



## CEO's Report — December and Year-end 2018

Item 3B

February 27, 2019

Board of Directors

**Report:** TCHC:2019-12

**To:** Board of Directors (the “Board”)

**From:** Sheila Penny, Acting President and Chief Executive Officer

**Date:** February 21, 2019

### PURPOSE:

This report provides an update on the implementation of corporate goals and objectives against the 2018 plan, and other relevant matters that occurred during December 2018 as well as the overall year-end achievements.

### RECOMMENDATION:

It is recommended that this report be received for information.

### OVERVIEW:

To measure our achievement of the 21 projects on the 2018 business plan we used a combination of metrics and implementation against work plans for a total of 26 individual measures. The table below identifies the number of targets that were met in three metrics categories.

Measure of Success	Number of Projects	Number meeting target
Implementation according to plan	12	11
Tenant satisfaction	5	0
Internal metric	9	6 <sup>1</sup>

<sup>1</sup> Facilities Condition Index score for 2018 will not be available until mid-2019. As a result we are not able to report on the achievement of this metric at this point in time.



Action 1.7, IHMS was not implemented in accordance with the targets which were set out for 2018. As of the end of 2018, the statement of work for implementation has been agreed upon with the vendor and clear responsibility for all deliverables has been established. Pricing for all components of the software solution has been successfully negotiated. Once the work plan and recommendation for award of the vendor contract are approved by the Board targets will be reset and management will work to deliver against the established parameters of scope, budget and schedule for this essential business transformation initiative.

We used measures from the Tenant Experience Survey as measures of success for five projects. We did not meet the satisfaction targets set out for 2018. This is the result of a decline in satisfaction in contract managed buildings in all of the key indicators of tenant satisfaction. Ensuring that tenants across the portfolio receive a consistent level of service is a major priority for 2019. The 2019 Business Plan includes a project which will focus on working with contracted property management companies to ensure that service delivery is improved and is consistent across all buildings.

Action 7.2, review of policies as planned for 2018 was not completed due to a number of policies that were originally planned to be reviewed in 2018 being deferred and other policies were added to the schedule, based on priority need. 27 policies were developed or revised this year, which is more than any year since the implementation of the Policy Management Framework.

The Year-End 2018 report has been aligned with enterprise risk management (ERM), such that 11 corporate projects have been identified as addressing a 2018 priority risk exposure (see attachment 6). In doing so, it not only represents an additional opportunity to further integrate ERM and strategy, but it also provides an added level of oversight on the mitigation of the current priority risk exposures facing the organization. In 2019, the ERM work will continue to be aligned and integrated with the Business Plan and the monthly CEO's report.

**IMPLICATIONS AND RISKS:**

The risk of not executing effectively against planned initiatives or achieving the established performance metrics could compromise our advancement towards becoming more tenant-centric and responsive, and provide tenants with clean, safe, well-maintained homes.

**SIGNATURE:**

*“Sheila Penny”*

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Sheila Penny  
Acting President and Chief Executive Officer

**ATTACHMENT:**

1. Year-end CEO’s Report- Project Status Update
2. Year-end CEO’s Report- Performance Measures
3. TCHC Priority Risk Profile
4. December CEO’s Report- Project Status Highlights
5. December CEO’s Report- Performance Measures
6. December CEO’s Report- Financials

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## **Year-End CEO's Report**

### **Accomplishments in 2018**

In 2018 we undertook 21 actions set out in the annual Business Plan. These strategic projects were designed to drive change towards becoming a more tenant-centric and responsive organization. Details about the work that was undertaken and what we accomplished in each of the 21 projects is detailed below.

We also want to recognize the exceptional work that goes on day to day in our organization to deliver a positive experience for tenants.

#### **Operational highlights:**

##### Customer Service

- closed nearly 300,000 work orders; and,
- answered more than 600,000 calls at the Client Care Centre.

##### Redevelopment and Revitalization

- offered 134 affordable rental units in three new Regent Park buildings;
- opened new rental buildings in Lawrence Heights and Regent Park brought back 268 rent-geared-to-income units;
- refurbished 449 units at 250 Davenport and began construction on 11 rental townhomes;
- began planning for phase one of the Don Summerville revitalization; and,
- started development of the master plan to rebuild and revitalize the Firgrove community.

##### Safety

- answered over 111,000 calls to the Community Safety Unit (CSU) Dispatch Centre and dispatched over 42,000 calls for physical CSU attendance;
- swore in 21 new special constables to the CSU; and,

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- completed 754 joint patrols with Toronto Police.

Supporting Tenants

- partnered with Toronto Paramedics Services to hold in-building health clinics;
- connected more than 4,500 tenants to supports that enable them to maintain successful tenancies;
- connected almost 400 tenants to jobs through partnerships with agencies and the private sector;
- hired 180 youth to deliver programs that served nearly 1,900 children and youth; and,
- provided almost 100 postsecondary scholarships to students from our communities.

Supporting Employees


- delivered almost 130 employee learning and development initiatives; and,
- recognized as one of Greater Toronto's 2019 top employers.

Information Technology Services

- closed 21 information technology projects; and,
- closed 15,000 tickets for IT support and handled an average of 1,04 calls per month.

## Quality Homes

### 1.1 Deliver on clean building standards

Success Measure	2018 Target	2018 Result
Tenant satisfaction with building cleanliness	3% increase to 70%	 66%

#### What we did:

While we did not meet the target of 70% for tenant satisfaction with building cleanliness we have made progress in several key areas. In direct managed buildings, where we are able to have the greatest day to day impact, we saw an increase in tenant satisfaction from 68% in 2017 to 71% in 2018. We also saw an increase in satisfaction in seniors' buildings from 76% to 80%.

Satisfaction with building cleanliness in contract managed buildings decreased from 56% to 44% in 2018. This decline in satisfaction is a part of a larger trend in contract managed buildings. Ensuring that tenants across the portfolio receive a consistent level of service is a major priority for 2019 and is a high priority in the 2019 Business Plan.



In 2018 we identified and implemented enhancements to the Clean Building inspection software based on feedback from Community Housing Supervisors. The updates to the software allows data to be analyzed live and be shared with a wider audience. This allows us to expedite the process of cleaning areas that have a low rating.

We also hired (through promotion and retirement) over 25 new employees and trained them on Cleaner Operating Procedure developed in 2015/2016.

Using the results of the quarterly building audits in 2018 we were able to determine the top five failure points and develop and implement mitigation plans to address them portfolio wide.

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**1.2 Deliver the \$300 million 2018 capital renewal program**

Success Measure	2018 Target	2018 Result
Tenant satisfaction with building condition	3% increase to 65%	 61%
Actual capital spending amount against budgeted amount	100% of \$300M budget effectively delivered on time and on budget	 \$336.61
Facilities Condition Index (FCI)	FCI target of 16.7% achieved	N/A <sup>2</sup>

**What we did:**

We did not meet the targeted result for satisfaction with building condition. In direct managed buildings satisfaction increased in 2018 to 66% and in seniors buildings to 76%. However, in contract managed buildings satisfaction with building condition decreased to 41%.

While we are spending a record amount of money on our capital program due to the age and current condition of our buildings the FCI is anticipated to increase until 2020. It will take several years on continued investment in order for us to turn the corner on the FCI and see overall condition improvements across the portfolio.

The 2018 Capital Program includes \$19.2 million work completed in 2017 against the \$300M 2018 capital budget following early 2018 budget approval.

To improve tenant safety, comfort and living conditions, we refurbished or replaced 34 elevators; repaired 206 furnaces and boilers in 204 buildings; and repaired roofs atop 121 buildings in 44 communities, improving living conditions for over 16,400 tenants.

We budgeted \$17.4 million for accessibility upgrades at 131 buildings, improving living conditions for 9,400 tenants.


<sup>2</sup> Facilities Condition Index score for 2018 will not be available until mid-2019. As a result we are not able to report on the achievement of this metric at this point in time.

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We installed or upgraded 2,318 CCTV cameras in 47 communities, to enhance community safety and security.

We have also begun planning and tendering work this year to position TCHC to deliver our full \$313 million capital renewal plan in 2019.

**1.3 Improve vendor management program, including roster refresh**

Success Measure	2018 Target	2018 Result
New program in place	Program implemented according to plan	 Achieved
	Increased number and quality of vendors on roster	Through the refresh existing rosters/programs and development of new strategic rosters (RFVQs), 196 new vendor contracts were executed.

**\*Priority Risk:** Vendor Management

**What we did:**

A long term roster refresh plan was created in 2018 for underperforming rosters and rosters approaching contract expiration. This plan is aimed at improving our ability to attract competitive bids from high quality vendors which will improve value for money and provide better service to tenants. All refreshes scheduled for 2018 have taken place according to the plan. In 2019, roster refreshes will continue particularly in the areas of demand maintenance and facilities management.

As a result of the roster refresh, a new group of vendors have been on boarded successfully with strengthened contractual expectations.


We also identified the software platform to house the vendor management module which will allow for online evaluations and robust




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reporting. Testing of the software took place in 2018 and we will be moving forward with the sourcing of the software in 2019.

**1.4 Seek out new revitalization and renewal initiatives, including moving ahead on securing private investment in revitalization and renewal projects**

Success Measure	2018 Target	2018 Result
Identify target sites with greatest potential	Target sites with greatest potential identified	 Achieved
<p><b>What we did:</b></p> <p>We issued request for expression of interest on four large sites for which developer submissions were received.</p> <p>Two large sites were selected for further due diligence with district City staff.</p> <p>We held two meetings in North York/East York and Scarborough planning districts for feedback on preferred elements from concept plans.</p> <p>We completed a draft revitalization report to City on outcomes of active revitalization projects.</p>		

**1.5 Implement corporate standard operating procedures (SOPs) for work done by Toronto Community Housing in all divisions**

Success Measure	2018 Target	2018 Result
Highest priority SOPs developed	100% of planned SOPs are completed	 100% of planned SOP's were completed
<p><b>*Priority Risk:</b> Operational Process</p>		

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
**What we did:**

In 2018 we developed a framework for all SOPs which will provide a structured review, update and improvement schedule, and ensure that all SOPs are documented in a standardized format. Formalizing SOPs will help to empower employees by providing them with a better understanding of their own work and accountabilities, and the work of other divisions. The framework was rolled out corporate wide with divisions tasked with identifying and developing their highest priority SOPs.

In support of the IHMS implementation, any SOP's that will be within scope of the new system were prioritized for development and will support implementation activities,

High priority SOP's have been identified and documented by all TCHC divisions. Calibration, archiving and distribution of these SOP's will continue to take place in early Q1-2019.

**1.6 Develop and implement a new service request process and a holistic refresh of complaints management at Toronto Community Housing**

Success Measure	2018 Target	2018 Result
Tenant satisfaction with repairs being done properly	2% increase to 69%	 63%
Service level for routine maintenance requests completed within established timelines	2% increase to 68%	 69.8%

**What we did:**


Satisfaction with repairs decreased in 2018 to 63%. In direct managed buildings 67% of tenants agreed that their repairs were done properly, this is in line with 2017 results. However only 52% of tenants in contract managed buildings agreed that their repairs were completed properly.

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While we did not meet the satisfaction target for repairs, we exceeded the service level target for routine maintenance requests completed within established timelines.

We refreshed the existing complaints management policy and processes and put in place the Tenant Relations ('Solutions') team. The Solutions team is now actively working to centrally manage the intake, handling, resolution, and close-out of complaints received. The new process allows us to provide faster more responsive service to tenants and will help us to identify and address systemic challenges that will improve the quality of service across the organization.

**1.7 Implement the Integrated Housing Management System (IHMS)**

Success Measure	2018 Target	2018 Result
IHMS system on track to be implemented in accordance with established work plan	40% of project budget spent in 2018 Phase 1 (project planning) 5% of project budget Phase 2 (business requirements) 15% of project budget Phase 3 (system design) 20% of project budget completed	 Not achieved

\*Priority Risk: Information Technology Systems

**What we did:**


IHMS system is on track to be implemented in 2019 in accordance with established work plan. The magnitude of the IHMS project was not fully understood until full project scoping was completed. As a result, targets for percentage of project spend were not realized as defined in the 2018 action plan.

As of the end of 2018, the statement of work for implementation has been agreed upon with the vendor and clear responsibility for all deliverables has been established. Pricing for all components of the

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software solution has been successfully negotiated. The work plan and recommendation for award of the vendor contract was submitted to the Building Investment, Finance and Audit Committee (BIFAC) on November 15th and received approval for advancing the recommendations to the Board of Directors for consideration. Due to the deferral of the 2019 budget approval from the December Board meeting to the new year the approval of the IHMS work plan has also been deferred. Once approved by the Board, targets will be reset and management will work to deliver against the established parameters of scope, budget and schedule for this essential business transformation initiative.

**1.8 Implement the decentralization pilot and assess outcomes**

Success Measure	2018 Target	2018 Result
Strategy for transforming TCHC's service delivery model developed based on review of pilot outcomes	Pilot project completed according to plan	 Achieved

**What we did:**

As part of Tenants' First we initiated the decentralization pilot in Operating Unit C. We examined services delivered centrally and identified areas that could be decentralized which would potentially improve responsiveness, cost efficiency and/or customer satisfaction. We focused on identifying areas where decisions and information could effectively be moved to the front-line staff (with effective centralized supports in place).

We decentralized the management of arrears files at the Landlord and Tenant Board, and the tenant complaint management process. We also added additional cleaning staff to allow us to respond more effectively to address tenant concerns regarding building cleanliness.

We worked with the City to develop an evaluation framework for the pilot and to carry out focus groups with our employees to gather their input on


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the implementation of the decentralization pilot. The City's evaluation of the pilot will be continuing into 2019.

The implementation of the pilot was completed according to plan and based on the current outcomes we will be continuing with the pilot until June 2019.

**Vibrant Communities**

**2.1 Implement the enhanced fire life safety program**

Success Measure	2018 Target	2018 Result
Corporate fire life safety program implemented, as per the action register presented at the December 6, 2017 Board meeting	Program implemented according to plan	 Achieved

**\*Priority Risk: Fire Life Safety**

**What we did:**



In 2018, the corporate fire life safety (FLS) department was established at TCHC. The following are highlights of the key deliverables of the newly implemented program:

- Completed a risk-based FLS program review to inform the development of:
  - key focus and deliverables; and
  - annual and quarterly work plan.
- Completed a comprehensive and phased transition plan of functions to be transferred from other internal departments.
- Established a dedicated Corporate FLS department, including recruitment of key personnel.
- Established the quality assurance inspection process, along with monthly quality assurance inspection reports.
- Centrally deliver the following services through the Corporate FLS department:
  - quality assurance inspection audits;
  - fire code compliance;

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- notice of violations/inspection orders;
- fire safety plans;
- FLS tenant and staff education;
- FLS policies and procedures;
- risk advisory services;
- fire system monitoring services; and
- liaise with Toronto Fire Services.
- Partnered with internal and external stakeholders to deliver two fire safety community programs:
  - Community Safety Program at Greenwood Towers in August 2018 with the Community Safety Unit and Seniors Housing Unit; and
  - Fire Safety Tenant Ambassador Program delivered across the TCHC Portfolio in December 2018 with Toronto Fire Services.
- Established 14 FLS policies and procedures, which are in the final stages of approval.
- Established quarterly FLS reports, which include standardized reporting categories and terminology to be used.
- Established a multi-tiered fire safety education program curriculum, to be delivered by a dedicated FLS education team.

**2.2 Develop and implement an enhanced Community Safety Program in partnership with Toronto Police Service**

Success Measure	2018 Target	2018 Result
Tenant satisfaction with building safety and security	2% increase to 60%	 57%
Community safety program implemented	Implemented according to plan	 Achieved

**\*Priority Risk: Physical Safety**

 **Not Meeting Target**     **At risk**     **Meeting/Exceeding Target**

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**What we did:**

Tenant satisfaction with keeping buildings safe and secure decreased by 1% in 2018 to 57%. This is the result of a decrease in satisfaction in contract managed buildings which is currently at only 41%. In direct managed and seniors' buildings satisfaction increased by 2% to 62% and 73% respectively.


In 2018 the Community Safety Program was implemented and defined. The program details are currently being reviewed to be recognized as part of CSU's SOPs. Through the Community Safety Program we:

- implemented a one-year pilot project for the broader Dan Harrison community. CSU is now providing enhanced 24/7 presence in this community, conducting regular patrols and responding to security issues at surrounding buildings (the learning from this pilot will be applied to the 10 high risk communities mentioned below);
- expanded 24/7 security coverage to an additional ten high risk buildings;
- launched a summer safety program that will deploy afternoon bicycle patrols in priority communities as well as joint patrols with Toronto Police;
- assigned special constables to specific communities in order to enable them to build relationships, engage tenants on safety matters, and be able to respond quicker when incidents happen;
- participated in the Toronto Police Service's Neighborhood Policing Officer (NPO) pilot project, where CSU officers provide proactive and intelligence based assistance;
- revised the Response to Violent Incidents Policy and Procedures to broaden its scope to better capture response to critical incidents. The revised policy identifies a clear role for the Community Safety Advisor and allow for better internal response to critical incidents, creating a more consistent approach and improving our coordination with the City.
- Obtained membership in the Ontario Police Technology Information Cooperative (OPTIC) which will allow CSU to implement a new records management system (RMS), GPS and dispatch system

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that will support CSU officers to respond more effectively and allow for more accurate incident tracking. The procurement of the new systems will be continuing into 2019.

**3.1 Implement the Tenant Transfer Policy action plan**

Success Measure	2018 Target	2018 Result
Action plan implemented	Implemented according to plan	 Achieved

**What we did:**

The Tenant Transfer policy was implemented according to the plan that was communicated to the Ombudsman in January 2018. As part of the plan, the following took place:


- More than 270 tenants, 50 staff and 20 stakeholders were consulted regarding the Tenant Transfer Policy.
- A new policy and rules of procedure were developed to administer transfer requests.
- Six new employees were hired to administer the new Tenant Transfer Policy. These employees received more than 1,500 transfer requests within the first six months of the policy being implemented.
- All tenant-facing staff received two rounds of training on the new Tenant Transfer Policy.

All tenants on the Medical and Safety at Risk waiting list were provided with a one-time opportunity to be matched to an existing vacancy. All eligible households have been communicated with in 2018 and the matching process will begin in January 2019.



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**3.2 Develop a proactive tenant needs identification process**

Success Measure	2018 Target	2018 Result
<p>Tenants identifying need for supports are connected to supports.</p>	<p>100% of tenants participating in the process are offered connection to supports to address their needs</p>	<p> In 2018 we connected with approximately 4,996 cases of tenant vulnerability which represents 3,751 unique tenants, of which 94% were offered support to address their needs.</p>
<p><b>What we did:</b></p> <p>We are working to build capacity among TCHC employees to improve identification, response and system navigation for vulnerable tenants using a timely, sustainable approach.</p> <p>We developed a vulnerability intake form which we will be piloting at 10 Glen Everest in Q1 2019. The pilot will be implemented by the newly established High Needs Team which is part of an integrated team model with Asset Management. The goal of the integrated model is to more effectively identify vulnerability at TCHC entry points, such as during annual unit audits or rent review process.</p> <p>We also developed 211 building profiles to assist in the identification of vulnerable tenants and facilitate their connection to the appropriate supports.</p>		



Not Meeting Target




At risk



Meeting/Exceeding Target

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**4.1 Develop and implement the youth services and local engagement strategies pilots and assess outcomes**

Success Measure	2018 Target	2018 Result
Action plan for transforming TCHC's youth services program delivery model and local engagement strategies developed based on pilot outcomes	Implemented according to plan	 Acheived

**What we did:**

In response to the Tenants First report recommendations we implemented two pilots, in collaboration with the City of Toronto Tenants First project team, to improve the alignment of TCHC and City services and programs to better support youth and community development. Both of the pilots were implemented according to their work plans.

**Youth service pilot:**

We engaged with youth in Weston-Rexdale (Operating Unit C) to develop a youth action plan based on identified local needs and priorities. The action plan was presented by youth leaders to city officials in December 2018. As part of the development of the action plan:

- 605 youth from 20 neighborhoods within the operating unit completed the priority setting process and 'dot-mocracy'; and
- 113 youth received training in, asset-based community development, priority setting, facilitation skills, media and communication, civic engagement and program evaluation.

As part of the pilot we also provided support and developed partnerships in areas of mental health and employment. As a result:

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- 81 youth were provided with mental health support by a youth-focused Community Services Coordinator;
- 9 vulnerable youth were housed and received transitional supports;
- developed an employment database with an incorporated case management component and populated with contact information of over 200 youth;
- 45 youth obtained employment as a result of case management support; and
- over 200 youth attended a job fair with 20 employers.

We worked with the youth involved and the City to develop an evaluation framework for the pilot. The evaluation of the pilot outcomes is ongoing and will continue into 2019.

**Local action plan pilot:**

The local action plan in the Mornelle Court community was developed and will be presented to the Advisory Group in January 2019 and to the community in February 2019 for feedback.


As part of the development of the action plan we worked with the City and Centre for Connected Communities (C3) to engage with TCHC tenants and residents from private rental buildings. Events such as barbecues, movie nights, and mini carnival were held demonstrating the ability of residents, staff and partners to work collaboratively and promote services and opportunities in the community.

TCHC staff and City staff, with the support of staff from C3, offered a call-out to members of the Mornelle Court community to become part of a Local Action Planning Advisory Group. C3 staff facilitated a series of sessions with the Advisory Group to identify and determine strategies to address priorities in Mornelle Court.

The evaluation of the pilot in collaboration with the City will be continuing in 2019.


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**4.2 Develop the collaboration strategy for TCHC's work with agencies, governments, donors and the private sector**

Success Measure	2018 Target	2018 Result
Strategy presented to the Board for information	Provide Board with strategy at September 27,2018 Board meeting	 Achieved
<p><b>*Priority Risk:</b> Mandate</p>		
<p><b>What we did:</b></p> <p>This project met the target set out for 2018. The Collaboration Framework was presented for information to the Board on September 27, 2018.</p> <p>The framework was develop in consultation with executives and staff responsible for managing partnerships, and alongside the review of Use of Space agreements in TCHC buildings. The framework includes:</p> <ul style="list-style-type: none"> <li>• a corporate wide approach to maximize opportunities with external partners</li> <li>• measures for accountability that ensure collaborations are in the best interest of tenants and the corporation</li> <li>• strategies to mitigate risks and costs that unstructured arrangements may bring</li> </ul> <p>Implementation of the framework is planned for 2019. Next steps include:</p> <ul style="list-style-type: none"> <li>• corporate inventory of partnerships across divisions</li> <li>• creation of a toolkit for divisions to enter into partnerships</li> <li>• creation of a partnership review committee; and</li> <li>• development of a strategy for inter-governmental partnerships in coordination with the City.</li> </ul>		

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**5.1 Implement a proactive tenant communications protocol**

Success Measure	2018 Target	2018 Result
Tenant satisfaction with how TCHC informs tenants of changes that affect them	2% increase to 75%	 72%

**What we did:**

While we did not meet the 2018 target of 75% satisfaction in tenants being informed or changes that affect them we did increase satisfaction in direct managed buildings to 76% and in seniors buildings to 83%. As part of the 2019 Business Plan, we will be implementing a protocol to guide how TCHC will proactively communicate with tenants. The protocol will include principles, strategies and standards to support clear, timely, consistent communication that meets tenants' needs.



In 2018 we worked with tenants from the Tenant-Staff Communications Workgroup to identify the 15 pilot locations to test the use of digital bulletin boards in lobbies. The communities were chosen to reflect the TCHC portfolio and key demographics, including average age of tenants and language needs. Once the pilot sites were identified the project requirements were scoped and we released a request for proposals.

In order to adhere to public procurement protocols, implementation of the pilot project will commence in Q1-2019.

An evaluation of the pilot results will be completed in 2019 to determine if tenants and employees found this communication method to be effective and if digital signage is operationally feasible to roll out more broadly.

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**5.2 Complete implementation of the tenant engagement system refresh**

Success Measure	2018 Target	2018 Result
Number of tenants participating in decision-making	2% increase over 2017 results of 3,171 tenants engaged	 16,694 <sup>3</sup>
Tenant engagement refresh implemented	Implemented according to plan	 Achieved

**What we did:**

2018 focused on the design of the refreshed engagement system. Implementation of the refreshed model will commence in 2019.

Throughout 2018, we undertook a broad consultation process to develop a refreshed tenant engagement system model shaped by as many tenants as possible to represent TCHC's diverse tenant population. In addition to working closely with members of the City-Wide Tenant Staff Engagement Advisory Committee (CWTSEAC), multiple methods to engage all tenants in the process were used, including:

- Building and Community Meetings
  - Tenants were invited to come together and brainstorm local priorities and concerns.
- Building and Community Intercepts
  - Through a dot-mocracy exercise tenants had the opportunity to prioritize local issues and concerns.

<sup>3</sup> Participants through various engagement points, listed in the "what we did" section related to the tenant engagement refresh system.


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- Tenant Experience Survey
  - The survey asked two key questions about the Tenant Engagement System that will help determine how tenant representatives on tenant councils are selected.
- Local Community Consultations
  - Community consultations were held to seek input on key recommendations of the CWTSEAC report. Tenant volunteer policy consultations were also held to help us develop a framework that honours and recognizes the ways in which tenants will participate in the refreshed engagement system.
- Feedback Forums
  - We presented the proposed tenant engagement model and reported back to tenants what we heard from them through the 2018 tenant engagement refresh process and how they helped shape the model.

Despite our decision to use the tenant experience survey rather than an in person survey as we had originally planned for, all deliverables as set in the workplan were completed.

## Service Excellence

### 6.1 Implement the employee engagement action plan

Success Measure	2018 Target	2018 Result
Engagement survey implemented	Implemented according to plan and benchmarks identified	 Achieved
<b>*Priority Risk:</b> Human Resources Process		
<b>What we did:</b> The employee engagement survey was implemented according to plan. The survey results were analyzed in relation to identified benchmarks and shared at a corporate and divisional level. We held: <ul style="list-style-type: none"> <li>• 35 divisional results presentation meetings, and</li> </ul>		


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- 17 employee focus groups to gather input for engagement action planning.

Based on the feedback from the corporate focus groups we completed action planning for the corporate actions and communicated the outcomes across the organization. Four focus areas were identified at the corporate level with a total of nine actions to address the feedback from employees.

Divisional action planning to respond to the results of the survey and divisional focus group feedback is underway and will be incorporated into each divisional plan for 2019.

**6.2 Implement corporate change management program**


Success Measure	2018 Target	2018 Result
Implement corporate change management program	Implemented according to plan	 Not achieved
<b>*Priority Risk:</b> Culture		
<p><b>What we did:</b> We were not able to implement the corporate change management program according to plan. With two exceptions, the projects associated with the change management program are on hold as a result of the review of the contract with Orchango. We are however, moving ahead to roll-out the culture model that was developed with the Executive Leadership Team in support of the kick-off of the Business Transformation project. We are also moving ahead on a market sounding and RFP to secure an academic institution to work with us to deliver a leadership development program for the organization. This work will continue through 2019.</p>		

**6.3 Implement improvements to the recruitment process**

Success Measure	2018 Target	2018 Result
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Average number of weeks from requisition to position filled	10 weeks	 7.2
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**\*Priority Risk: Human Resources Process**

**What we did:**

In 2018 we conducted a thorough review of the full-cycle recruitment process to identify roadblocks, inefficient processes, training requirements, and opportunities to automate to improve the time to fill vacant positions. As a result of the review we:

- developed a clear 10 week timeline for the recruitment process along with tools to communicate standards and responsibilities to hiring managers;
- made changes to the reference check process in order to increase efficiency and reduce barriers for tenants to gain employment at TCHC;
- moved from a five day consideration period for offer letters to three business days, in line with industry best practices;
- created two designated interview rooms, which will allow for timelier scheduling of interviews;
- encouraged hiring managers to use online assessment tools when applicable to capitalize on the efficiencies of existing resources;
- developed a “job library” which includes all of the requisition templates for each job at TCHC and job posting information; and
- conducted training for managers on the recruitment process and best practices.


These actions have allowed us to improve the overall efficiency and effectiveness of the recruitment process and exceed the 2018 target of an average 10 weeks from requisition to position filled.

**7.1 Complete implementation of recommended best practices in procurement**


Success Measure	2018 Target	2018 Result
-----------------	-------------	-------------

 Not Meeting Target     At risk     Meeting/Exceeding Target

**Attachment 1. Year-end CEO's Report Project Status Update**

Best practices implemented	Implemented according to plan	 Achieved
<b>*Priority Risk:</b> Strategic Sourcing & Contracts		
<p><b>What we did:</b></p> <p>The Procurement Law Office (PLO) provided a review of TCHC procurement processes and tools to look for opportunities to increase efficiency and address new treaty compliance requirements. Based on the results of the review PLO provided Strategic Procurement with a list of best practice recommendations in Q2 2018. Recommendations included:</p> <ul style="list-style-type: none"> <li>• updating of all solicitation templates;</li> <li>• conducting enhanced training for sourcing staff; and</li> <li>• updating of procurement policy, procedures and protocols.</li> </ul> <p>The majority of the recommendations have already been implemented according to the plan with the remaining recommendation to be finalized in Q1 2019.</p> <p>We also conducted testing on several software applications designed to provide end to end sourcing capabilities including electronic submission and evaluation modules. We have identified a software solution that will provide new tools and provide efficiencies throughout the procurement process by making the end-to-end process more intuitive for both staff and vendors. We will be moving forward with the sourcing of the software in 2019.</p>		

**7.2 Complete the corporate policy framework refresh and implement a review of the policies planned for 2018**

Success Measure	2018 Target	2018 Result
Completion of all planned policy reviews	100% completion	 27 policies developed or reviewed

**Attachment 1. Year-end CEO's Report Project Status Update**

**\*Priority Risk:** Operational Process

**What we did:**

In 2018 we reviewed or developed 27 policies, which is more than any year since the implementation of the Policy Management Framework.

In 2018, 31 policies were identified for review or development as part of the policy review schedule. Given emerging needs throughout the year, a number of policies that were originally planned to be reviewed in 2018 were deferred, and other policies based on priority need were added to the schedule.




We developed or revised a number of tenant-facing policies, including:

- The Accessibility in the Built Environment Policy
- Non-Residential Space Use Policies
- Deputation Policy
- Privacy Policy

We also revised a number of Human Resources policies including;

- Acting Assignment Policy
- Vacation Policy
- Maternity and Parental Leave Policy
- Workplace Violence Policy

## Year-end Performance Measures






Key Indicators	Target	2018 Results	2017 Results	% Variance From 2017
<b>Quality homes</b>				
YTD Building renewal capital spending (in \$ millions) <sup>4</sup>	Q4: \$300M Annual: \$300M	 \$336.61	\$250.0M	34.64%
Service level for routine maintenance requests completed within established timelines (5 days)	68%	 69.79%	N/A	N/A
<b>Vibrant communities</b>				
Number of tenants participating in decision-making	3,234 (annual)	 22,117	N/A	N/A
<b>Service excellence</b>				

<sup>4</sup> The December YTD 2018 FM Capital Program Completed includes \$36.61 million work completed in 2018 against the \$313M 2019 capital budget.




**Attachment 2. Year-end Performance Measures**

Key Indicators	Target	2018 Results	2017 Results	% Variance From 2017
<b>Total</b> Voluntary staff turnover (%)	N/A	5.94%	N/A	N/A
<b>Total</b> Involuntary staff turnover (%)	N/A	1.86%	N/A	N/A
Average number of weeks from requisition to position being filled (weeks)	10	● 7.2	N/A	N/A
<b>Business foundations</b>				
Rent-Geared-to-Income vacancy rate (%)	2.00%	⊘ 2.29%	2.56%	↓ -10.55%
RGI leasing ratio	1.00	● 1.2	1.03	↑ 16.50%
Market vacancy rate (%)	2.00%	● 1.57%	2.09%	↓ -24.88%
Market leasing ratio	1.00	● 1.2	1.16	↑ 3.45%
Rentable vacant units	-	1,283	1,419	↓ -9.58%
Rent and parking arrears (\$ in thousands)	-	\$8,601	\$8,432	↑ 2.00%
Arrears under repayment (\$ in thousands)	-	\$3,371	\$3,109	↑ 8.43%

 Not Meeting Target  
 At risk  
 Meeting/ Exceeding Target  
 Favourable Increase/ Decrease  
 Unfavourable Increase/ Decrease  
 Remained Constant

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**Attachment 2. Year-end Performance Measures**

Key Indicators	Target	2018 Results	2017 Results	% Variance From 2017
Arrears under management (\$ in thousands)	-	\$7,560	\$7,262	 4.10%

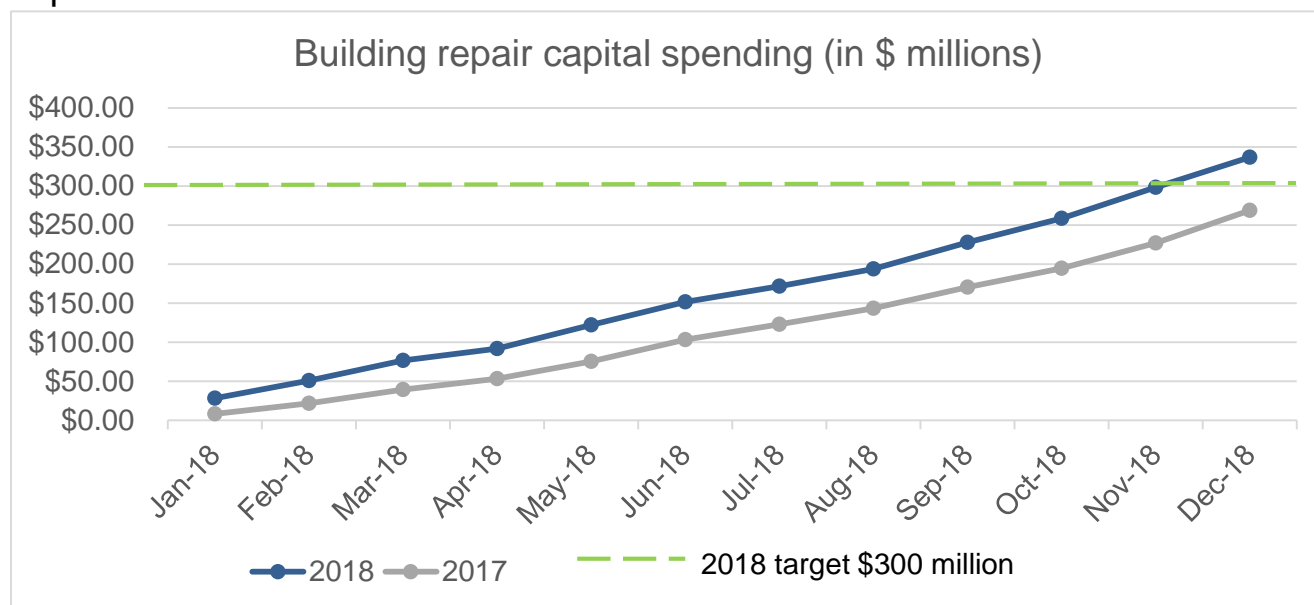
 Not Meeting Target  
  At risk  
  Meeting/ Exceeding Target  
  Favourable Increase/  Decrease  
  Unfavourable Increase/  Decrease  
  Remained Constant

## KPI Trends

### Quality Homes

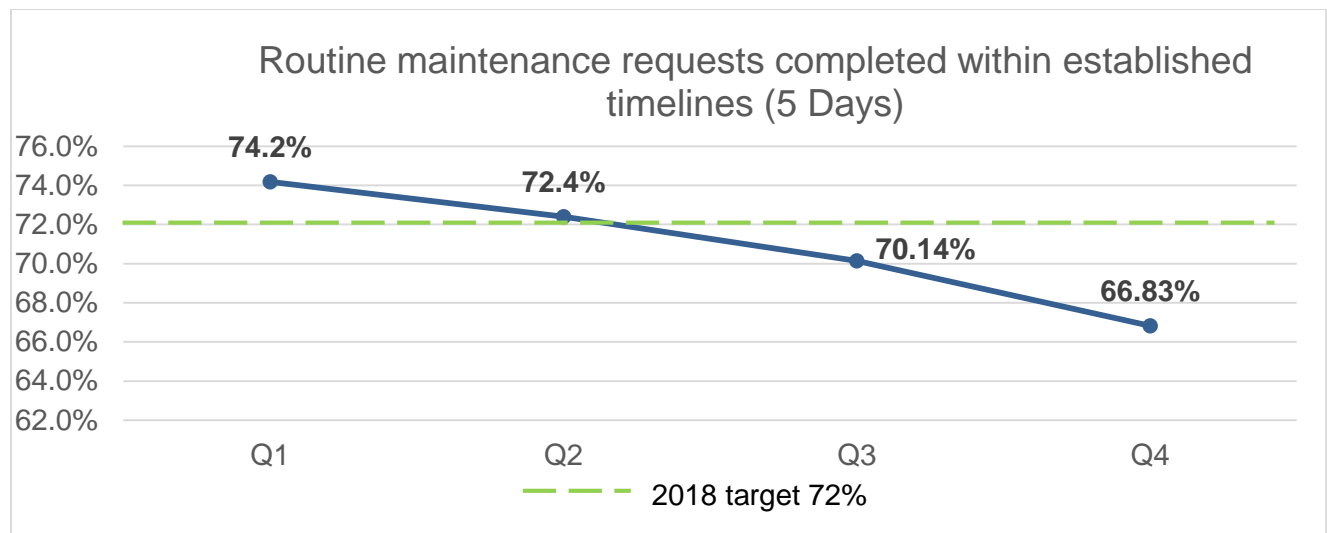
#### YTD Building renewal capital spending

We have delivered on our ambitious 2018 capital renewal program. As of the end of December, we delivered \$336.61 million in capital renewal projects to improve building conditions for tenants and, by extension, improve tenant experience.



#### Service level for routine maintenance requests

The percentage of routine maintenance requests that are completed within 5 days has decreased throughout the year. The decrease in service levels is attributable to underperformance of vendor delivered work and increased seasonal program demands on staff. In 2019 staff will focus on recovery plans inclusive of a structured vendor management approach and more intensive quality assurance and contract compliance measures. In addition AM is currently reviewing resource planning to address some of the historic peak demand periods with a view to better calibrate work flow throughout the year.



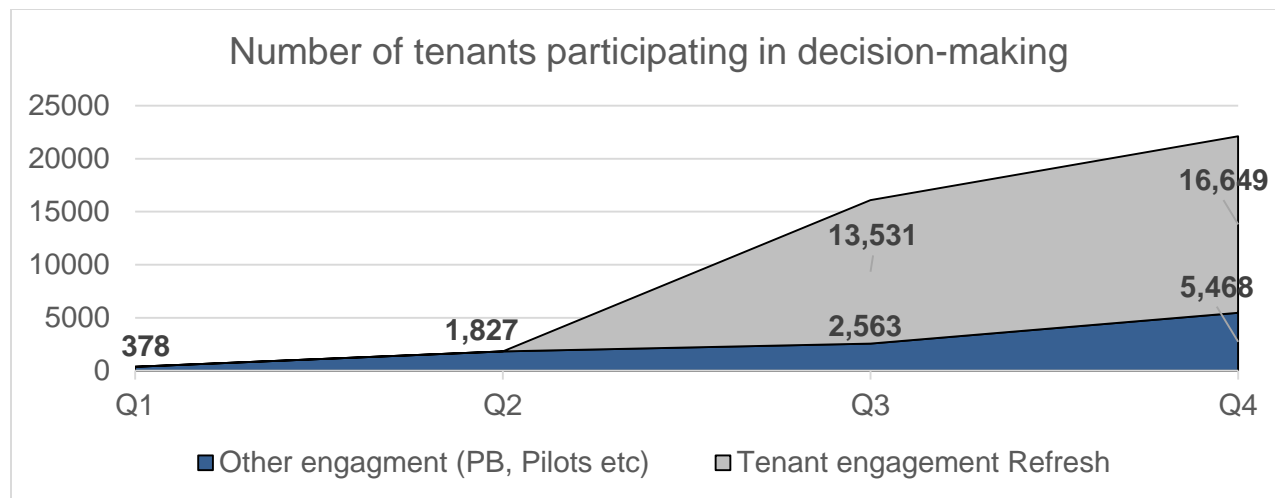
## **Vibrant Communities**

### Number of tenants participating in decision-making

In 2018 we completed consultations for the tenant engagement refresh. These consultations allowed tenants to participate in decision making for community priority setting. We also completed participatory budgeting – where tenants decide on what non-capital items they want to purchase for the community. The youth and local action planning pilots were also an important mechanism for tenants to participate in decision-making. Through all of the avenues of input we were able to engage 22,117 tenants in decision-making.



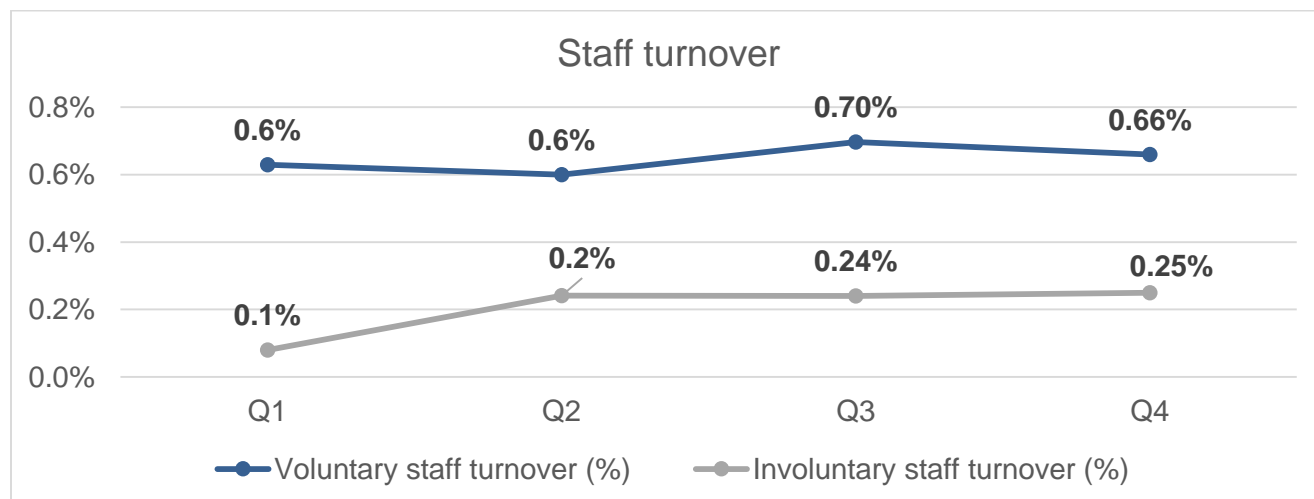
**Attachment 2. Year-end Performance Measures**



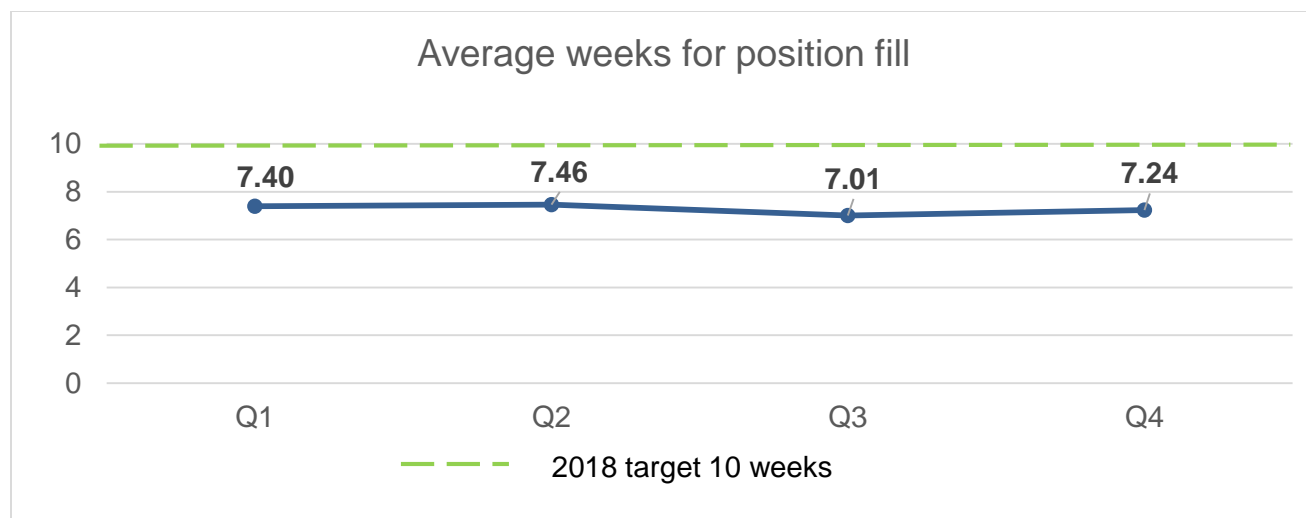
**Service Excellence**

**Staff turnover and weeks for position fill**

Maintaining a stable workforce ensures we have the capacity to deliver effectively on the projects on the business plan. It also allows us to retain valuable skills and knowledge within the organization which helps us to provide quality service to tenants. In 2018 staff turnover, both voluntary and involuntary, remained stable throughout the year. The percentage of involuntary turnover was slightly lower in Q1 due to no involuntary turnover taking place in two of the first three months of the year. The average time to fill vacant positions also remained stable throughout 2018 and bettered the target of 10 weeks in every quarter in 2018.



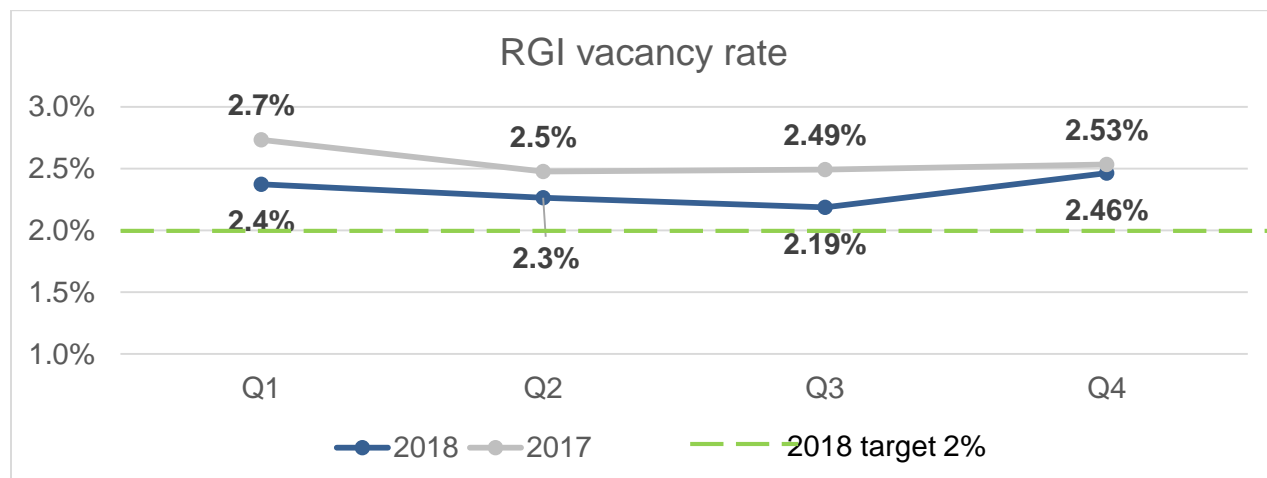
**Attachment 2. Year-end Performance Measures**



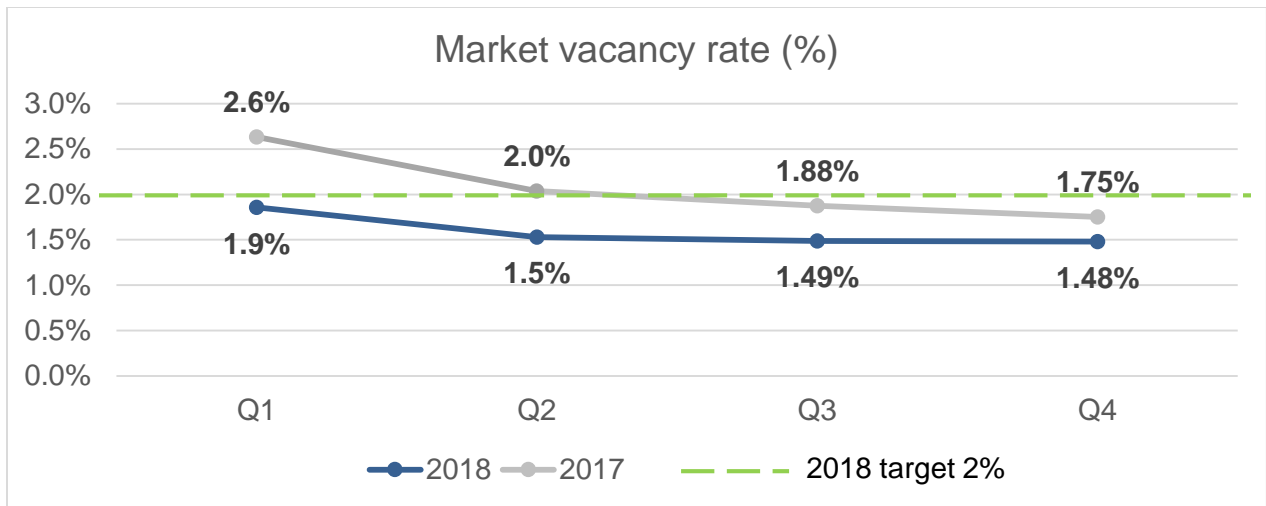
**Business Foundations**

Vacancy rate

The average RGI vacancy rate in 2018 of 2.29% was a quarter of a percentage points lower than the 2017 rate of 2.56%. While we are not meeting the target of a 2% vacancy rate, we improved upon the 2017 results in every quarter. The average market vacancy rate in 2018 was 1.57% and bettered the 2% target each quarter.

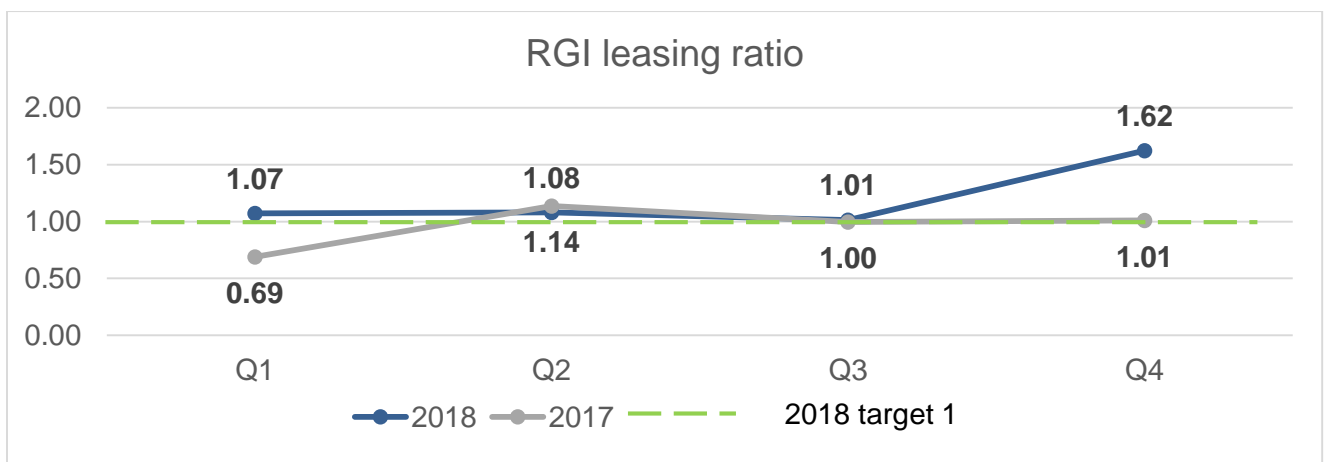


**Attachment 2. Year-end Performance Measures**

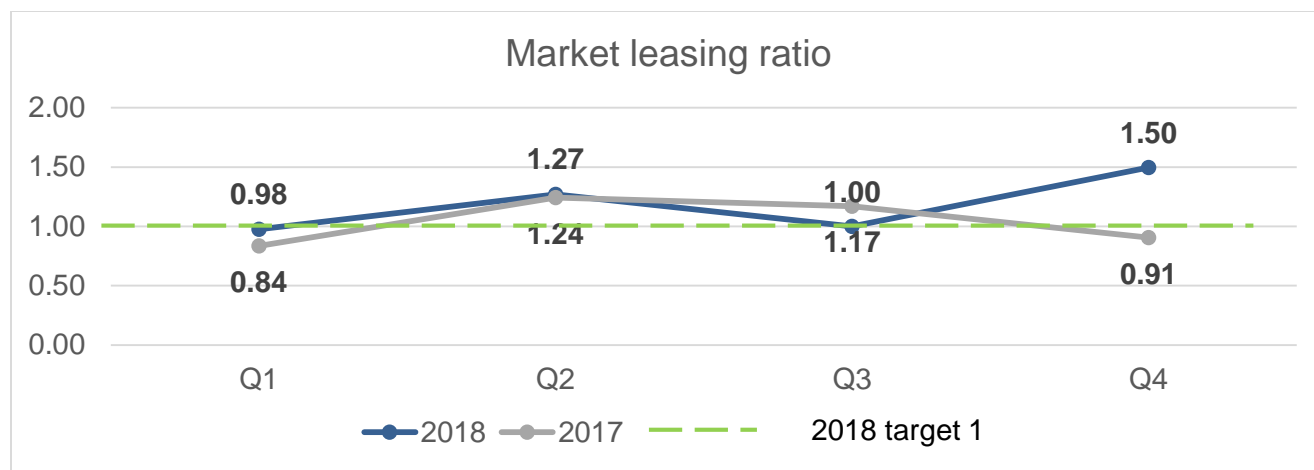


**Leasing ratio**

The average RGI and market leasing ratio in 2018 was 1.2. A leasing ratio over 1 means that more units moved out of vacant stock than moved in to vacant stock. This betters our target of 1 and improves upon the 2017 results which averaged a leasing ratio of 1.03 for RGI units and 1.16 for market units.

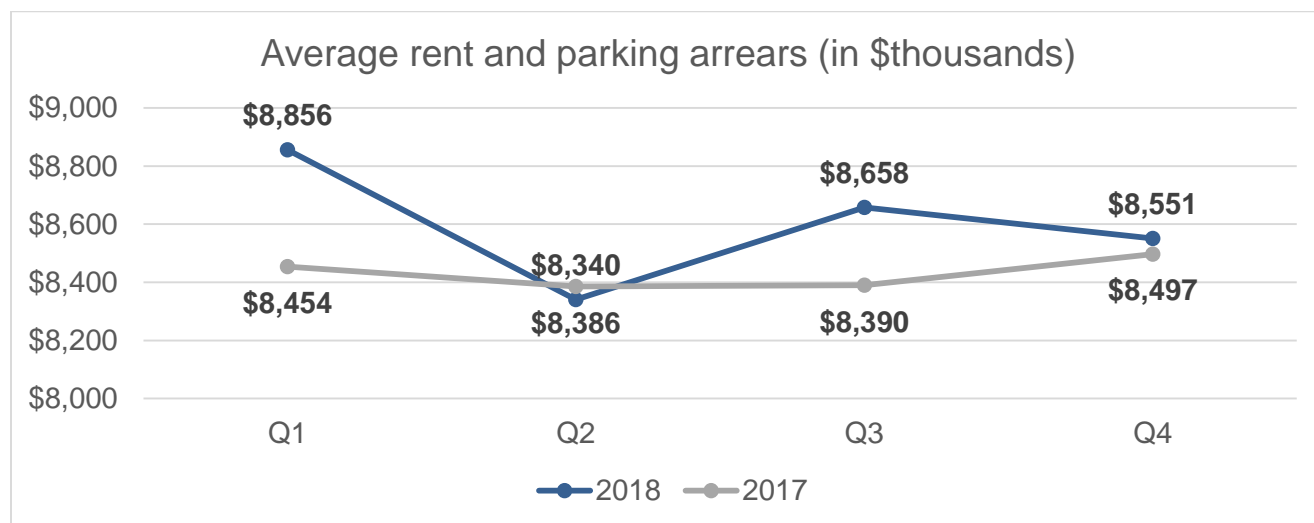


**Attachment 2. Year-end Performance Measures**



**Rent and parking arrears**

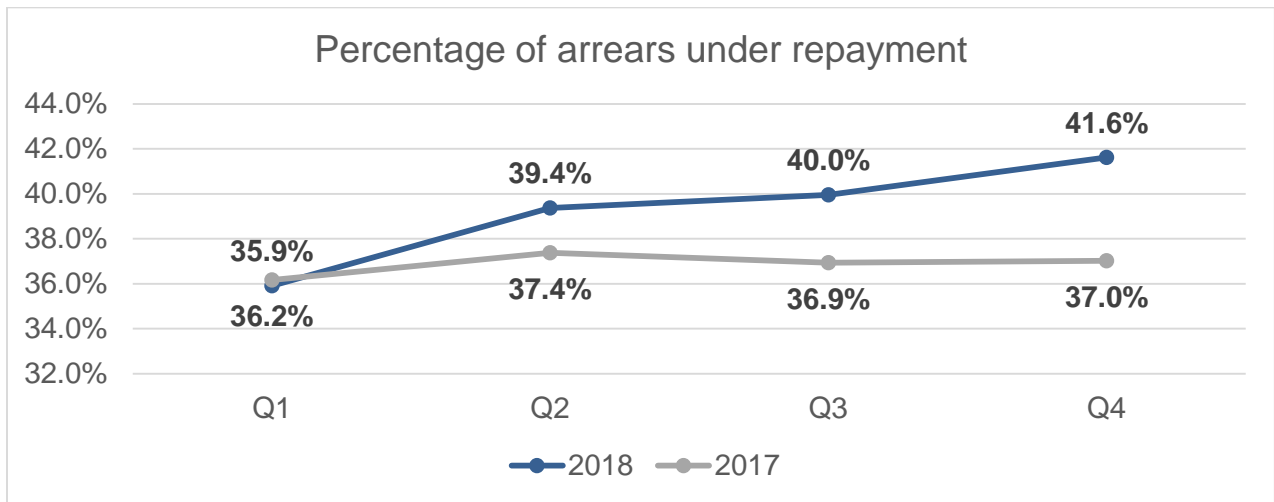
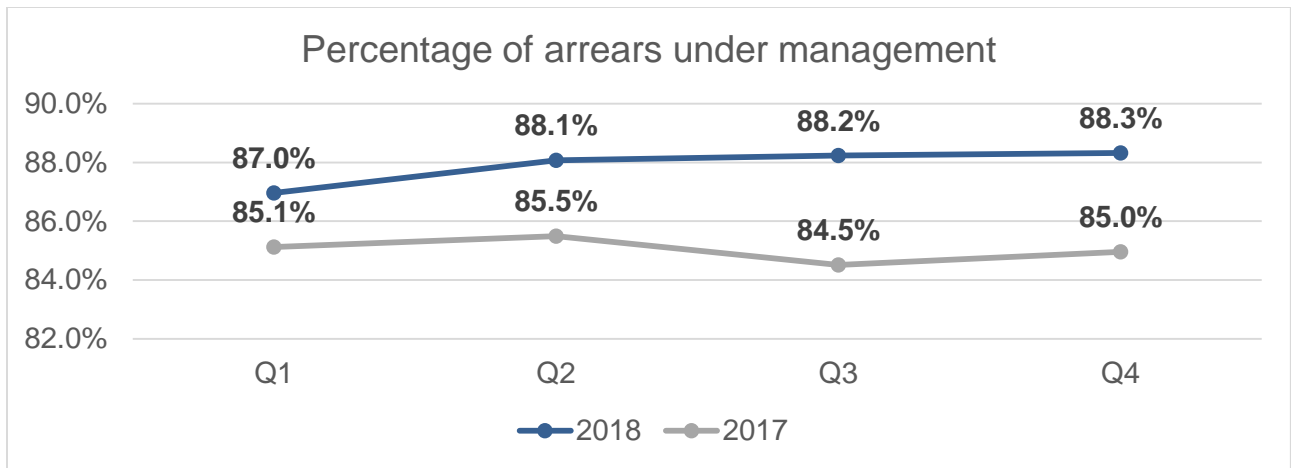
The year-end balance of rent and parking arrears decreased by 0.7% to \$8.7 million in 2018, down from \$8.8 million at the end of 2017. However, throughout the year the arrears and parking balanced averaged \$8.6 million each month compared to \$8.4 million in 2017.



**Arrears under management and repayment**

The average arrears under management increased to 87.9% from 86.1% in 2017 and the average arrears under repayment increased to 39.2% from 36.9%.

**Attachment 2. Year-end Performance Measures**



### TCHC Priority Risk Profile

2018 Priority Risks		Risk Statement
1	Information Technology (IT) Systems	The risk that IT systems do not support the needs of the business, as most are at or near end of life with no support.
2	Physical Safety	The risk of violent crimes affecting the physical security of TCHC tenants, staff or contractors.
3	Data Governance & Integrity	The risk that TCHC does not have accurate and consistent data to measure the value of its programs and services against our strategic objectives.
4	Mandate	The risk that TCHC's mandate is not well understood by the shareholder and stakeholders, and supported by external service-delivery partners.
5	Operational Process	The risk that TCHC lacks documented business processes to ensure well-understood and efficient operations throughout the corporation.
6	Human Resources Processes	The risk that TCHC lacks effective HR processes required to fairly and appropriately manage its workforce, as well as the ability to attract and retain top performing resources.
7	Culture	The risk that TCHC does not have effective change management processes in place to drive the change necessary to achieve an engaged workforce and deliver on our objectives.
8	Governance	The risk that TCHC is not recognized by the shareholder as a wholly-owned and separate entity from the City of Toronto.
9	Vendor Management	The risk that TCHC does not have effective strategic sourcing and effective vendor

**Attachment 3. TCHC Priority Risk Profile**

		management that deliver value for money and quality products and services.
10	Brand & Reputation	The risk to TCHC's ability to effectively re-build its reputation and brand equity.
11	Fire Life Safety	The risk that TCHC's does not have a comprehensive Fire Life Safety program that enables effective coordination of key activities (e.g. audits, maintenance, compliance, education, communication) across business functions and the housing portfolio.
12	Records Management	The risk that TCHC does not have a comprehensive records management program in place to ensure appropriate retention and storage of corporate documents.
13	Procurement	The risk that procurement processes are not aligned to help TCHC deliver value for money and provide quality work to TCHC's internal clients and tenants.
14	Privacy	The risk that personal data of staff or residents may be breached, due to staff error or unauthorized access to third parties.
15	Capital Funding	The risk that TCHC is unable to access the capital funding needed to maintain assets or to fund 10-year Capital Plan, resulting in its buildings remaining in critical state of disrepair.
16	Operational Funding	The risk of ongoing viability of TCHC operations due to lack of sufficient operational funding gap, strategic use of funding, and incurring costs associated with implementing the Tenant First recommendations with no additional funding.
17	Non-Compliance with Legislation & Regulations	The risk of non-compliance with legislation or regulation that can lead to a legal claim for which TCHC is found liable.

**Attachment 3. TCHC Priority Risk Profile**

18	Organizational Resiliency	The risk that TCHC does not have the adequate measures in place to prepare and respond to emergencies or service disruptions of varying scope and severity that may occur across the corporation.
19	Strategic Alignment	The risk that divisional/business unit goals do not align with TCHC's strategic goals.
20	Health & Safety	The risk of harm/physical injury to TCHC tenants, staff or contractors where TCHC may be held liable.
21	Labour Relations	The risk of ineffective negotiations with labour partners that may result in a strike or lock-out.
22	Market Risk	The risk that the value of investments will decrease due to changes in market factors.
23	Subsidiaries/Joint Ventures	The risk that TCHC does not have an adequate governance framework to oversee its subsidiaries.
24	Environmental Health	The risk that TCHC does not have the appropriate resources and capacity to manage the potential impact of environmental health issues.

Source: Enterprise Risk Management Committee, 2018



**Attachment 4. December CEO's Report- Project Status Highlights**

## **Quality Homes**

### **Capital Renewal**

We have delivered on our ambitious 2018 capital renewal program. As of the end of December, we delivered \$300 million in capital renewal projects against the 2018 budget, and with the Board's approval to advance work, delivered \$36.6 M in 2018 against the 2019 budget.

### **Decentralization pilot**

Throughout 2018 the decentralization pilot has continued to be delivered in Operating Unit C. This pilot is one of the Tenants' First report recommendation initiatives underway to test alternative forms of service delivery. In December 2018 the City conducted focus groups with our employees to obtain their input on the results of the pilot to date and better understand how the decentralized model impacts staff. The pilot was originally intended to end December 2018, however, in collaboration with the City the pilot has been extended until June 2019. This will allow us and the City to continue to track and monitor results to inform future practice.

## **Vibrant Communities**

### **Food bank**

We partnered with the Daily Food Bank to expand access to fresh food across Scarborough neighbourhoods. On December 14 we celebrated the launch of the newest food bank at 2743 Victoria Park Ave. The food bank, which is open every Friday from 4 to 6 p.m., will be run by volunteers from the TCHC building and other community organizations. Over 3,000 lbs. of food will be provided each week to the thousands of Scarborough residents in need. With the help of tenants and partner organizations, we have launched many food exchanges, community gardens, breakfast programs and other initiatives to support local needs and help provide healthy meals and fresh produce in our communities.

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**Attachment 4. December CEO's Report- Project Status Highlights**

**Youth engagement**

Twenty youth from across Toronto got to showcase their talents and creativity at Nike's Unsung Heroes design workshop on December 6 and 8.

Nike's Unsung Heroes aims to bring together youth who are making a difference in their communities and who are interested in the fashion industry in order to share ideas and thoughts about their work.

The youth worked closely with designers to create layouts and customize designs that reflect their fashion styles. The workshop was also a unique opportunity for the youth to meet and learn from emerging Toronto-based designers.








**Service Excellence**

**Employee Engagement**

Toronto Community Housing has been selected as one of Greater Toronto's Top Employers (2019) by Mediacorp. Our selection for the annual award was announced on December 7 in a supplement published in the Globe and Mail. It reflects our efforts to create a workplace that fosters engagement and supports high morale and performance.

**Attachment 5. December CEO's Report- Performance Measures**

**December Performance Measures**

Key Indicators	Target	December 2018	November 2018	% Variance From Previous Month	December 2017	% Variance From Previous Year
<b>Quality homes</b>						
YTD Building renewal capital spending (in \$ millions) <sup>5</sup>	Q4: \$300M Annual: \$300M	 \$336.61	\$298.42	 14%	\$268.89	 25.2%
Service level for routine maintenance requests completed within established timelines (5 days)	68%	 66.22%	66.02%	 0.30%	N/A	N/A
<b>Vibrant communities</b>						
Number of tenants participating in decision-making	3,234 (annual)	 22,117	7,050	 214%	N/A	N/A
<b>Service excellence</b>						

<sup>5</sup> The December YTD 2018 FM Capital Program Completed includes \$36.6 million work completed in 2018 against the \$313M 2019 capital budget following early 2019 budget approval.



**Attachment 5. December CEO's Report- Performance Measures**

Key Indicators	Target	December 2018	November 2018	% Variance From Previous Month	December 2017	% Variance From Previous Year
Voluntary staff turnover (%)	N/A	0.63%	0.70%	0.07%	N/A	N/A
Involuntary staff turnover (%)	N/A	0.06%	0.29%	-0.23%	N/A	N/A
Average number of weeks from requisition to position being filled (weeks)	10	● 6.87	7.59	↓ -9.05%	N/A	N/A
<b>Business foundations</b>						
Rent-Geared-to-Income vacancy rate (%)	2.00%	⊘ 2.72%	2.52%	↑ 7.94%	2.47%	↑ 10.3%
RGI leasing ratio	1.00	⊘ 0.64	0.80	↓ -20.00%	1.21	↓ -47.1%
Market vacancy rate (%)	2.00%	● 1.24%	1.47%	↓ -15.67%	1.94%	↓ -36.2%
Market leasing ratio	1.00	● 1.70	1.00	↑ 70.00%	0.73	↑ 132.9%
Rentable vacant units	-	1,454	1,366	↑ 6.44%	1,372	↑ 6.0%
Rent and parking arrears (\$ in thousands)	-	\$8,735.00	\$8,495.00	↑ 2.83%	\$8,800.00	↓ -0.7%

 Not Meeting Target
  At risk
  Meeting/Exceeding Target
  Favourable Increase/Decrease
  Unfavourable Increase/Decrease
  Remained Constant

**Attachment 5. December CEO's Report- Performance Measures**

Key Indicators	Target	December 2018	November 2018	% Variance From Previous Month	December 2017	% Variance From Previous Year
Arrears under repayment (\$ in thousands)	-	\$3,674.00	\$3,526.00	↑ 4.20%	\$3,236.00	↑ 13.5%
Arrears under management (\$ in thousands)	-	\$7,568.00	\$7,499.00	↑ 0.92%	\$7,375.00	↑ 2.6%


 Not Meeting Target    At risk    Meeting/Exceeding Target    Favourable Increase/Decrease    Unfavourable Increase/Decrease    Remained Constant

**Attachment 5. December CEO's Report- Performance Measures**

**Closing the Loop**

Closing the Loop surveys tenants who have recently requested a repair to assess the consistency and quality of repair services with respect to tenant satisfaction. Due to the holidays surveying was suspended for two weeks during December. As a result wave 8 which ran in November is the last full month of surveying that is currently available. The results are summarized in the following table.

<b>% Tenant Satisfaction</b>	<b>Wave 1</b>	<b>Wave 2</b>	<b>Wave 3</b>	<b>Wave 4</b>	<b>Wave 5</b>	<b>Wave 6</b>	<b>Wave 7</b>	<b>Wave 8</b>	<b>YTD Results</b>
Keeping up cleanliness of the building	77%	80%	75%	70%	73%	66%	67%	72%	74%
Keeping up the condition of the building	66%	70%	74%	66%	68%	61%	55%	70%	68%
Quality of the repair	93%	87%	93%	91%	95%	87%	92%	93%	92%
Keeping tenants informed of changes	76%	74%	80%	74%	76%	71%	68%	76%	75%

**Attachment 6. December CEO's Report- Financials**

**December Financial Performance**

(Amounts in '\$000s)

	December 18	YTD 2018			December 17	YoY	YoY	2018
	YTD Actual	Budget	Variance		YTD Actual	Variance		Annual Budget
	\$	\$	\$	%	\$	\$	%	\$
<b>Results of Operations</b>								
Revenue	708,363	667,234	41,129	6%	706,116	2,248	0%	667,234
Expenses	672,743	691,648	18,905	3%	645,709	(27,033)	-4%	691,648
<b>Net Income (Loss)</b>	35,621	(24,414)	60,034	246%	60,406	(24,786)	-41%	(24,414)

**Explanation of Variances Actual vs. Budget (Favourable / (Unfavourable))**

YTD actual net income is \$35.6M compared to the budgeted net loss of \$24.4M favourable variance of \$60M is mainly due to:

- \$31.2M one time gain on land transfer of 250 Davenport and \$9.5M on land transfer of Allenbury Gardens, both budgeted in 2017 and realized in 2018; \$12.8 Regent Park gain budgeted in 2018 is delayed to 2019; \$6.4M gain on Lawrence Heights land transfer compared to \$4.4M budgeted gain; \$1.3M gain on sale of 215 Crawford street that was not budgeted;
- \$19.5M lower utility cost primarily from favourable hydro rates as the result of Fair Hydro Plan;

**Attachment 6. December CEO's Report- Financials**

- \$16.9M favourable residential revenue due to higher monthly rent rate;
- \$8.5M lower salary and benefit resulting from vacancies, lower staff expenses combined with other administrative costs, partially offset by higher overtime and parental top-up costs;
- \$3.7M interest expenses lower than budget due to delay of Infrastructure Ontario loan;
- (\$8.4M) lower subsidies primarily due to the timing of revenue recognition; and
- (\$7.1M) higher maintenance costs primarily due to increase in life safety and fire inspections and other general maintenance costs.

**Explanation of Variances Actual vs. Prior Year (Favourable / (Unfavourable))**

YTD actual net income is \$35.6M compared to prior year net income of \$60.4M; the unfavourable variance of (\$24.8M) is mainly due to:

- (\$18.7M) higher salaries and benefit cost due to onboarding of planned resources, higher staff expenses and capitalization;
- (\$15.2M) higher amortization on assets;
- (\$15M) unfavourable joint venture income due to timing;
- (\$5.1M) gain on sale of land due to higher Regent Part gain recognized in 2017;
- (\$2.7M) higher interior maintenance primarily due to increase in life safety and fire inspections;
- (\$1.7M) interest expense due to new Infrastructure Ontario loan of \$64.8M that was closed in November 2017;
- \$10.2M lower utility cost primarily from favourable hydro rates;
- \$14.7M favourable residential revenue due to higher monthly rent rate;
- \$2.8M higher capitalized labor due to increased capital spending; and
- \$3.1M favourable investment income due to higher dividend and realized gain on investment.



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(Amounts in '\$000s)

	<b>December 18</b>	<b>December 17</b>	<b>Variance</b>	<b>2018</b>
	YTD Actual	YTD Actual	YTD 18 Vs. YTD 17	Annual Budget
	\$	\$		\$
<b>Capital Expenditure</b>				
Building Renewal Capital	314,306	192,054	122,252	296,934
RPEI Plant Capital	3,108	8,485	(5,377)	3,066
RPEI Plant Capital CHSOP- Non FM	7,769	841	6,928	-
Improvements to Housing Projects	4,566	4,239	326	883
Corporate & IT Capital	3,714	3,680	35	14,373
Net Development Capital (Net of funding source)	37,011	33,879	3,132	56,643
<b>Total Capital Expenditure</b>	<b>370,474</b>	<b>243,179</b>	<b>127,295</b>	<b>371,899</b>

**Explanation of Variances Actual vs. Prior Year:**

Higher spending of \$124M is due to the increase in planned capital jobs and demand jobs spending in 2018 and higher capitalized labor costs as a result of the increase in capital jobs.

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**Attachment 6. December CEO's Report- Financials**

(Amounts in '\$000s)

	<b>December 18</b>	<b>December 17</b>	<b>YoY</b>	<b>YoY</b>
	YTD Actual	YTD Actual	YTD 18 Vs. YTD 17	
<b>Other Key Balance Sheet Items</b>	\$	\$	\$	%
Cash on hand	34,449	94,893	(60,445)	-64%
Unrestricted investment	1,737	2,321	(583)	-25%
Investments held by Infrastructure Ontario	117,448	145,800	(28,352)	-19%
Investments related to development projects	220,810	219,519	1,291	1%
Total cash on hand and investments	374,444	462,533	(88,089)	-19%
Line of credit usage	(49,244)	(2,401)	(46,843)	1951%
<b>Net Cash and Investments</b>	<b>325,200</b>	<b>460,132</b>	<b>(134,932)</b>	<b>-29%</b>

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**Attachment 6. December CEO's Report- Financials**

**Statement of Operations**

Month-to-month, comparison amounts in \$000s

	<b>November</b>	<b>December</b>	<b>2018 YTD</b>	<b>YTD Budget</b>	<b>Variance 2018</b>
<b>Revenue</b>					
Subsidies - TCHC	19,348	19,336	231,172	239,620	8,448
Subsidies - AHCI			-		
Subsidies for task force initiatives	348	348	4,175	4,175	0
	19,696	19,684	235,347	243,795	8,448
Residential			-		
RGI Rent	20,331	20,345	240,405	227,868	(12,537)
Market Rent	7,215	7,333	84,206	79,761	(4,445)
Commercial rent	1,306	1,347	15,381	14,947	(434)
Amortization of deferred capital contributions	4,896	5,839	48,704	42,036	(6,668)
Parking, laundry and cable fees	1,547	1,550	18,382	18,079	(303)
Investment income	792	2,121	9,608	6,463	(3,145)
Joint venture income (loss)	259	-	4,894	11,761	6,867
Capital assets write off	(7)	(595)	(713)		713
Gain on sale of housing projects	261	(243)	1,276	-	(1,276)
Gain on sale of land	4,851	-	47,189	17,162	(30,027)
Gain on sale of capital assets	-	-	24	-	(24)
Plant	110	155	1,476	3,632	2,156
Other	205	174	2,183	1,729	(453)
	41,764	38,024	473,016	423,440	(49,577)

**Attachment 6. December CEO's Report- Financials**

61,460	57,708	708,363	667,234	(41,129)
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**Statement of Operations**

Month-to-month, comparison amounts in \$000s

	<b>November</b>	<b>December</b>	<b>2018 YTD</b>	<b>YTD Budget</b>	<b>Budget 2018</b>
<b>Expenses</b>					
Operating & maintenance	14,905	9,152	174,350	177,050	2,700
Utilities	8,986	14,020	120,559	139,683	19,123
Municipal taxes	1,272	1,691	18,458	17,628	(830)
Depreciation expense	16,243	17,245	178,260	169,341	(8,918)
Interest	6,377	6,391	77,507	81,238	3,731
Rent supplement program	(0)	(0)	(0)	-	0
Community safety services	2,499	3,565	25,655	18,022	(7,633)
Residential services	1,018	960	12,416	14,089	1,673
Tenancy management			-		-
Corporate services	(1,589)	5,645	35,167	42,303	7,136
Human resources	1,114	1,439	11,475	11,938	463
Information technology	1,021	2,246	12,721	12,905	184
Plant	170	259	2,215	2,767	552
Loss from guaranteed equity housing projects	6	22	255	398	143
Task force initiatives	525	1,104	3,705	4,287	582
	<b>52,547</b>	<b>63,739</b>	<b>672,743</b>	<b>691,648</b>	<b>18,905</b>
<b>Net Income (Loss)</b>	<b>8,913</b>	<b>(6,031)</b>	<b>35,621</b>	<b>(24,414)</b>	<b>(60,034)</b>