600, Lindsay, Ontario K9V 4S7
Phone: 705 324 6401, 1 800 463 4120 Fax: 705 324 0428
www.city.kawarthalakes.on.ca

2019 Subsidy Request

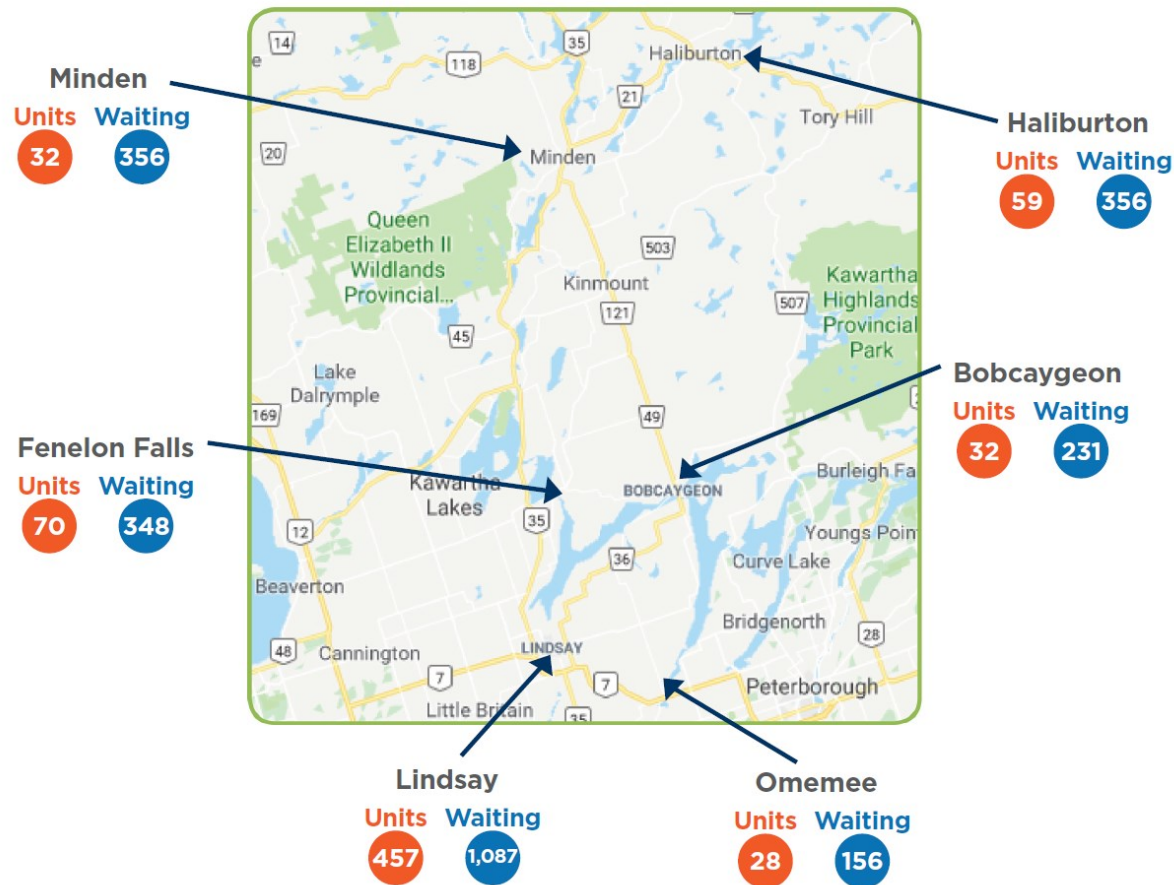


November 13th, 2018



KLH
Housing
Corp.

Balancing Act of Maintaining & Growing



Make the right move

2019 Budget Considerations

- Request from the City to maintain or decrease subsidy
- Increased rental revenue as new units are occupied
- Additional staffing requirements as we grow
- New debt associated with new developments
- Managing utilities by selling older less efficient homes and looking for capital projects to lower operating costs
 - Demtro controls on baseboard electric heat
 - Converting from electric to gas

2019 Operating Request to the City

	2015	2016	2017	2018	2019
Operating Subsidy	\$2,628,901	\$2,628,901	\$2,728,895	\$1,917,050	\$1,917,050
Capital Subsidy	\$931,883	\$839,946	\$732,057	\$920,558	\$919,000
Total Subsidy	\$3,560,784	\$3,468,847	\$3,460,952	\$2,837,608	\$2,836,050

	2015	2016	2017	2018	2019
Number of Units	705	698	706	710	736

Looking Ahead

- Continued focus on maintaining the older
 - Housing Asset Management Plan
- Continued focus on development including regeneration and other financing and funding models
 - Housing Master Plan
- Continued approach to grow in size without increasing municipal subsidy

Thank You

Questions

Police Services Board

2019 Budget Estimate

November 5, 2018



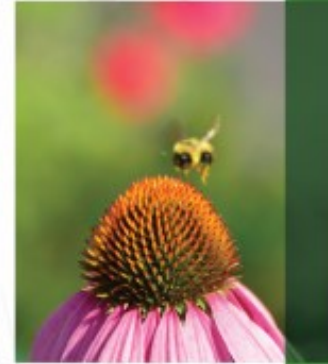
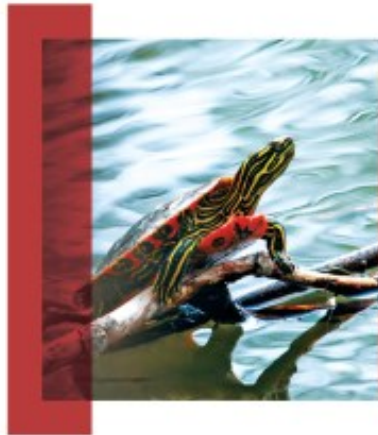
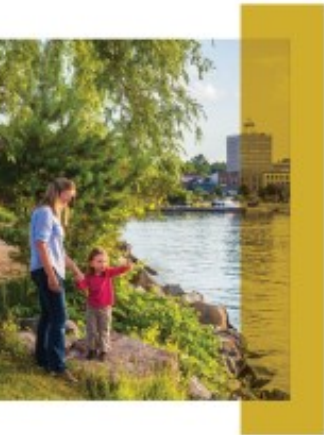
Cost Object Group Description	2018 Approved Budget	2019 Draft Budget	2018 Budget Variance \$	2018 Budget Variance %
POLICE GRANTS/FEES	(194,268)	(191,518)	2,750	-1.44%
POLICE ADMINISTRATION	701,683	749,642	47,959	6.40%
EXECUTIVE POLICE ADMINISTRATION	622,676	642,854	20,178	3.14%
POLICE SERVICE BOARD	61,550	49,150	(12,400)	-25.23%
POLICE OPERATIONS	5,316,707	5,374,718	58,011	1.08%
CIB PROJECTS	29,750	26,500	(3,250)	-12.26%
RECORD/CLERK ADMINISTRATION	321,590	301,301	(20,289)	-6.73%
COMMUNICATIONS	879,627	875,932	(3,695)	-0.42%
POLICE TRAINING	36,270	42,605	6,335	14.87%
POLICE VEHICLES	113,485	116,880	3,395	2.90%
CORRECTIONS ADMINISTRATION	5,000	1,000	(4,000)	-400.00%
CORRECTIONAL INSTITUTION UNIT	0	(0)	(0)	0.00%
COURT SECURITY	195,327	220,591	25,265	11.45%
9-1-1 OPERATIONS	49,166	49,368	202	0.41%
POLICE SERVICES TOTAL WITH CAPITAL	8,138,563	8,259,024	120,461	1.46%

Salary & All Employee Benefits = 1.0%

	Salary		All Employee Benefits
POLICE ADMINISTRATION	1,939		294
EXECUTIVE POLICE ADMINISTRATION	22,176		10,150
POLICE OPERATIONS	32,850		0
RECORD/CLERK ADMINISTRATION	-18,909		-1,185
COMMUNICATIONS	-10,824		2,014
COURT SECURITY	11,316		-919
	38,548		10,354
Total Budget Impact			48,902
Percentage of Budget	8,259,024		1%

Implementing the LSRCA Strategic Plan 2018 Annual Operating Plan

City of Kawartha Lakes
November 13, 2018



Lake Simcoe Region
conservation authority

Mike Walters
Chief Administrative Officer

Implementing our Strategic Plan

- LSRCA's Strategic Plan "*Vision to Action, Action to Results*" was completed and approved in July 2016,
- Involved extensive consultation with all our partners, and stakeholders,
- The Plan contains 4 major goals, 9 outcomes and 42 individual activities,
- The plan was presented to all our partners and stakeholders involved,
- Report our progress annually.



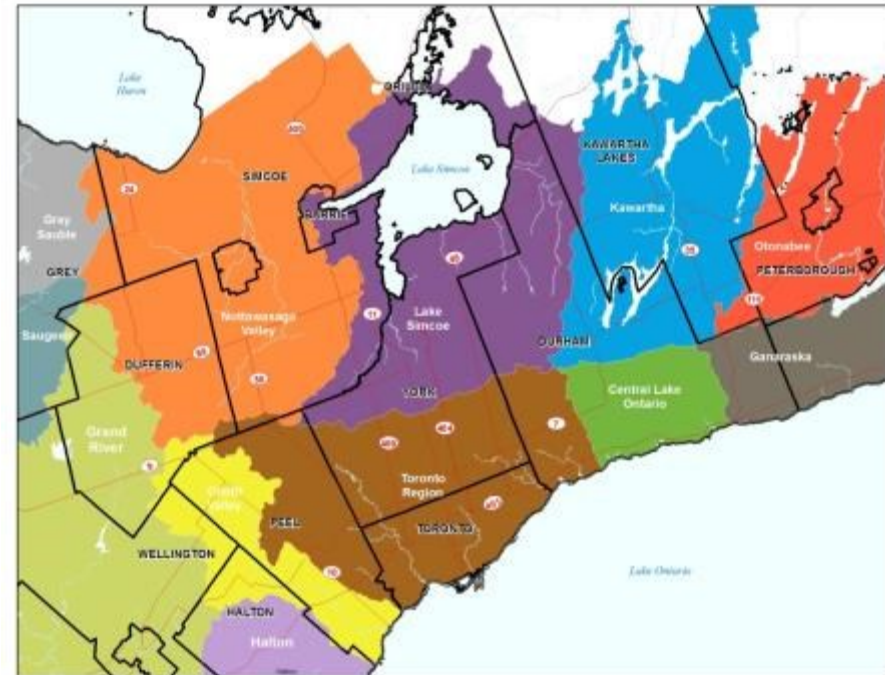
AOP – Top 12 Priorities

1. Harmonization
2. Enhance Collaboration with First Nations
3. Staff Engagement
4. Construct a new Education and Training Facility
5. Talent Management
6. Compensation Review
7. Land Acquisition\Disposition Strategy
8. Scanlon Creek Operations Renovation
9. Asset Management Plan
10. LSPOP
11. Climate Change Adaptation\Mitigation
12. Salt Management Strategy

Priority One: Harmonization

Improve service delivery and general business process. Promote consistency in services and program delivery with neighboring CA's.

- Watershed Studies and Strategies
- Water Risk Management
- Ecosystem Management
- Greenspace Services
- Education and Engagement
- Planning and Development
- Corporate Services



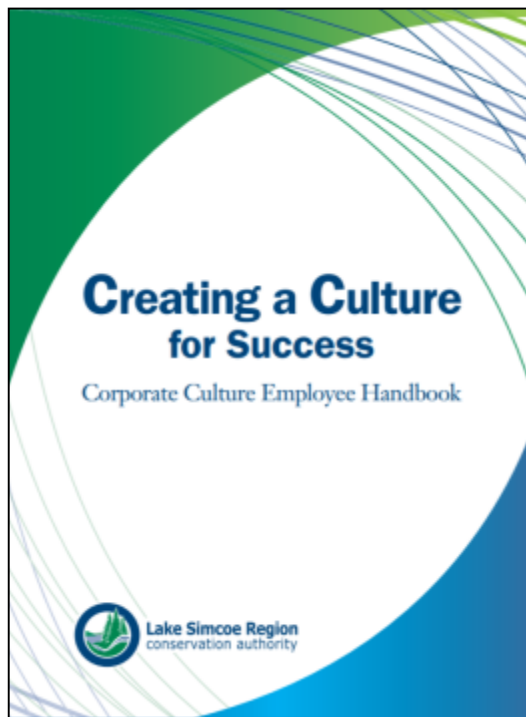
Priority Two: Enhance Collaboration with First Nations

Enhance collaboration with our First Nations partners. Identify opportunities for future partnerships and strengthen our relationship.



Priority Three: Staff Engagement

Become a top employer by living our corporate culture, providing excellent client service, and fostering a more inclusive and diverse workplace.



Highest Ranked Statements

*“I am proud of the work we accomplish”,
“I understand how I contribute to the organizations success”,
“Enjoyable workplace”.*

Areas for Improvement

*“Collaboration between divisions”,
“Compensation and recognition”,*

Priority Four: Education Training Facility

Ensure that the new Scanlon Creek Education Training Facility is operational within 5 years.



Priority Five: Talent Management

Develop and implement a comprehensive Talent Management Program.

Priority Six: Compensation Review

Undertake a compensation study for LSRCA including a market assessment in 2018 for implementation in 2019 and beyond.



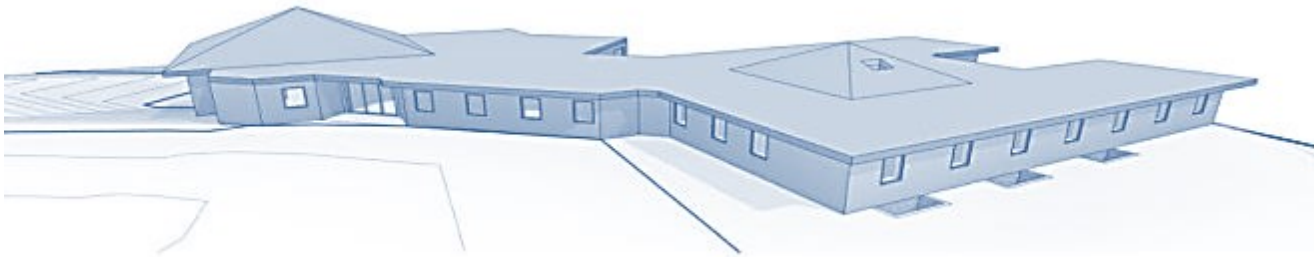
Priority Seven: Land Acquisition and Disposal Strategy

Develop and implement a newly focused land acquisition and disposal strategy to improve connectivity, enhance and increase natural heritage features within the watershed.



Priority Eight: Scanlon Creek Operations Centre Renovation

Complete the renovation of the Scanlon Creek Operations Centre for full occupation in 2019.



Priority Nine: Asset Management Policy

Develop an Asset Management Plan that supports our strategic priorities and is financially sustainable.

Priority Ten: LSPOP Offsetting Program

Identify, design, construct, and monitor urban restoration projects. Report on results annually.



Priority Eleven: Climate Change

Adaptation Plan and Mitigation Strategy

Develop and implement a mitigation strategy and adaptation plan to address climate change.



Mitigation consists of actions to reduce greenhouse gas emissions.

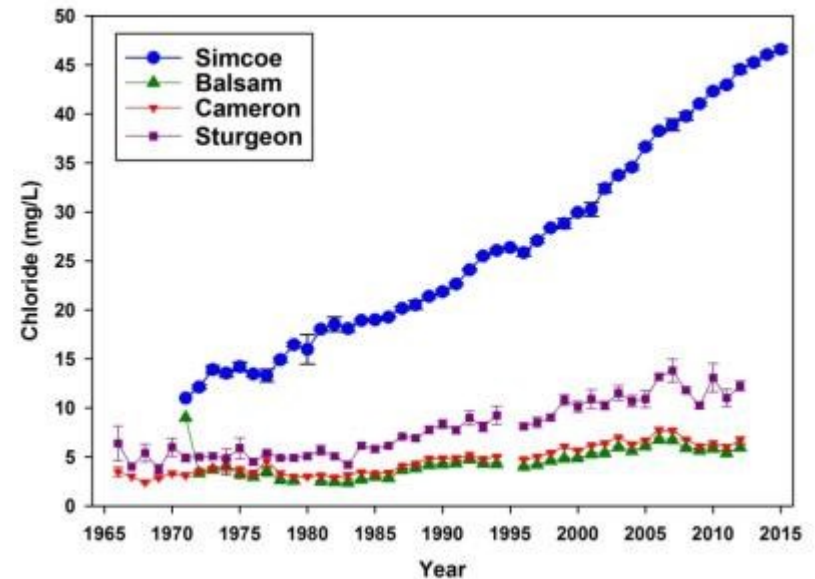


Adaptation is based on reducing harm to individuals, and building resilient natural systems and watersheds.



Priority Twelve: Salt Reduction Strategy

Develop and implement a salt reduction strategy to halt the trend of increase chloride concentrations in ground and surface waters in the watershed.





Questions
for more information visit
www.lsrca.on.ca



Request to Make a
Deputation/Presentation to
Council/Committee
City of Kawartha Lakes
City Clerk's Office
26 Francis Street, PO Box 9000
Lindsay, ON K9V 5R8
705-324-9411

Name: *

Phillip Lee

Address: *

[Redacted Address]

City/Town/Village:

[Redacted City/Town/Village]

Province: *

[Redacted Province]

Postal Code:

[Redacted Postal Code]

Telephone: *

[Redacted Telephone]

Email: *

[Redacted Email]

There can be maximum of two speakers for each deputation. Please list the name(s) of the individual(s) who will be speaking. The names that are listed here will be included on the Council Meeting Agenda: *

Phillip Lee


Please provide details of the matter to which you wish to speak: *

Speed problems on William street. North
- speed sign installed not going to fix problem.

What action are you hoping will result from your presentation/deputation? *

- Bring speed humps back installing more than 1.
- Install two stop sign along William to slow traffic down.

Signature:



Date:

July 12/18

Please complete this form and return to the City Clerk's Office:
Fax: 705-324-8110 Email: agendaitems@kawarthalakes.ca

The personal information is being collected by the City of Kawartha Lakes for the principal purpose of a request to make a deputation to Committee or Council pursuant to Section 10 of City of Kawartha Lakes By-law 2014-266. This information may be circulated to members of Council, staff and the general public. Questions about the collection of this information should be directed to the City Clerk or Deputy Clerk at 705 324-9411 ext. 1295 or 1322.

The Corporation of the City of Kawartha Lakes

By-law 2018-XXX

A By-Law to Confirm the Proceedings of a Special Council Information Meeting of Council, Tuesday, November 13, 2018 (CC2018-XX)

Recitals

1. The *Municipal Act, 2001*, S.O. 2001 c. 25 as amended, provides that the powers of a municipal corporation are exercised by its Council.
2. The *Municipal Act*, also provides that the Council's powers must be exercised by by-law.
3. For these reasons, the proceedings of the Council of The Corporation of the City of Kawartha Lakes at this meeting should be confirmed and adopted by by-law.

Accordingly, the Council of The Corporation of the City of Kawartha Lakes enacts this By-law 2018-XXX.

Section 1.00: Confirmation

- 1.01 The actions of the Council at the following meeting:

Tuesday, November 13, 2018, Open Session, Special Council Information Meeting (CC2018-XX)

and each motion, resolution and other action passed or taken by the Council at that meeting is, except where prior approval of the Ontario Municipal Board is required, adopted, ratified and confirmed as if all such proceedings had been expressly embodied in this By-law.

- 1.02 The Mayor and the proper officials of the City are authorized and directed to do all things necessary to give effect to the actions of the Council referred to in Section 1.01 of this By-law. In addition, the Clerk is authorized and directed to affix the corporate seal to any documents which require it.

Section 2.00: General

- 2.01 This By-law shall come into force on the date it is finally passed.

By-law read a first, second and third time, and finally passed, this 18th day of September 18, 2018.

Andy Letham, Mayor

Cathie Ritchie, City Clerk