



STAFF REPORT

Board Meeting

MEETING DATE: February 2, 2023
REPORT: B.3.2 Quarterly Financial Report
AUTHOR: Jennifer Bisley, Executive Director

A. Recommendation

THAT The Blue Mountains Attainable Housing Corporation receive Item B.3.2 Quarterly Financial Report for information.

B. Background

The Treasurer and Executive Director are responsible for providing quarterly financial reports to the Board.

Quarterly financial reports do not include yearend adjustments for audit purposes. Yearend financial statements for audit purposes will be presented to the Board at the March Board meeting.

C. Analysis

The Quarterly Financial Report for the period ending December 31, 2022, is attached, including a 2022 Profit and Loss Statement, Balance Sheet, and Statement of Cash Flows.

Net Operating Income

- The actual net operating deficit is smaller than budgeted due to Human Resources and Office expenditures and the postponement of hiring new staff until the Design-Builder contract is awarded.

Purchase of Tangible Capital Assets

- The budget includes Gateway Project pre-construction soft costs and land as a hard cost at the 2021 appraised value of \$3,150,000.
- Soft costs are below budget due to project delays. An accrual is needed to account for development consultant and advocate architect fees incurred but not billed estimated to be \$100,000.
- Town Council approved the disposition of lands to BMAHC on July 4, 2022 at the appraised value of \$3,975,000 (April 2022), but Town Administration has not yet provided a draft agreement for BMAHC's consideration, the transfer has been delayed.

Funding Sources:

Town Operating Loan:

- BMAHC has an Operating Loan Agreement with the Town of The Blue Mountains for purposes of working capital.

- Two drawdowns totaling \$270,000 were made in 2022, below the budgeted amount of \$530,000.

CMHC Funding:

- CMHC approved a grant of \$135,500 and a loan of \$99,000 in 2020 for Gateway pre-construction costs.
- In 2022, \$9,753 of grant funding was received for eligible expenses.
- The \$99,000 loan has not been drawn on due to delays in the award of the Design-Builder contract.

FCM Funding:

- FCM approved a grant of \$152,620 for a Green Municipal Fund Feasibility Study in 2020.
- As of December 31, 2021, \$76,310 was received of which \$44,932 was unspent. The calculation of the amount spent in 2022 on eligible expenses is to be calculated as a yearend accrual.

D. Financial Impact

None

Attachments: Financial Report, January 1 to December 31, 2022

The Blue Mountains Attainable Housing Corporation

Quarterly Financial Report, January 1 - December 31, 2022 (before yearend adjustments)

	Budget 2022	YTD 2022	YTD as % of Budget	Reference
Operating Revenues				
Rental Revenue	\$ 13,275	\$ 13,275	100%	
Operating Grants	\$ -	\$ -	-	
Investment and Interest Income and Other		\$ 2,806	-	
Total Operating Revenues	\$ 13,275	\$ 16,081	121%	
Total Rental Expenses	\$ 14,200	\$ 14,469	102%	
Administration Expenses				
Human Resources and Office	\$ 235,600	\$ 182,204	77%	
Marketing	\$ 3,300	\$ 5,051	153%	
Interest and Service Charges	\$ 15,000	\$ 13,085	87%	
Professional Fees	\$ 25,300	\$ 21,954	87%	
Grants	\$ -	\$ -	-	
Total Administration Expenses	\$ 279,200	\$ 222,294	80%	
Annual Operating Deficit	-\$ 280,125	-\$ 220,681	79%	Profit and Loss Stmt - Net Income
Purchase of tangible capital assets				
Napier Street	\$ -			
Gateway Project - Soft Costs	-\$ 561,667	-\$ 64,734	12%	
Gateway Project - Hard Costs	-\$ 3,150,000	\$ -		Land transfer at 2021 appraised value
Total Purchase of Tangible Capital Assets	-\$ 3,711,667	-\$ 64,734	2%	Cash Flow Stmt - Investing Activities
Change in Prepaid/AP/AR		-\$ 27,778		Cash Flow Stmt - Reconcile Net Income to Net Cash
Change in net financial assets (debt)	-\$ 3,991,792	-\$ 313,194	8%	
Non-cash adjustments	\$ 79,961	\$ 12,785		Cash Flow Stmt - Financing Activites (Loan interest)
Total funding required	\$ 3,911,831	\$ 300,409	8%	
Funding sources				
Opening Cash Balance	\$ 22,010	\$ 64,818	294%	Cash Flow Stmt - Cash at beginning of period
Town: Operating Loan Draw 1	\$ 170,000	\$ 170,000	100%	Cash Flow Stmt - Financing Activities
Town: Operating Loan Draw 2	\$ 360,000	\$ 100,000	28%	Cash Flow Stmt - Financing Activities
Town: Building Permit/Application fees	\$ 33,920	\$ -	0%	
Town: Development Fee Contribution				
Town (+County) Land Contribution	\$ 3,150,000	\$ -	0%	
County: Development Fee Contribution				
FCM Grant	\$ 76,312	\$ -	0%	
CMHC SEED Grant	\$ 23,000	\$ 9,753	42%	Cash Flow Stmt - Financing Activities
CMHC SEED Loan	\$ 99,000	\$ -	0%	
CMHC Co-Investment Grant/Loan (Construction/Takeout)				
Other				
Total Funding Sources	\$ 3,934,242	\$ 344,571	9%	

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Budget vs. Actuals: 2022 APPROVED BUDGET - FY22 P&L

January - December 2022

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Income				
40500 Interest Income	1,568.29		1,568.29	
Napier St. Rental Income	13,275.00	13,275.00	0.00	100.00 %
Total Income	\$14,843.29	\$13,275.00	\$1,568.29	111.81 %
GROSS PROFIT	\$14,843.29	\$13,275.00	\$1,568.29	111.81 %
Expenses				
60500 Human Resources and Office	182,203.76	235,600.00	-53,396.24	77.34 %
61400 Marketing	5,051.13	3,300.00	1,751.13	153.06 %
62520 Interest & Bank charges	13,084.67	15,000.00	-1,915.33	87.23 %
915070 Professional fees	21,954.00	25,300.00	-3,346.00	86.77 %
Napier Rental Expenses	14,469.01	14,200.00	269.01	101.89 %
Total Expenses	\$236,762.57	\$293,400.00	\$ -56,637.43	80.70 %
NET OPERATING INCOME	\$ -221,919.28	\$ -280,125.00	\$58,205.72	79.22 %
Other Income	\$1,238.02	\$0.00	\$1,238.02	0.00%
NET OTHER INCOME	\$1,238.02	\$0.00	\$1,238.02	0.00%
NET INCOME	\$ -220,681.26	\$ -280,125.00	\$59,443.74	78.78 %

The Blue Mountains Attainable Housing Corporation

Balance Sheet

As of December 31, 2022

	TOTAL
Assets	
Current Assets	
Cash and Cash Equivalent	\$44,161.54
Accounts Receivable (A/R)	\$0.00
10700 Prepaid Expenses & Deposits	2,087.00
8-000-0000-11005 TD Canada Trust Investment	0.00
Total Current Assets	\$46,248.54
Non-current Assets	
Property, plant and equipment	
17002 8-000-0000-14000 Work In Progress - Gateway Project	318,224.14
CW8 8-000-0000-14010 Work in progress - 19 Napier St. E. Thornbury	8,940.44
Total Property, plant and equipment	\$327,164.58
10300 Trade Receivable	
CW13 8-000-0000-17000 AR TBM down payment loan program	33,000.00
Total 10300 Trade Receivable	33,000.00
Total Non Current Assets	\$360,164.58
Total Assets	\$406,413.12
Liabilities and Equity	
Liabilities	
Current Liabilities	\$6,593.30
Non-current Liabilities	
20500 Due to Town	
CW24 8-810-8008-21000 AP TBM down payment loan program	33,000.00
CW30 Promissory Note TBM	559,497.84
Total 20500 Due to Town	592,497.84
20700 Deferred Capital Contributions	153,630.33
Accrued Liabilities	8,300.00
Deferred Income	44,932.07
Total Non-current Liabilities	\$799,360.24
Total Liabilities	\$805,953.54
Equity	
CW31 8-000-0000-34000 Opening Balance Equity	170,040.66
Retained Earnings	-348,899.82
Profit for the year	-220,681.26
Total Equity	\$ -399,540.42
Total Liabilities and Equity	\$406,413.12

The Blue Mountains Attainable Housing Corporation

Statement of Cash Flows

January - December 2022

	TOTAL
OPERATING ACTIVITIES	
Net Income	-220,681.26
Adjustments to reconcile Net Income to Net Cash provided by operations:	-27,778.30
Net cash provided by operating activities	\$ -248,459.56
INVESTING ACTIVITIES	\$ -64,734.24
FINANCING ACTIVITIES	
CW11 Deferred Capital Contributions:8-810-8008-50010 Deferred Capital Contributions CMHC Seed	9,752.80
CW30 Due to Town:Promissory Note TBM	282,784.67
Net cash provided by financing activities	\$292,537.47
NET CASH INCREASE FOR PERIOD	\$ -20,656.33
Cash at beginning of period	64,817.87
CASH AT END OF PERIOD	\$44,161.54