



June 12, 2018

Mr. Veronica Fowler
Manager, Finance and Administration
Victoria Park Community Homes Inc.
155 Queen Street North
Hamilton, Ontario
L8R 2V7

Dear Ms. Fowler:

Re: Ontario Non-Profit Housing Program

We have completed our review of your Annual Information Return (AIR) and audited financial statements for the year ending December 31, 2017.

As a result of our review, the amount representing subsidy underpayment for the year and **payable to Victoria Park Community Homes Inc. is \$42,383**, as per Schedule "A"- Subsidy Calculation and Year End Settlement. This amount agrees with the Financial Statements prepared by your auditor.

Your June subsidy payment will be increased by \$42,383.

Attached are the following schedules for your reference:

- Schedule "A" – Subsidy Calculation and Year End Settlement
- Schedule "B" - Reconciliation to Financial Statements

If you have any concerns regarding this settlement, you can reach me at (519)759-3330 ext 6251.

Thank you for your cooperation in meeting the program requirements.

Yours truly,

Michele Melanson
Financial Analyst
Attachment

SOCIAL SERVICES - HOUSING

Mailing Address: P.O. Box 845, Brantford, ON N3T 5R7 Location: 220 Colborne Street
Phone: (519) 759-3330 Fax: (519) 759-1932 www.brantford.ca

Annual Information Return

Victoria Park Community Homes Inc.

January 1, 2017 - December 31, 2017

SUBSIDY CALCULATION AND YEAR END SETTLEMENT

I. Operating Subsidy

	Actual	Budget	Variance
Revenue			
Market Units (includes vacancy loss)	388,311	354,246	
RGI Units	370,257	425,818	
RGI Subsidy	578,332	477,926	
Subtotal	1,336,900	1,257,990	
Investment	197		
Non-Rental Revenue		-	
Total Revenue	1,337,097	1,257,990	79,107
Operating Costs			
Maintenance & Administration	376,860	368,051	
Utilities	132,847	153,706	
Insurance	31,933	55,576	
Bad Debts	11,098	6,501	
Capital Reserve	101,228	101,228	
Total Operating Cost	653,966	685,062	(31,096)
Mortgage Interest & Amortization - Housing Portion Only	763,438	766,204	(2,766)
Operating Subsidy (Budget +/- Mortgage Variance)	\$ 190,510	\$ 193,276	\$ (2,766)

II. RGI Subsidy

Unit Type	# of Units	Market Rent per Month	Inflated Benchmark Market Rent	# of RGI units	Actual Market Rents (RGI units)	Benchmark MR (RGI units)
A	B	C	D	E	F	G
2 BR dun	16	769	687	156.00	119,964	107,172
3 BR dun	65	852	743	544.00	463,488	404,192
2 BR grey	24	769	687	246.00	189,174	169,002
3 BR grey	40	852	743	361.00	\$307,572	\$268,223
Total	145	1,442,640	1,265,940	1307.00	\$ 1,080,198	\$ 948,589

Total Geared-to-Income Occupancy Charges (Lesser of F or G)	948,589	903,744	
Less: Revenue from RGI Units	370,257	425,818	
RGI Subsidy	578,332	477,926	100,406
III. Tax Subsidy	290,385	290,540	(155)
IV. Additional Subsidy	-	-	-
Subsidy Entitlement	1,059,227	961,742	97,485

Surplus Repayment

Revenue			
Shelter Occupancy Revenue	758,568	780,064	
Investment Income and Non-Rental Revenue	197	-	
Net Subsidy Entitlement	1,059,227	961,742	
Total Revenue	1,817,992	1,741,806	
Less: Total Shelter Expenses	1,707,789	1,741,806	
Surplus/(Deficit)	110,203	0	
Less: Transfer to Operating Reserve			
Surplus/(Deficit)	110,203		
50% Surplus Repayable	55,102		
Net Surplus/(Deficit)	55,101		

V. Subsidy Reconciliation	Actual	Budget	Variance
Operating Subsidy	190,510	193,276	(2,766)
RGI Subsidy	578,332	477,926	100,406
Property Taxes	290,385	290,540	(155)
Additional Subsidy	-	-	-
Subtotal	1,059,227	961,742	97,485
Less: Surplus Repayment	(55,102)	-	(55,102)
Plus: SM approved 50% Surplus Transfer to Reserves	-	-	-
Net Subsidy entitlement for the year	1,004,125	961,742	42,383
Actual Subsidy Budget Paid during the Year		961,742	-
Settlement - subsidy payable to Provider (repayable to SM)			\$ 42,383

Reconciliation to Financial Statements - 2017

Current Year Surplus/(Deficit)	Shelter	Non-Shelter	Total
Reconciliation to Financial Statements			
Current Year Surplus/(Deficit) per F/S	55,101	9,995	65,096
Approved Transfer to Operating Reserve	-	-	-
Year End Payment/(reduction)	-	-	-
Current Year Surplus/(Deficit) per Service Manager Records	55,101	9,995	65,096
Accumulated Surplus/(Deficit)			
Per Service Manager Records:			
Accumulated Surplus/(Deficit), beginning of year	124,876	40,426	165,302
Current Year Surplus/(Deficit)	55,101	9,995	65,096
Transferred to Capital Reserve - 2017	(36,408)	-	(36,408)
Allowed reconciliation from Grey Winds before amalgamation - 2017	1,000	-	1,000
Rounding	(1)	-	(1)
Accumulated Surplus/(Deficit), end of year	** 144,568	50,421	194,989
Per Provider Records:			
Closing Accumulated Surplus/(Deficit) including Contributed Surplus	144,568	50,421	194,989
Correct BM Operating Costs	-	-	-
Correct Surplus repayable	-	-	-
Accumulated Surplus/(Deficit), end of year	** 144,568	50,421	194,989

