



Yukon Housing Corporation

ANNUAL REPORT

For the year ended March 31, 2024





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DORIS BILL

Chair,
Yukon Housing
Corporation
Board of Directors

Message from the Chair

I'm pleased to present Yukon Housing Corporation's 2023–24 Annual Report. This document presents the corporation's initiatives and accomplishments over the past year and provides a detailed accounting of finances through the year-end audited financial statements.

This year's annual report marks the introduction of the corporation's new five-year strategic plan, Creating Home. The new strategic direction adopts a four-pronged approach – the Quadruple Aim – to deliver sustainable housing options and supports that meet Yukoners' needs in the long term. In addition, the corporation has ramped up new capital project planning to help meet its ambitious goal of reducing core housing need by 800 households over the next five years. This work is critical, and I look forward to a range of new housing options for Yukoners as those projects are completed and families are welcomed to their new homes.

With the various projects and initiatives on the go, it's an exciting time to be involved with the corporation. To this end, I'd like to welcome Bradley Joe-Malegana who joined the Board of Directors in January 2024.

I would also like to extend my deepest thanks to all corporation staff. We see the meaningful work being advanced and acknowledge the positive ripple effect this has in our communities. Building homes, strengthening existing programs and exploring new initiatives and partnerships promotes housing security, which creates opportunities for Yukoners to take charge of their lives, because a home is so much more than just shelter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Doris Bill', written over a faint circular stamp or watermark.

Message from the President

It seems like just the other day I was writing to inform you that Yukon Housing Corporation had concluded the development of Creating Home, our new five-year strategic plan. It is now my pleasure to share that this plan is already driving transformational progress across our programs as the corporation goes beyond simply building homes and offering rent subsidies.

The corporation's collective efforts are focused now more than ever on delivering affordable housing programs and support services to address the range of housing needs of Yukoners.

My team's approach to this important work under the new strategic plan is contributing to healthy, sustainable and inclusive Yukon communities, because we know that a home provides shelter, security and more – these are foundational to setting someone up for success. In time, and with the right supports in place, individuals can take the next steps on their journey to realizing their full potential and contributing to our communities. These concepts are unpacked further in this annual report, and I encourage you to learn more about the corporation's new multi-pronged approach. It is powerful, it's transformational and it's happening in real time.

As a corporation, we face many challenges. However, together with our incredible team and partners, we are also rising to meet those challenges head-on, and we are making tremendous strides towards achieving our goals.

Regards,




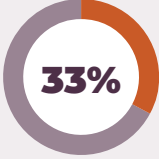



JUSTIN FERBEY

President,
Yukon Housing
Corporation

Our impact in 2023-24

Yukon Housing Corporation (YHC) set an ambitious target of reducing core housing need by 800 households over the next five years in its new strategic plan, Creating Home. Between April 1, 2023, and March 31, 2024, the corporation reached half of its overall five-year target – supporting 400 households in core housing need.

Targets in Creating Home	Progress made to date	
Building 125 new YHC-owned homes	19 new YHC units brought online, 9 of which are accessible	 15%
Increasing the number of corporate rent supplements by 125	16 new corporate rent supplements supporting seniors	 13%
Supporting an additional 150 households through the Canada-Yukon Housing Benefit program	315 new households supported by the Canada-Yukon Housing Homeowner and Rental benefits	 210%
Helping 150 new households with loans and grants	50 new households supported with loans and grants	 33%
Increasing the number of affordable homes by 250 through partnerships	172 affordable homes coming online through partnerships secured in 2023-24, 67 of which are permanent supportive housing	 69%

Introduction

Looking back on the 2023–24 fiscal year, the housing landscape in the Yukon was influenced by a combination of demographic shifts and economic factors. The Yukon’s population increased to an estimated 45,169 in 2023¹, surpassing the population size of the Northwest Territories². With a growth rate of 2.7 per cent since 2022, the territory’s population is projected to keep growing, placing increased pressure on the housing market and available supply³. While local inflation cooled and home prices fell, mortgage rates increased, driving up the cost of financing a home^{4,5}. The rental market in Whitehorse remained tight with high rents and a vacancy rate of 1.2 per cent⁶.

Provincial partnerships and new programs and policy changes at a national level also shaped local housing development. The Yukon and Ontario signed an agreement in May 2023, outlining commitments to exchange best practices for creating investment-ready housing developments. Alongside this new partnership, the federal government introduced new legislation, removing GST on the construction of purpose-built rentals. The Housing Accelerator Fund was also launched by the federal government in fall 2023, providing funding to municipalities, such as the City of Whitehorse, to increase housing supply and affordability.

The 2023–24 fiscal year also marked the close of Yukon Housing Corporation’s previous five-year strategic plan, “Bringing the Future into Focus,” and the beginning of our new strategic direction. Findings from the Office of the Auditor General’s 2022 report on housing provided an opportunity for reflection and re-imagining a better way forward that would lead to improved client outcomes, stronger communities and partnerships, and increased sustainability.

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- 1 <https://yukon.ca/sites/yukon.ca/files/ybs/fin-population-report-q2-2023r.pdf>
 - 2 <https://www.statsnwt.ca/population/population-estimates/bycommunity.php>
 - 3 <https://yukon.ca/sites/yukon.ca/files/ybs/fin-population-projections-2024-2045.pdf>
 - 4 <https://yukon.ca/sites/yukon.ca/files/ybs/fin-consumer-price-index-2023.pdf>
 - 5 <https://yukon.ca/sites/yukon.ca/files/ybs/fin-yukon-real-estate-report-q4-2023.pdf>
 - 6 <https://yukon.ca/sites/yukon.ca/files/ybs/fin-yukon-rent-survey-october-2023.pdf>

Who we are

Just as the concept of home means something slightly different to each of us, so too does the notion of community. Regardless of how we define it, we all yearn for and need connection. Being part of a community gives us purpose, expands our network, provides support through hardship and contributes to a longer lifespan. According to the World Health Organization, the effect of social isolation and loneliness on mortality is comparable to that of other well-established risk factors such as smoking, obesity and physical inactivity⁷.

More than three years after COVID-19 was declared a global pandemic, the impacts continue to be seen and felt by Yukoners, particularly the most vulnerable in society. Loneliness, mental health issues and increased substance use-related harms mean that the

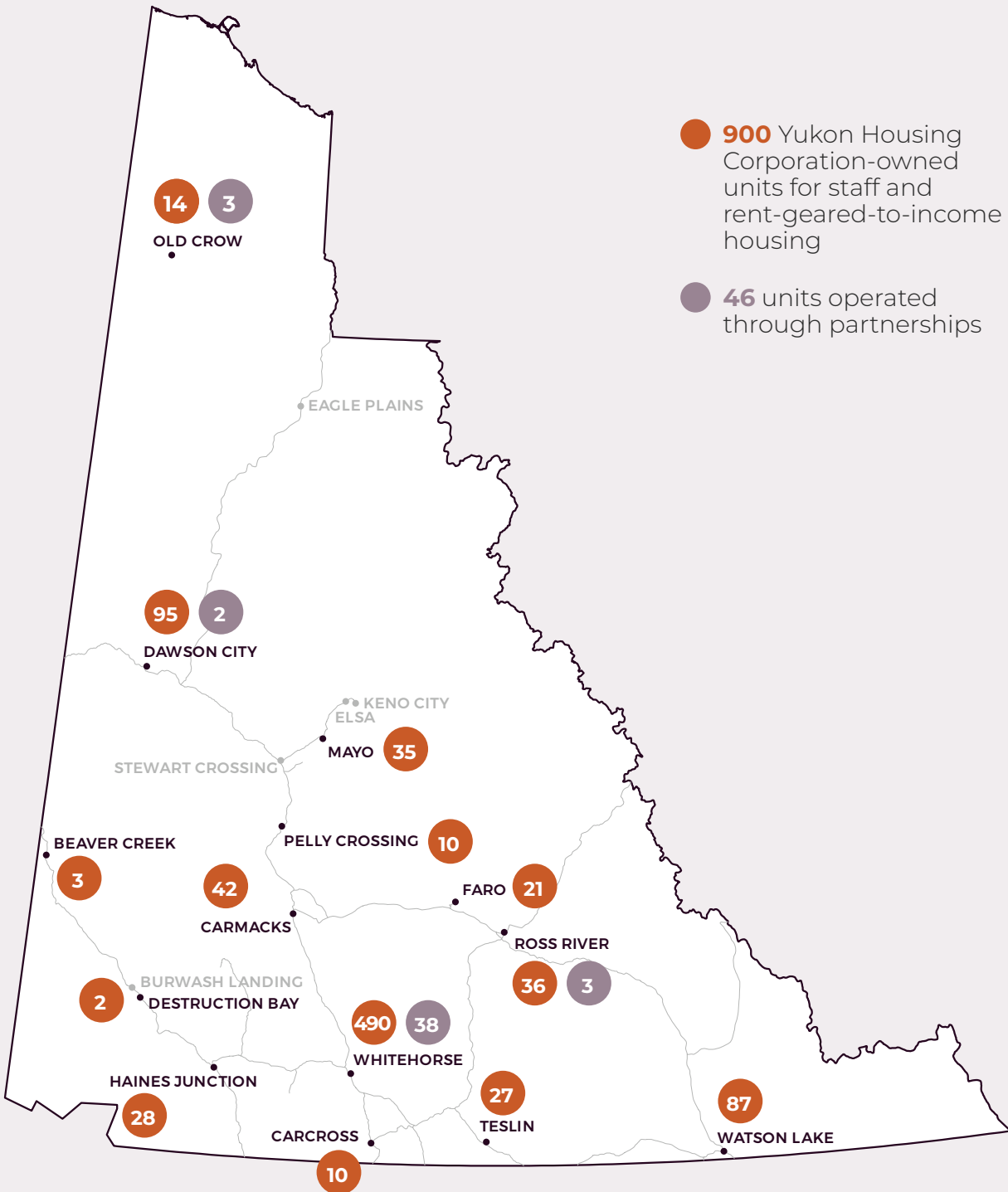
provision of safe, affordable housing alone is becoming insufficient to address the complex and evolving needs of Yukoners. In response, Yukon Housing Corporation has changed its approach to housing delivery, focusing on more than just physical structures. Enhanced supports and social connection are key to stable housing and positive outcomes not just for the individual but also for the community. Reaching beyond a traditional landlord role to address a broader range of factors impacting housing and wellness outcomes is a significant pivot for Yukon Housing Corporation.

Our mission: to provide Yukoners with stable, affordable, quality housing that creates opportunity and builds community.



⁷ <https://www.who.int/teams/social-determinants-of-health/demographic-change-and-healthy-ageing/social-isolation-and-loneliness>

Our housing portfolio



Where we are heading

The corporation's new five-year strategic plan, *Creating Home*, envisions an affordable housing delivery system that places the needs and experiences of clients and housing providers at the centre.

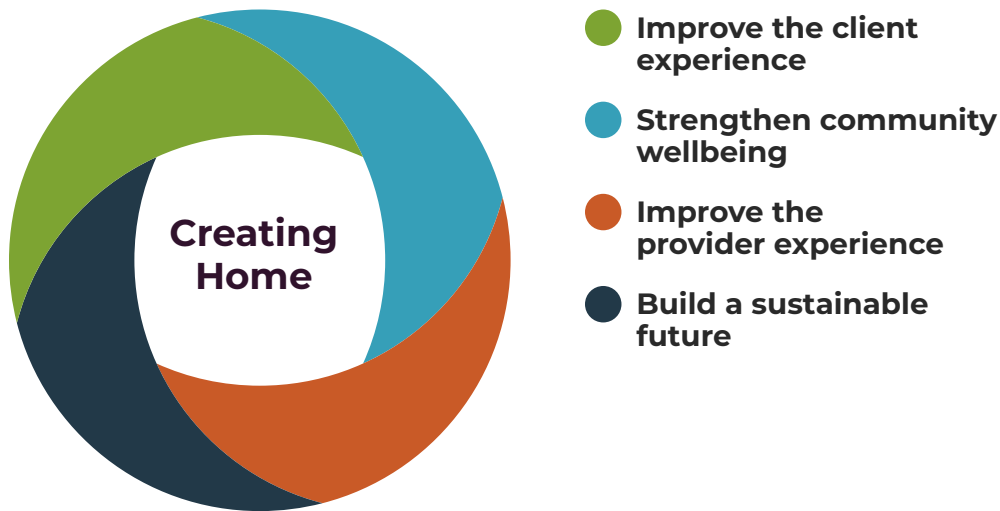
Drawing on the same framework that has laid the foundation for the Yukon's health and social system transformation, we are seeking change through the simultaneous pursuit of four interconnected goals. The Quadruple Aim of housing provides us with a blueprint for a different approach to housing service delivery (Figure 1). It's one that focuses on client outcomes and provides housing that positively shapes our neighbourhoods and builds community. In short, it creates home.

Our housing system is complex, with holistic solutions requiring a multi-sectoral approach. Our partnerships within the health and social system are integral to our collective success. This is because housing is a key determinant of health; meaning the neighbourhood you live in, the quality and affordability of your home, and whether you are stably housed can affect your health outcomes. Enhanced coordination and greater collaboration with our partners, including the Department of Health and Social Services, is now and will continue to be a key focus over the coming years.

Our vision: healthy homes and communities support Yukoners' wellbeing and life opportunities.



Figure 1. Quadruple Aim of housing



Core values of Creating Home

● **Yukoner-focused**

We are committed to continually assessing Yukoners' housing needs and providing responsive solutions that build connection and community.

● **Empowerment**

We believe in empowering Yukoners by providing a wider range of housing options and helping create a sense of home that supports their wellbeing.

● **Accountability**

We will demonstrate how our annual investments are achieving intended results and improving the wellbeing of Yukoners.

● **Leadership**

We will lead a strong housing sector with partners who have shared values, driving better outcomes and a healthier future for Yukoners.

Report on progress





Improve the client experience

by understanding needs, improving service delivery and measuring change

Our new strategic direction places clients at the centre of our housing services and decisions. This means understanding the unique needs and preferences of our clients and creating an environment where they feel valued and supported – empowering them to reach their full potential.

This client focus begins long before someone moves into their new home. In fall 2023, we conducted a survey to better understand the life circumstances and needs of clients on the waitlist for our Rent-Geared-to-Income (RGI) program. Of the 298 waitlisted households, 186 completed the survey, representing a 62 per cent response rate.

We gained valuable insights into their housing needs, communication preferences and familiarity with available programs and supports. Recommendations created from the analysis of the survey results will start being implemented in fall 2024.

While monitoring and tracking our waitlist numbers is important, it is not our only metric for success. Emphasis is also placed on outcomes that support long-term housing stability and client wellbeing and success. One key objective under the first aim – improving the client experience – is to examine our programs and services through the eyes of our clients. Referred to as “client journey mapping”, this process helps identify issues with our programs and services and provides opportunities for meaningful change. In early 2024, we prioritized the mapping of our largest program, Rent-Geared-to-Income housing. Engagement sessions were held with tenants, staff and partners in three rural communities and Whitehorse between January and March 2024. One of the themes that emerged from the mapping exercise was the importance of safety and security.

Figure 2. Stakeholders engaged during the RGI client mapping exercise



Ensuring all tenants have a safe place to call home is foundational to their wellbeing. In the spring of 2024, the corporation began re-examining the community safety and security approach for its multi-unit residences in Whitehorse – shifting to be more client-centred. The creation of dedicated staff offices in select multi-unit buildings in Whitehorse is also planned for later this year. Increased staff presence on-site will provide opportunities for increased connection with tenants and provision of supports as needed.

Improving the client experience is not limited to our Rent-Geared-to-Income program. Our clients also include homeowners accessing one of four funding streams under the Home Repair program. Between April 1, 2023, and March 31, 2024, 50 Yukon households were approved under the Home Repair program to improve the suitability, safety and accessibility of their homes.

To improve the client experience, we need to actively listen and collect valuable feedback, whether that's through one-on-one discussions, surveys or client journey maps. This helps us identify areas for improvement and implement changes to accommodate Yukoners' housing needs and enhance their overall wellbeing. Client feedback also serves as a tool to measure our performance, keeping the corporation accountable and ensuring our clients receive high-quality and satisfactory housing services.

Figure 3. Number of households approved under the Home Repair program

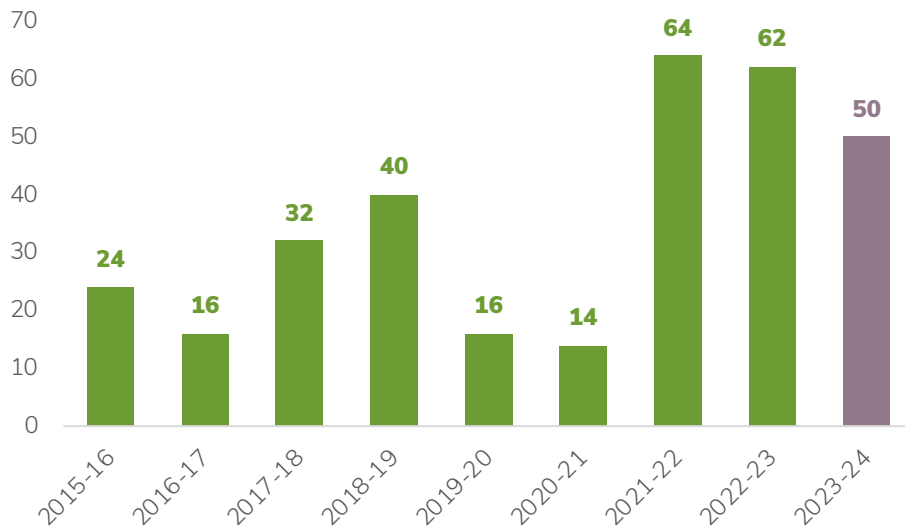
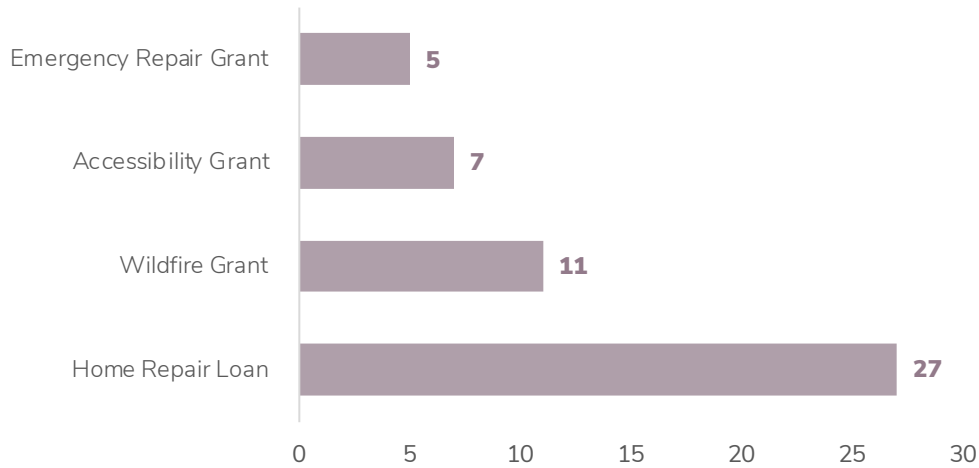


Figure 4. Breakdown of households approved under the Home Repair program, by stream in 2023-24





Strengthen community wellbeing

by improving housing stability, increasing affordable housing choice and promoting social connection

We recognize how foundational housing stability is for health and wellbeing. Without having a secure place to put one's head down at night, challenges with meeting basic needs or storing belongings can impact other areas of life and become an isolating experience. Safe, stable housing also allows us to put down roots in a community and create connections.

Connection to community can help individuals experiencing homelessness feel empowered rather than marginalized, giving them a voice. In March and December 2023, the corporation was invited to participate in two forums for people with lived and living experience of homelessness. Led by the Yukon Anti-Poverty Coalition in collaboration with Voices Influencing Change, Blood Ties Four Directions and the Safe at Home Society, the forums provided a supportive environment for people to come together to share their stories and provide recommendations and solutions on how best to address housing challenges.

Diversity in affordable housing options that meet Yukoners' unique needs and levels of readiness will help ensure everyone has a safe place to call home. July 2023 marked the opening of "Jëje Zho" in Dawson, which means "Men's Shelter" in Hän. The project, which received \$900,000 through the corporation's Housing Initiatives Fund, provides men experiencing homelessness or at risk thereof access to temporary housing and on-site care, addictions and mental health support. While emergency shelter beds provide stability and safety, they can also serve as an entry point to more permanent supportive housing options. Responding to the need for supportive housing options in Watson Lake, the corporation, with support from Canada Mortgage and Housing Corporation, contributed \$13.1 million to construct a 10-unit supportive housing complex for individuals experiencing or at risk of experiencing homelessness. The complex will provide

on-site support services and programming using Housing First principles. The project, which broke ground in August 2023, is slated to be completed in the fall of 2024.

Investments were also made to expand supportive housing options in Whitehorse. In February 2024, the corporation announced a contribution of up to \$12.9 million to support the Safe at Home Society’s new 67-unit permanent supportive housing project, “The Hearth”. This project is now in active construction and busy transforming the former Coast High Country Inn into safe and affordable housing for individuals experiencing or at risk of homelessness. The Hearth is anticipated to open its doors in 2026.

Increased affordable housing options not only helps promote housing stability; it also enables Yukoners to remain in their community as their housing needs change. Yukon seniors and Elders are central to the vitality of our communities. They are the pillars to whom we turn for wisdom, experience and general guidance. The sixth intake of the Housing Initiatives Fund helped support the construction of the Vuntut Gwitchin and Liard First Nation’s Elder complexes, allowing Citizens to maintain connection to family and community through aging in place.

In July 2023, the corporation continued to promote aging in place outcomes by signing a second lease for an additional 16 units at the Normandy Living seniors’ complex in Whitehorse. Increased access to supportive housing options for low-income seniors and Elders not only supports aging well in the community but also allows social connections to be maintained.



Housing Initiatives Fund

The Housing Initiatives Fund supports the development of new affordable housing units across the territory.

Since the program launched in 2018, more than \$28 million has been committed to 83 construction projects, supporting the delivery of 845 affordable new homes.

12
projects supported in 2023–24, which will bring online

3.4
million in funding disbursed in 2023-24

159
affordable homes



360

senior households in corporation RGI units



26

senior households in supportive housing units



51

senior households receiving the CYHB rent benefit

The COVID-19 pandemic highlighted how important social connections are for healthy and resilient homes, neighbourhoods and communities. Investing in our tenants' social connectedness not only creates a sense of belonging; it can also build trust, improve relationships with staff and lead to greater care for building spaces⁸.

Yukon Housing Corporation continues to fund Senior Engagement Services through the Yukon Anti-Poverty Coalition. This program works with tenants to increase the sense of community in purpose-built seniors' buildings in Whitehorse. As we continue implementing Creating Home, we will endeavour to support social programming in more of our buildings across the territory, bringing tenants together and fostering greater happiness and health outcomes.



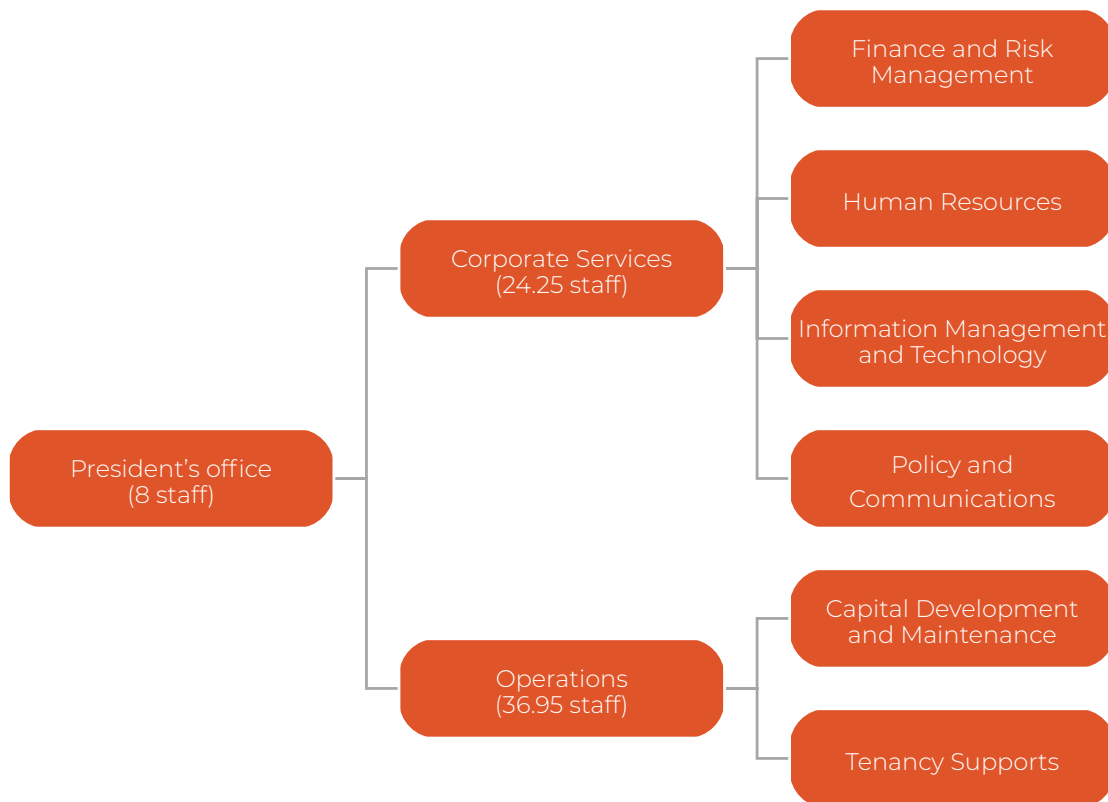
8 <https://www.heyneighbourcollective.ca/2022/12/seven-lessons-for-implementing-social-activities-in-rental-housing/>

Improve the provider experience

by leading a strong housing sector that enhances coordination of services and promoting a positive organizational culture

The provision of high-quality housing and client service begins with housing providers, including Yukon Housing Corporation's staff. With a complement of close to 70 full-time equivalent staff across the territory, everyone plays a critical role in ensuring the delivery of effective programs and services for Yukoners. Encouraging work-life balance and striving to ensure staff are engaged and happy creates a positive impact throughout the corporation.

Figure 5. Yukon Housing Corporation organizational chart



The corporation undertook several business improvement initiatives in 2023–24 to better support staff by streamlining processes and increasing efficiencies. This work included assessments of the software system, financial processes and business functions to identify gaps and opportunities to streamline operations, increase data integrity and enable better business decisions.

Improving the experience for providers is not limited to corporation staff. The satisfaction and wellbeing of our partners and other housing providers within the sector is also paramount. This means enhancing how we work with partners and enabling opportunities and forums for connection and learning.

In early 2024, we initiated the development of a revised partnership framework, ensuring a more transparent and equitable process for advancing housing partnerships. This will promote a greater diversity of housing providers across the territory and lead to more affordable housing options for Yukoners. This work is anticipated to be completed in 2025.

On February 29, 2024, we co-hosted the 2024 Housing Summit with the City of Whitehorse. The Summit was an opportunity for housing providers, professionals, and community members to come together to explore innovative solutions, share success stories, and work collaboratively toward building a stronger future for our territory. With over 140 delegates in attendance, the event offered insightful presentations and interactive discussions on key topics such as land development, housing affordability and short-term rentals.



Photo: Government of Yukon / Justin Kennedy

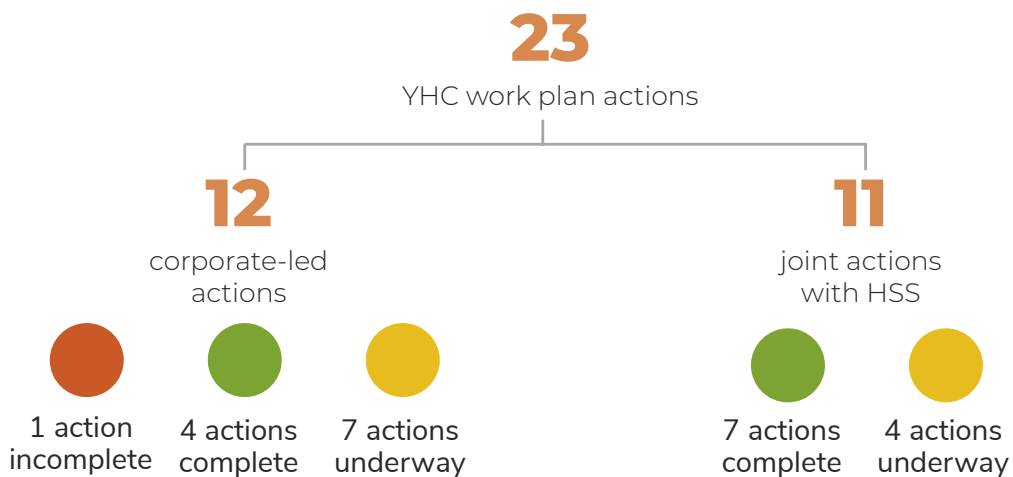
Engagement with housing partners and providers continued with two workshops held on March 7, 2024, to elicit feedback on the implementation of Creating Home. The engagement sessions not only provided us with valuable feedback, but also connected housing providers, giving them a platform to share information and learn from each other. The corporation is striving to take on a greater leadership role within the sector by enabling opportunities such as these.

Yukon Housing Corporation has a strong history of investing in partnerships to bring more affordable homes online that meet communities' emerging needs. In September 2023, the corporation partnered with Ross River Dena Council to install a three-unit trailer, providing homes for critical staff positions in the community. In February 2024, we expanded our partnership with Da Daghay Development Corporation, investing more than \$5 million in the Winter Crossing housing project in Whistle Bend to help meet the growing demand for affordable housing options in Whitehorse.

Our partnerships are not limited to the capital side of housing development. We are equally focused on our partnerships with service providers contributing to the overall wellbeing of our clients. This is critical as we shift to better support clients and enhance their access to services such as healthcare, social activities, employment and education.

The Office of the Auditor General of Canada noted in their 2022 report on housing that enhanced collaboration and coordination with the Department of Health and Social Services was needed to better meet the housing needs of Yukoners. A progress update on the joint work plan to address the Auditor's recommendations was released on Yukon.ca in December 2023⁹.

Figure 6. Progress on OAG work plan actions



⁹ <https://yukon.ca/en/news/government-yukon-shares-progress-updates-auditor-general-canadas-2022-housing-recommendations>



Build a sustainable future

by maximizing efficiencies, seeking creative opportunities to address housing challenges and improving accountability

As federal housing subsidy agreements are set to expire soon, social housing providers across Canada are challenged to maintain operations and keep rents affordable. While those agreements support deeply subsidized housing options for eligible Yukoners, they do not provide sufficient revenue for a sustainable operation. To achieve long-term financial stability, we must look for ways to increase our operating income and offset costs.

Increasing the supply of affordable rental housing targeting a wider range of income levels will generate a rent structure that is better aligned with operations and maintenance requirements, improving long-term sustainability. In the coming year, we will continue to explore mixed income housing as well as possible new programs.

We will also continue to strategically allocate resources across programs and seek creative opportunities to sustainably meet Yukoners' housing needs. An example of this includes the expansion of the corporation's Developer Build Loan program to include financing for residential land and infrastructure development. One of the first projects resulting from this change is Chu Níkwän Limited Partnership's Copper Ridge West project. Funded in part through a loan under this program, this first large-scale housing development on First Nation Settlement Land will create over 150 residential lots. Phase one broke ground in summer 2023 and lot leasing has commenced.

We recognize that at times, we need to be nimble. When the ice jam and freshet flooding on the Klondike River devastated people's homes and livelihoods in spring 2023, the corporation responded by launching the Housing Flood

Recovery Funding Program, in collaboration with the departments of Energy, Mines and Resources, Community Services and Economic Development. The program provided financial assistance to Yukoners for uninsured damages to their property and possessions. More than 20 affected households were approved for a total of just under \$622,000 in recovery aid.

In early 2024, the corporation leveraged a funding opportunity from the federal government to create a third stream under the Canada-Yukon Housing Benefit (CYHB) program helping eligible homeowners offset their housing costs. A one-time payment was issued to homeowners spending 50 per cent or more of their gross household income on housing costs. The federal government's investment of \$1.1 million was cost-matched by an existing Government of Yukon program, the Homeowners Grant.

Building a sustainable future also means looking to our own housing portfolio for opportunities to manage our assets with an eye towards efficiency and optimizing impact. The corporation's 24-unit Ryder Apartments building in Whitehorse was demolished in fall 2023 to make way for a new 45-unit build designed to accommodate Rent-Geared-to-Income clients. Twelve of these units will be designated accessible. The building will also exceed energy efficiency requirements by 40 per cent, leading to reduced energy costs and a smaller environmental footprint.



Canada-Yukon Housing Benefit program in 2023-24

The Canada-Yukon Housing Benefit (CYHB) program provides low to moderate income households with a subsidy to help make their housing in the private market more affordable.

The program comprises two streams that support **renters** and **homeowners**.

237

households supported by the homeowner stream

195

supported by the rental stream

Additional new builds came online in 2023–24, including affordable and accessible duplexes in Mayo and Carmacks. The development of new housing options in communities must respond to their unique needs. To support this, housing needs assessments (HNAs) are a tool we can draw on to better understand a community’s current and future housing needs. These assessments also identify gaps and highlight opportunities and focus areas for housing development decisions and policy solutions.

While housing needs have been assessed in several communities over the past five years, there was no established framework to guide this process. This resulted in varying assessment approaches and inconsistent reporting. In spring 2023, the corporation initiated the development of a standard approach to assess housing needs. A data guide and template outlining a methodology for the collection of quantitative data was completed in fall 2023. A companion qualitative guide, slated for completion in summer 2024, will serve as a roadmap to conduct qualitative engagement.

Yukon Housing Corporation endeavours to work with municipalities and First Nation governments to apply this new methodology to collectively assess community housing needs on a five-year cycle. Working collaboratively will enable a shared understanding of housing data and needs and improve coordination of resources as we collectively address Yukoners’ housing requirements and priorities more effectively.



Photo: Government of Yukon / Justin Kennedy

Looking forward

The past year was focused on setting the corporation up for success for the next four years under the new strategic direction of Creating Home. This meant drawing attention to our new strategic levers, the tools and conditions needed to help us achieve our four interconnected aims and ensure Creating Home is a success.

Looking ahead to 2024–25, we will continue to build on this strong foundation and deliver on our commitment to provide more housing options for Yukoners. The corporation’s development pipeline includes a 34-unit residence in Dawson and a 45-unit multi-family residence in Whitehorse, among other projects.

Beyond bricks and mortar, we are planning for the expansion of the Canada-Yukon Housing Benefit – our subsidy program for renters in need. The expanded program will include a dedicated stream for survivors of gender-based violence. We will continue to review other programs, such as the Home Ownership Loan program, to ensure we remain in lockstep with Yukoners’ needs and the changing housing landscape.

In addition to improving housing availability and affordability, the corporation will also focus on enhancing support services and opportunities for social connection among our clients. Nurturing community partnerships will be essential in delivering more holistic client-centred housing solutions, such as the planned re-purposing of the 408 Alexander Street building in Whitehorse to better meet community needs and improve downtown safety.



Financial analysis

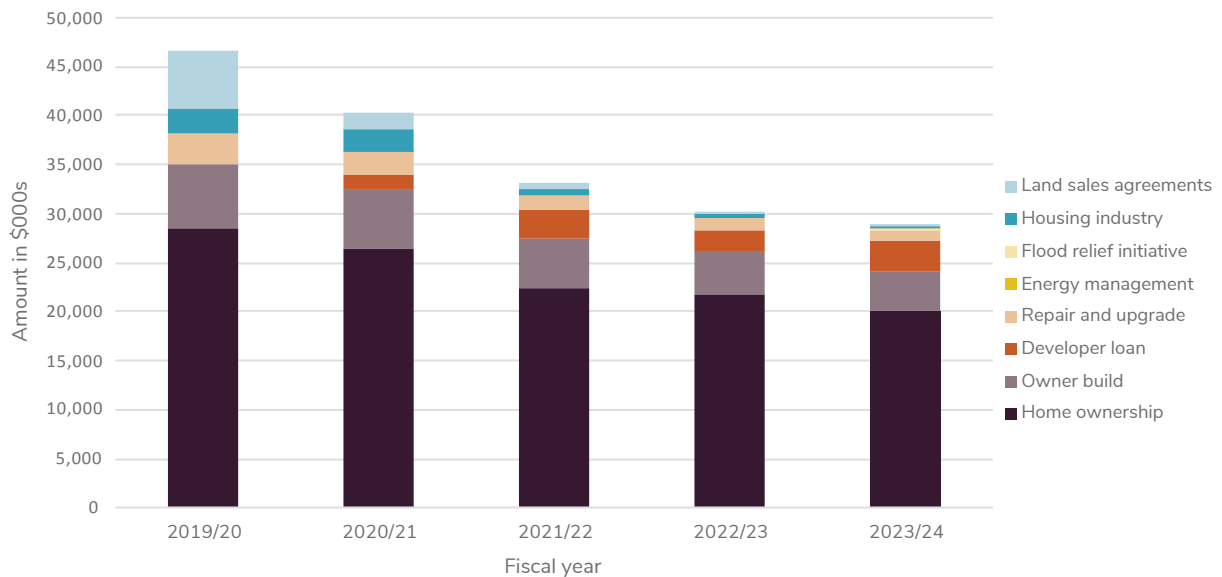
Financial position

As of March 31, 2024, the financial assets increased by \$23.5 million from the prior year to \$61.8 million. Current assets consist of cash and accounts receivable. On a net basis, current assets have increased by \$25.7 million due to increase in accounts receivable of \$6.5 million and increase of \$19.2 million in cash. Long-term assets fell by \$2.2 million as a result of a \$1.8 million decrease in loans and \$0.4 million decrease in funds due from the Government of Yukon.

Forty-five per cent (45%) of the corporation’s financial assets is made up of mortgages and loans receivable. However, mortgages and loans receivable have been decreasing since 2016–17 as legacy programs and mortgages are repaid. (See table below – Loans Receivable.)

At the end of the 2023–24 fiscal year, liabilities increased by \$22.2 million from prior year to \$72.4 million. The primary contributors are increases in deferred revenue of \$22.7 million (see note 8), accounts payable and accrued liabilities of \$0.8 million, environmental liability of \$0.2 million (see note 7), advances from the Government of Yukon of \$0.5 million (see note 12); offset by a reduction in

Loans receivable



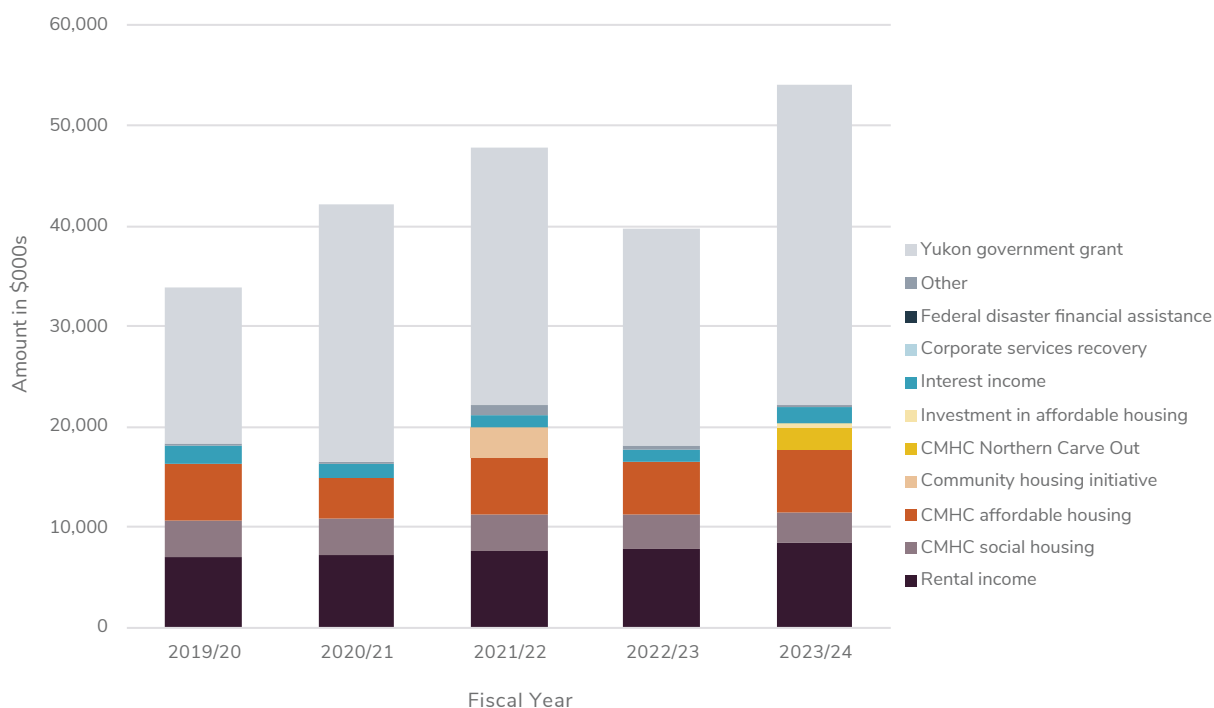
long-term debt of \$0.7 million (see note 9), asset retirement obligation (ARO) of \$1.0 million (see note 21) and post-employment benefits of \$0.3 million (see note 10).

As of March 31, 2024, tangible capital assets increased by \$3.6 million from 2022–23 fiscal year to \$118.3 million. This increase consists of additions to social and staff housing for \$8.9 million offset by \$4.8 million in amortization, \$0.4 million in change in estimate, and \$0.1 million in write downs. The assets are capitalized over 3 to 50 years. Prepaid expenses have decreased by \$0.1 million.

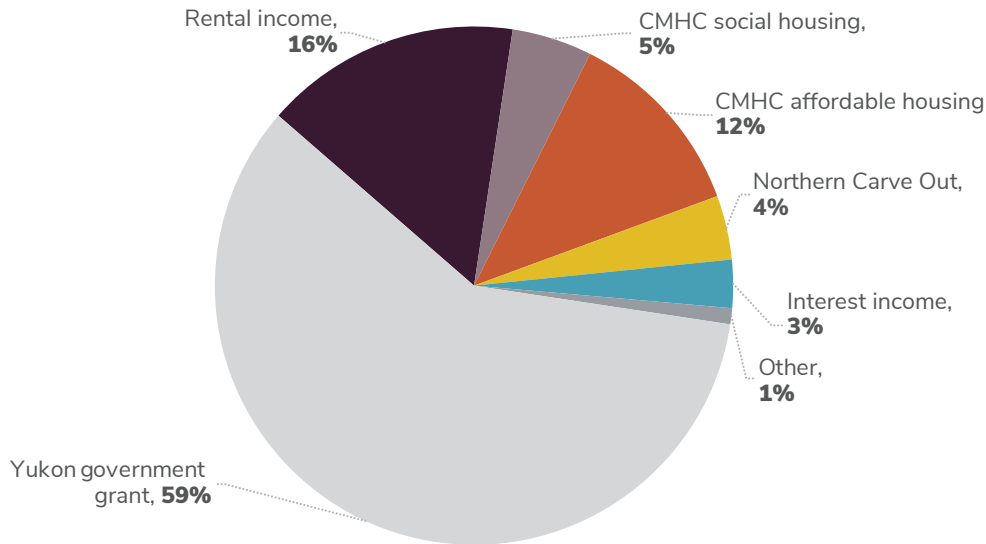
Financial operations

Revenues increased by \$4.0 million from the prior year to \$22.3 million. This is primarily due to a \$3.1 million increase in revenue from Canada Mortgage and Housing Corporation (CMHC). In particular, revenue from Northern Carve Out and National Housing Strategy increased by \$2.2 million and \$1.3 million respectively while revenue from other CMHC agreements decreased by \$0.4 million. Higher staff housing rent and an increase in social housing tenants led to an increase of \$0.7 million in rental and related client services income. Interest income during the fiscal year increased by \$0.3 million. These increases were offset by a reduction in other revenues by \$0.1 million.

Revenues and Yukon government funding



Revenues

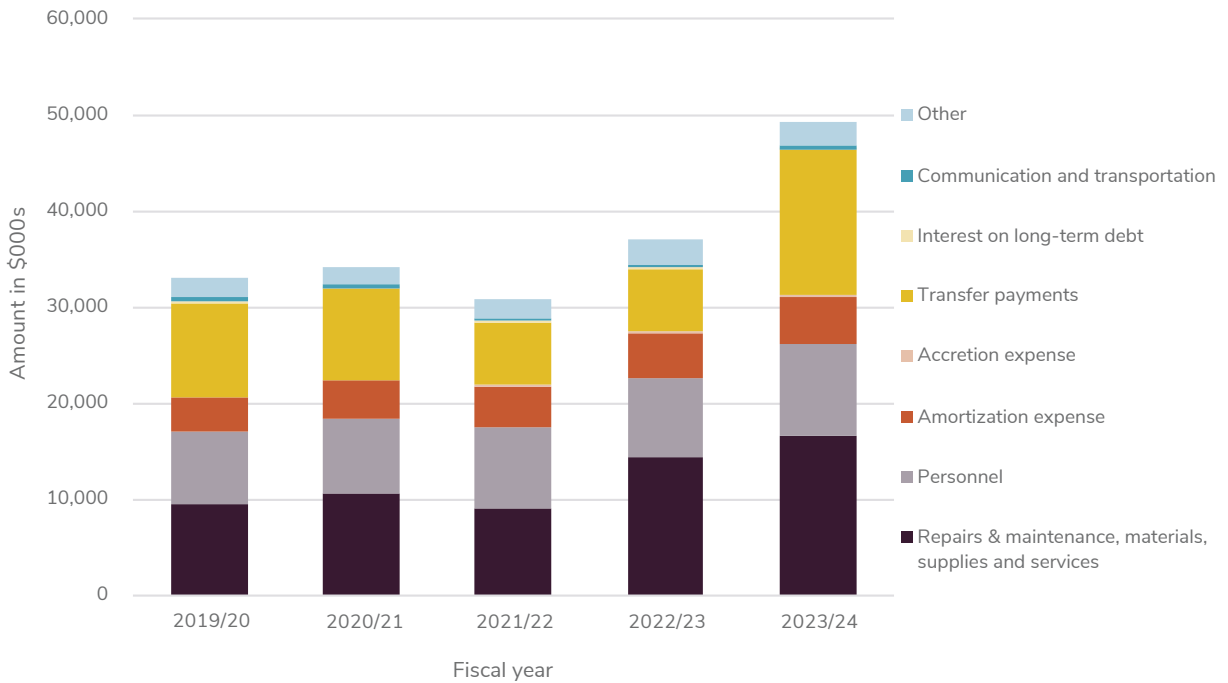


Expenses increased by \$12.3 million from the prior year to \$49.3 million. This is a result of increases in social and staff operations \$2.0 million; increases in lending and grant programs \$8.5 million; increase in amortization \$0.2 million; increases in corporate services \$0.8 million; increase in administration \$0.2 million; increases in rent supplement programs \$0.5 million and increase in subsidies expenses \$0.1 million.

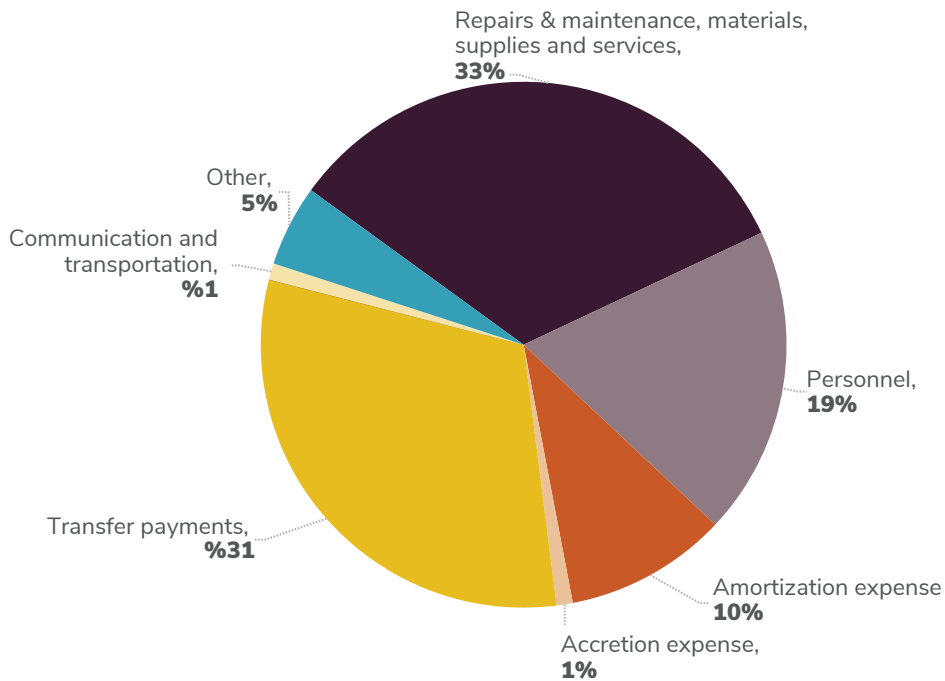
The Government of Yukon funding increased by \$10.4 million from the prior year to \$31.8 million. This is largely due to an increase of \$11.7 million in Government of Yukon net transfer revenues; offset by a decrease of \$1.3 million for the Low Carbon Economy Fund.

Overall, expenses were above the published 2023–24 Main Estimates, mainly in the social and staff housing operations, due to higher general maintenance expenses than anticipated. Capital acquisitions were lower than the Main Estimates due to deferral of some capital projects. Revenues were lower than the Main Estimates due to deferral of projects under the Northern Carve Out funding from CMHC.

Expenses



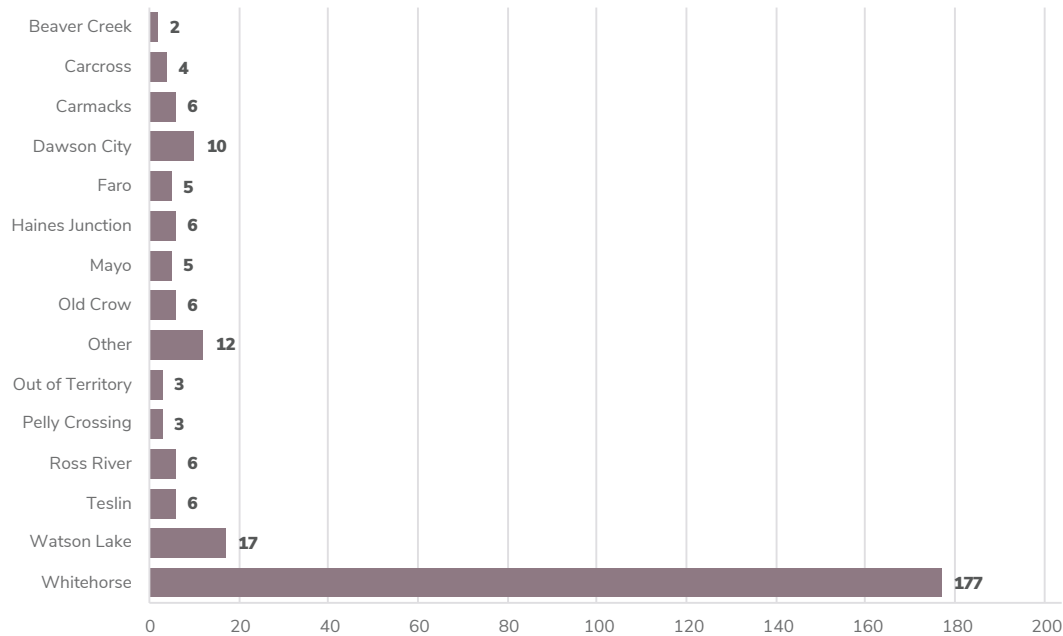
Expenses



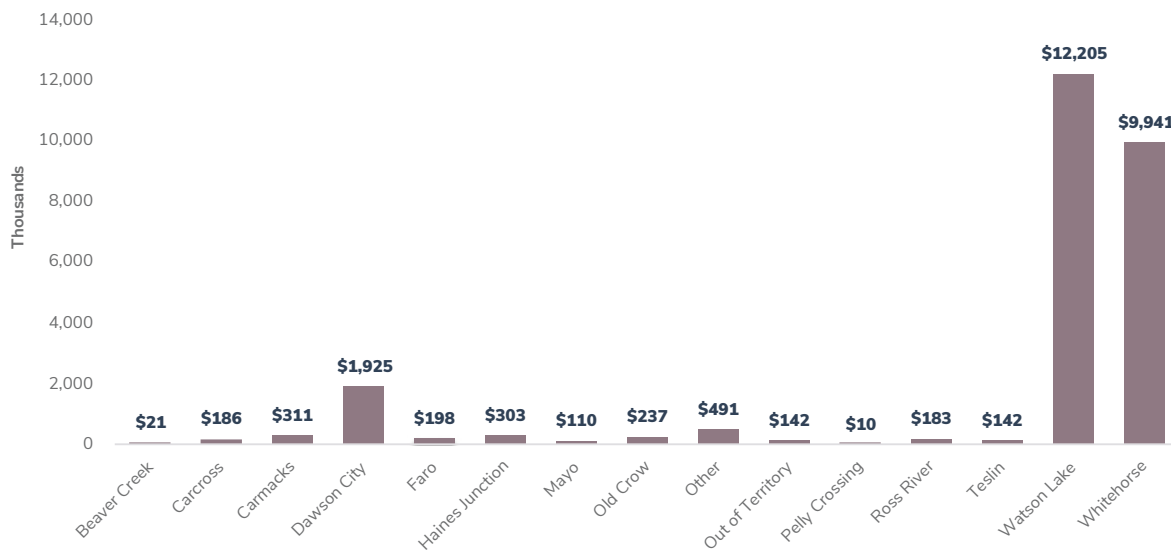
Local procurement

As a major property owner in the territory, the corporation has a significant economic impact on local contracting businesses. The corporation ensures that its procurement methods follow diligently the Yukon government procurement directives and procurement bylaws as part of its commitment to good governance.

Number of contracts awarded per community*



Total contract value awarded per community*



* Data provided by the Yukon government Contract Registry

Financial report

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Yukon Housing Corporation
PO Box 2703 (Y-1), Whitehorse, Yukon Y1A 2C6

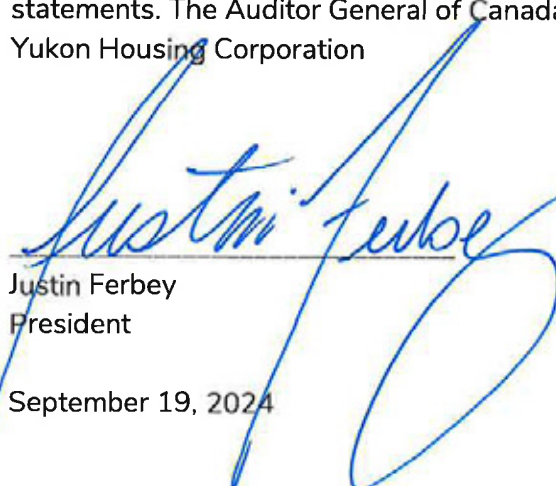
Management's Responsibility for Financial Reporting

These financial statements have been prepared by management in accordance with Canadian public sector accounting standards. The integrity and objectivity of the data in these financial statements are management's responsibility.

Management is responsible for developing and maintaining books of account, records, financial and management controls, information systems and management practices. These are designed to provide reasonable assurance as to the reliability of financial information; that assets are safeguarded and controlled; and that transactions are in accordance with the *Financial Administration Act* as well as the *Housing Corporation Act* and the bylaws of the Yukon Housing Corporation (the Corporation).

The Board of Directors (the Board) is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Board exercises its responsibility through the Finance and Audit and Risk Management Committee, which meets on a periodic basis with management and the independent external auditor to review the manner in which these groups are performing their responsibilities and to discuss auditing, internal controls and other relevant financial matters. The Board of Directors reviews the audited financial statements with the external auditor before their approval.

The Corporation's external auditor, the Auditor General of Canada, is responsible for auditing the financial statements and issuing her report thereon which is included with the audited financial statements. The Auditor General of Canada addresses her report to the Minister responsible for the Yukon Housing Corporation


Justin Ferbey
President


Daniel Jirousek
Director, Finance and Risk Management

September 19, 2024



INDEPENDENT AUDITOR'S REPORT

To the Minister responsible for the Yukon Housing Corporation

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Yukon Housing Corporation (the Corporation), which comprise the statement of financial position as at 31 March 2024, and the statement of operations and accumulated surplus, statement of change in net debt and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at 31 March 2024, and the results of its operations, changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Compliance with Specified Authorities

Opinion

In conjunction with the audit of the financial statements, we have audited transactions of the Yukon Housing Corporation coming to our notice for compliance with specified authorities. The specified authorities against which compliance was audited are the *Financial Administration Act* of Yukon and regulations, the *Housing Corporation Act* and regulations, and the by-laws of the Yukon Housing Corporation.

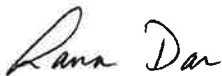
In our opinion, the transactions of the Yukon Housing Corporation that came to our notice during the audit of the financial statements have complied, in all material respects, with the specified authorities referred to above. Further, as required by the *Housing Corporation Act*, we report that, in our opinion, the accounting principles in Canadian public sector accounting standards have been applied on a basis consistent with that of the preceding year. In addition, in our opinion, proper books of account have been kept by the Yukon Housing Corporation and the financial statements are in agreement therewith.

Responsibilities of Management for Compliance with Specified Authorities

Management is responsible for the Yukon Housing Corporation's compliance with the specified authorities named above, and for such internal control as management determines is necessary to enable the Yukon Housing Corporation to comply with the specified authorities.

Auditor's Responsibilities for the Audit of Compliance with Specified Authorities

Our audit responsibilities include planning and performing procedures to provide an audit opinion and reporting on whether the transactions coming to our notice during the audit of the financial statements are in compliance with the specified authorities referred to above.



Lana Dar, CPA, CA
Principal
for the Auditor General of Canada

Vancouver, Canada
19 September 2024



Yukon Housing Corporation
Statement of Financial Position
as at March 31, 2024

	2024	2023
	(thousands of dollars)	
Financial assets		
Cash (Note 4)	\$ 25,974	\$ 6,804
Accounts receivable (Notes 5 and 22)	7,144	691
Due from the Government of Yukon (Notes 16(a) and 22)	900	1,281
Mortgages and loans receivable (Notes 6 and 22)	27,741	29,515
	<u>61,759</u>	<u>38,291</u>
Liabilities		
Accounts payable and accrued liabilities (Note 22)	7,770	7,033
Environmental liability (Note 7)	754	579
Asset retirement obligation (Note 21)	8,992	9,962
Deferred revenue (Note 8)	25,693	2,993
Long-term debt (Notes 9 and 22)	8,958	9,638
Post-employment benefits (Note 10)	2,230	2,497
Advances - Government of Yukon (Note 12)	17,999	17,523
	<u>72,396</u>	<u>50,225</u>
(Net debt) net financial assets	<u>(10,637)</u>	<u>(11,934)</u>
Non-financial assets		
Tangible capital assets (Note 13 and Schedule B)	118,333	114,754
Prepaid expenses (Note 20)	3,563	3,644
	<u>121,896</u>	<u>118,398</u>
Accumulated surplus	<u>\$ 111,259</u>	<u>\$ 106,464</u>
Contractual obligations and contingencies (Note 17)		
Contractual rights (Note 18)		

Approved by the Board of Directors

Director

Director

The accompanying notes and schedules are an integral part of these financial statements.



Yukon Housing Corporation
Statement of Operations and Accumulated Surplus
for the year ended March 31, 2024

	2024		2023
	Main Estimates (Note 1(c))	Actual	Actual
	(thousands of dollars)		
Revenues			
Rental and related client services income (Note 14)	\$ 7,705	\$ 8,526	\$ 7,833
Funding from Canada Mortgage and Housing Corporation			
- National Housing Strategy	5,302	6,279	4,976
- Social Housing Agreement	3,029	3,029	3,518
- Northern Carve Out	13,800	2,202	-
- Investment in Affordable Housing	-	247	-
- Northern Funding Agreement	-	-	140
Interest income	1,186	1,654	1,305
Other	20	268	348
Tenant damage charge back recovery	60	53	59
Recovery of loan receivable allowances	-	-	27
	<u>31,102</u>	<u>22,258</u>	<u>18,206</u>
Expenses (Note 15)			
Social and staff housing operations (Schedule A)	18,890	20,668	18,691
Lending and grant programs (Schedule A)	14,993	15,171	6,685
Amortization (Note 15 and Schedule B)	4,079	4,810	4,563
Corporate services (Schedule A)	2,144	3,521	2,737
Administration (Schedule A)	2,940	2,405	2,186
Rent supplement programs	2,647	2,187	1,722
Subsidies - private social housing organizations	617	524	393
	<u>46,310</u>	<u>49,286</u>	<u>36,977</u>
Deficit for the year before government funding	(15,208)	(27,028)	(18,771)
Government of Yukon funding			
Capital transfer revenue	24,251	21,212	10,768
Operations and maintenance transfer revenue	10,921	9,391	8,116
Low Carbon Economy Fund	2,367	718	2,035
Rental assistance - in-kind (Note 16(b))	-	502	502
	<u>37,539</u>	<u>31,823</u>	<u>21,421</u>
Surplus for the year	\$ 22,331	4,795	2,650
Accumulated surplus at beginning of year		106,464	103,814
Accumulated surplus at end of year		\$ 111,259	\$ 106,464

The accompanying notes and schedules are an integral part of these financial statements.



Yukon Housing Corporation
Statement of Change in Net Debt
for the year ended March 31, 2024

	2024		2023
	Main Estimates (Note 1(c))	Actual	Actual
	(thousands of dollars)		
Surplus for the year	\$ 22,331	\$ 4,795	\$ 2,650
Effect of change in tangible capital assets			
Acquisitions	(26,410)	(8,858)	(6,885)
Change in asset retirement obligation estimate	-	394	555
Amortization of tangible capital assets	4,079	4,810	4,563
Write-down of tangible capital assets	-	75	56
	<u>(22,331)</u>	<u>(3,579)</u>	<u>(1,711)</u>
Effect of change in other non-financial assets			
Consumption of prepaid expenses	-	271	186
Purchase of prepaid expenses	-	(190)	(377)
	<u>-</u>	<u>81</u>	<u>(191)</u>
Increase (decrease) in net financial assets (net debt)	<u>\$ -</u>	<u>1,297</u>	<u>748</u>
Net debt at beginning of year		(11,934)	(12,682)
Net debt at end of year		<u>\$ (10,637)</u>	<u>\$ (11,934)</u>

The accompanying notes and schedules are an integral part of these financial statements.



Yukon Housing Corporation
Statement of Cash Flow
for the year ended March 31, 2024

	2024	2023
	(thousands of dollars)	
Operating transactions		
Surplus for the year	\$ 4,795	\$ 2,650
Adjustments for non-cash items		
Transfer revenue from Government of Yukon (Note 12)	476	(3,799)
Amortization of tangible capital assets (Note 13 and Schedule B)	4,810	4,563
Change in environmental liability estimate (Note 7)	360	395
Change in asset retirement obligation estimate	(573)	-
Accretion expense (Note 21)	299	256
Post-employment benefits expense (Note 10)	221	265
Bad debt expense (Schedule A)	152	(161)
Write-downs of tangible capital assets (Schedule B)	75	56
Mortgages receivable allowances / discounts (Note 6)	306	(62)
	<u>10,921</u>	<u>4,163</u>
Changes in accruals of operating cash receipts or (payments)	16,143	4,751
Cash provided by operating transactions	<u>27,064</u>	<u>8,914</u>
Capital transactions		
Acquisition of tangible capital assets	(8,684)	(8,422)
Cash (used for) capital transactions	<u>(8,684)</u>	<u>(8,422)</u>
Investing transactions		
Issuances of mortgages receivable	(2,266)	(4,185)
Repayments of mortgages receivable	3,553	6,707
Repayments of land sales agreements receivable	183	442
Cash provided by investing transactions	<u>1,470</u>	<u>2,964</u>
Financing transactions		
Repayments of long-term debt	(497)	(714)
Repayments of land sales agreements payable	(183)	(442)
Cash (used for) financing transactions	<u>(680)</u>	<u>(1,156)</u>
Increase (decrease) in cash	19,170	2,300
Cash at beginning of year (Note 4)	<u>6,804</u>	<u>4,504</u>
Cash at end of year (Note 4)	\$ 25,974	\$ 6,804
Interest received in the year	\$ 1,654	\$ 1,305
Interest paid in the year	38	50

The accompanying notes and schedules are an integral part of these financial statements.



Yukon Housing Corporation
Notes to the financial statements
for the year ended March 31, 2024

1. Authority and operations

(a) Authority

Yukon Housing Corporation (the Corporation) was established in 1972 by the *Housing Corporation Act* of Yukon to undertake, carry to completion, or assist in the provision, development, maintenance and management of housing. The Corporation is subject to the *Financial Administration Act* of Yukon. Disbursements for operations and loans are authorized by the Yukon Legislative Assembly through the *Appropriation Acts*.

(b) Mission

The mission of the Corporation is to work collaboratively to provide responsive and innovative solutions to diverse housing needs and vulnerabilities.

In carrying out its mission, the Corporation provides rental housing at below market rents to applicants who qualify for social housing. Rental income received from housing tenants is less than the associated costs of supplying these rental units. The Corporation also provides loans for the purpose of housing. The Corporation is dependent on the Government of Yukon for funding its operations.

Pursuant to Section 45(1) of the *Housing Corporation Act*, the Commissioner in Executive Council established Housing Advisory Boards in the communities of Carcross, Carmacks, Dawson City, Faro, Haines Junction, Mayo, Ross River, Teslin, Watson Lake and Whitehorse. Local Housing Advisory Boards involve local community members in the decision making process regarding housing in their community. They provided advisory services to the Corporation and a review function in appeals of decisions made by the Corporation. In 2021-22, these Housing Advisory Boards became inactive. Effective March 7, 2024, Order-in-council 2024-45 and Order-in-Council 2024-44 repealed the Housing Advisory Boards and Advisory Board Regulations respectively for Carcross, Carmacks, Dawson City, Faro, Haines Junction, Mayo, Ross River, Teslin, Watson Lake, and Whitehorse.

(c) Main estimates

The Main Estimates figures are from the Main Estimates approved in the Yukon Legislative Assembly in 2023. These figures do not reflect changes arising from the Supplementary Estimates approved later in the year by the Yukon Legislative Assembly.

2. Significant accounting policies

These financial statements have been prepared in accordance with Canadian public sector accounting standards. Significant accounting policies are as follows:

(a) Funding and advances from the Government of Yukon

A funding agreement between the Corporation and the Government of Yukon authorizes the Government of Yukon to provide the Corporation with an annual operations and maintenance transfer payment and a capital transfer payment. The transfer payments are equal to the Corporation's actual net operating deficit and net capital expenditures calculated in accordance with the funding agreement and reported to the Government of Yukon in the Corporation's final Period 12 Variance Report. The transfer payments are recognized in accordance with the Corporation's policy for the recognition of government transfers (Note 2(i)). Advances provided by the Government of Yukon in excess of the transfer payments are recorded as a liability of the Corporation (Note 12).



2. Significant accounting policies (continued)

(a) Funding and advances from the Government of Yukon (continued)

The free rental of a social housing building provided by the Government of Yukon to the Corporation is recorded as rental assistance in-kind revenue and offsetting building services in-kind expenses (Note 16(b) and Schedule A).

(b) Cash

Cash includes cash on hand, bank balances and bank indebtedness repayable on demand.

(c) Housing inventory

The Corporation recognizes a house for sale as inventory when all of the following criteria are met prior to the date of the financial statements: sale of the asset is approved; the asset is in a condition to be sold; the asset is publicly seen to be for sale; there is an active market for the asset; there is a plan in place for selling the asset; and it is reasonably anticipated that the sale to the third party will be completed within one year. The asset held for sale is measured at the lower of cost less any valuation allowance or fair value less cost to sell.

(d) Mortgages and loans receivable

Mortgages receivable are recorded at amortized cost less any amount for valuation allowances.

Based on historical loss experience, management establishes a valuation allowance for impaired loans. Mortgages are classified as impaired when the Corporation no longer has reasonable assurance of timely collection of the full amount of principal and interest due. The valuation allowance adjusts a mortgage's carrying value to its net recoverable value.

Under the Social Housing Agreement signed with Canada Mortgage and Housing Corporation (CMHC) in 1998, the Corporation may be required to subsidize a debtor's repayment of a Rural and Native Housing Home Ownership Program mortgage. These subsidies vary in amount depending on the income of the recipients and are expensed when incurred. CMHC funding provided to the Corporation includes an amount for subsidies.

Under the Home Repair Program, the Corporation may subsidize a debtor's repayment. These subsidies, reviewed annually, are based on the debtor's ability to pay. Each year, the Corporation records an allowance for Home Repair Program subsidies based on loans receiving a subsidy at year end.

Loans with concessionary terms are reviewed annually. Concessionary loans are recorded at the discounted value of the loan after the grant portion has been charged to concessionary loan discount expense. For concessionary loans, subsequent to initial valuation, the loans are carried at amortized cost using the effective interest method. The discounted value and the effective interest rate are determined using the Corporation's average borrowing rate at the date of issuance. The grant portion is calculated as the difference between the face value and the discounted value of the loan and is recorded as concessionary loans discount expense at the date of issue. The amortization of the discount would be recorded as an increase in the loan balance and an increase to interest income.

Housing industry loans are provided to private organizations and individuals as a way to finance the construction of more affordable rental units. These loans are also provided to organizations that are seeking financing to build shelters to accommodate social programs.

Loans receivable from lots sold to purchasers for residential, commercial and recreational purposes under land sales agreements are recorded at the lower of cost or net recoverable value.



2. Significant accounting policies (continued)

(e) Tangible capital assets

Tangible capital assets are recorded at cost, net of accumulated amortization. Interest on loans during construction of capital assets is capitalized. Costs include all cost directly attributable to acquisition, construction, development or betterment of the tangible capital asset, including installing the asset at the location and in the condition necessary for its intended use. Cost incurred for maintenance and repairs are accounted for as expenses in the Statement of Operations and Accumulated Surplus. Assets under construction are not amortized until available for use. On an annual basis, the Corporation reassesses the useful life of their assets.

Amortization is calculated using the straight-line method, over the estimated useful lives of assets.

Social housing projects	40 - 50 years
Social and staff housing betterment	15 years
Staff housing projects and other facilities:	
Standard construction	40 - 50 years
Mobile home units	20 - 30 years
Office building	40 - 50 years
Other facilities	15 years
Furnishings and equipment	5 to 15 years
Vehicles	6 years
Computer systems	3 years
Leasehold improvements	remaining lease term

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Corporation's ability to provide services. The write-downs are accounted for as expenses in the Statement of Operations and Accumulated Surplus.

(f) Environmental liability

A contaminated site is a site at which substances occur in concentrations that exceed the maximum acceptable amounts under an environmental standard. The Corporation recognizes a provision for environmental clean-up when all of the following conditions are prevalent: an environmental standard exists; the level of contamination has been determined to exceed the environmental standard; the Corporation is directly responsible or accepts responsibility; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made at that time. A liability is recognized and the costs associated with the clean-up are expensed during the year when the Corporation is obligated to incur such costs. The estimate of a liability includes costs directly attributable to remediation activities. Costs would include post-remediation operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.



2. Significant accounting policies (continued)

(g) Post-employment benefits

Post-employment benefits are expected to be provided to employees of the Corporation after employment but before retirement. These benefits include severance benefits and accumulated sick and vacation leave benefits that are paid in cash when employment is terminated. The Corporation recognizes the obligation for these benefits as a liability and uses an actuary to estimate the amount of the obligation. Expenses related to post-employment benefits are recognized in the period in which the employee's service is rendered and the benefit is earned. The accrued benefit liability for these benefits is calculated as the accrued benefit obligation adjusted by unamortized actuarial gains or losses. Net actuarial gains and losses are amortized on a straight-line basis over the expected average remaining service life of the active employees commencing with the period following the determination of the net actuarial gains or losses.

(h) Retirement benefits

All eligible employees participate in the Public Service Pension Plan (the Plan) administered by the Government of Canada. The Corporation's contribution to the Plan reflects the full cost as employer. This amount is currently based on a multiple of the employees' required contributions, and may change over time depending on the experience of the Plan. The Corporation's contributions are expensed during the year in which the services are rendered and represent the total pension obligation of the Corporation. The Corporation is not currently required to make contributions with respect to any actuarial deficiencies of the Public Service Pension Plan.

(i) Revenue recognition

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized as the stipulation liabilities are settled.

Interest income on mortgages is recognized using the effective interest method. When a mortgage becomes impaired, recognition of interest ceases; thereafter, interest income for impaired loans is recognized on a cash basis.

Revenues from transactions with performance obligations occur when there is an enforceable promise to transfer goods or services directly to a payor in return for promised consideration. These revenues are recognized when control of the benefits associated with the goods or services have transferred and there is no unfulfilled performance obligation. Where consideration is received from a payor prior to the provision of goods or services, these amounts are initially included in unearned revenue provided the definition of a liability is met. They are subsequently recognized as revenue as performance obligations are met. Rental and related client services income represent rent and fees charged to tenants, and consist of single performance obligations that are satisfied over time. These revenues are recognized when the services are provided in accordance with the terms of the rental agreements.



2. Significant accounting policies (continued)

(i) Revenue recognition (continued)

Transactions without performance obligations are either voluntary or involuntary. Revenue from involuntary transactions arise because the right to the economic resource is attributable to legislation based on constitutional authority or delegated constitutional authority. These revenues are recognized when the Corporation's economic resources increase without a direct transfer of goods or services to a payor.

(j) Expenses

Expenses are recorded on an accrual basis. Transfer payments are recorded as expenses when authorized and recipients have met eligibility criteria.

(k) Asset retirement obligation

A liability for an asset retirement obligation (ARO) is recognized at the best estimate of the amount required to retire a tangible capital asset at the financial statement date when there is a legal obligation for the Corporation to incur retirement costs, a past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at year-end. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods. The discount rate used reflects the Corporation's cost of borrowing, associated with the estimated number of years to complete the retirement or remediation.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset and amortized over the asset's estimated useful life. Asset retirement obligations which are incurred incrementally with use of the asset are recognized in the period incurred with a corresponding asset retirement cost expensed in the period. An asset retirement obligation may arise in connection with a tangible capital asset that is not recognized or no longer in productive use. In this case, the asset retirement cost would be expensed.

At each financial reporting date, the carrying amount of the liability is reviewed. The Corporation recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset. Once the related tangible capital asset is no longer in productive use, changes to the liability are recognized as an expense in the period they are incurred. The Corporation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. The Corporation reviews its estimates of asset retirement obligation annually.



2. Significant accounting policies (continued)

(l) Measurement uncertainty

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses, contractual obligations and contingencies. By their nature, these estimates are subject to measurement uncertainty. As adjustments to these estimates become necessary, they are recorded in the financial statements in the year they become known. The effect on the financial statements of changes to such estimates and assumptions in future periods could be significant; although, at the time of preparation of these statements, the Corporation believes the estimates and assumptions to be reasonable.

Significant management estimates include: valuation of mortgages and loans receivable, valuation of accounts receivable, determination of amortization of tangible capital assets, valuation of post-employment benefits, estimation of contractual obligations and contingencies, environmental liability and asset retirement obligation.

Contingencies result from uncertain situations whose outcome depends on one or more future events. Contingent liabilities are possible liabilities which could become actual liabilities if one or more future events occur. If it is likely that an event could occur, and a reasonable estimate of the liability can be made, a provision is recognized, and the expense is recorded. If the likelihood of the event cannot be determined or if the amount involved cannot be reasonably estimated, a contingency is disclosed in the notes to the financial statements.

The estimation of the environmental liability is subject to a high degree of measurement uncertainty because the existence and extent of contamination, the responsibility for clean-up and the timing and cost of remediation cannot be reliably estimated in all circumstances. The degree of measurement uncertainty resulting from the estimation of the environmental liability cannot be reasonably determined. At the time of preparation of these financial statements, management believes the estimates and assumptions to be reasonable under the circumstances. However, the effect on the financial statements of changes to such estimates and assumptions in future periods could be significant.

The estimation of asset retirement obligation is subject to a high degree of uncertainty because the existence and extent of contamination, and the associated cost of remediation cannot be reliably estimated in all circumstances. The best estimate of an asset retirement obligation incorporates a present value technique when the cash flow required to settle or otherwise extinguish an asset retirement obligation is expected to occur over extended periods. The discount rate used reflects the Corporation's cost of borrowing associated with the estimated number of years to complete the retirement or remediation. At the time of preparation of these financial statements, management believes the estimates and assumptions to be reasonable under the circumstances. However, the effect on the financial statements of changes to such estimates and assumptions in future periods could be significant. Management reviews the carrying amount of the liability and discount rate used at each financial reporting date.



2. Significant accounting policies (continued)

(m) Related party transactions

The Corporation is related to all Government of Yukon departments, territorial corporations and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Corporation. Significant transactions with related parties and balances at year-end are disclosed separately in the financial statements and notes thereto.

Inter-entity transactions are transactions between commonly controlled entities. Inter-entity transactions are recorded on a gross basis and are measured at the carrying amount, except for the following: when inter-entity transactions are undertaken on similar terms and conditions to those adopted if the entities were dealing at arm's length, or where costs provided are recovered, they are measured at the exchange amount.

Related party transactions other than inter-entity transactions are recorded at the exchange amount.

The Corporation receives certain services provided by the Government of Yukon without charge (Note 16(b)).

(n) Financial instruments

The Corporation's financial instruments include cash, accounts receivable, mortgages and loans receivable, accounts payable and accrued liabilities and long-term debt. The carrying value of cash, accounts receivable, accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these financial assets and liabilities.

The following is a list of the Corporation's financial instruments and their related measurement basis as at March 31, 2024.

Financial Assets	Measurement Basis
Cash	Cost
Accounts receivable	Cost
Mortgages and loans receivable	Amortized cost
Financial Liabilities	
Accounts payable and accrued liabilities	Cost
Long-term debt	Amortized cost

As all financial instruments are measured at cost or amortized cost, there have been no remeasurement gains or losses. Therefore, the Statement of Remeasurement Gains and Losses has been excluded from these financial statements. Financial instruments measured at amortized cost use the effective interest method.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the Statement of Operations and Accumulated Surplus.



3. Adoption of new accounting standards

(a) PS 3400 - Revenue

Effective April 1, 2023, the Corporation adopted Canadian Public Sector Accounting Standard PS 3400, Revenue ("PS 3400"). The Section sets out general guidance for how entities recognize, measure, present and disclose revenue. Under the new accounting standard, there are two categories of transactions – exchange and non-exchange. If the transaction gives rise to one or more performance obligations, it is an exchange transaction. If no performance obligations are present, it is a non-exchange transaction. There are two approaches to recognizing revenue with performance obligations: at a point in time or over a period of time. This determination is made based on when a performance obligation is satisfied. PS 3400 has been applied prospectively to these financial statements and, as permitted by the transitional provisions, prior periods were not restated. The implementation of this new Section did not have a material impact on the financial statements of the Corporation.

(b) PS 3160 - Public private partnerships

Effective April 1, 2023, the Corporation adopted Canadian Public Sector Accounting Standard PS 3160, Public Private Partnerships ("PS 3160"). The new accounting standard addresses the recognition, measurement, presentation, and disclosure of infrastructure procured by public sector entities through certain types of public private partnership arrangements. Management has assessed that there is no impact of adopting PS 3160 on the financial statements of the Corporation.

(c) PSG-8 - Purchased intangibles

Effective April 1, 2023, the Corporation adopted Public Sector Guideline PSG-8, Purchased Intangibles, applied on a prospective basis ("PSG-8"). PSG-8 defines purchased intangibles as identifiable non-monetary economic resources without physical substance acquired through an arm's length exchange transaction between knowledgeable, willing parties who are under no compulsion to act. Intangibles acquired through a transfer, contribution, or inter-entity transaction, are not purchased intangibles. Management has assessed that there is no impact of adopting PSG-8 on the financial statements of the Corporation.

4. Cash

	2024	2023
	(thousands of dollars)	
Cash		
Bank balances	\$ 25,971	\$ 6,801
Cash on hand	3	3
	\$ 25,974	\$ 6,804

The Corporation has an overdraft facility with its bank of up to \$11,000,000 at bank prime less 0.85% (2023 - bank prime less 0.85%). At year end, the bank prime rate was 7.20% (2023 - 6.70%). The overdraft is guaranteed by the Government of Yukon.



Yukon Housing Corporation
Notes to the financial statements
for the year ended March 31, 2024

5. Accounts receivable

	<u>2024</u>	<u>2023</u>
	(thousands of dollars)	
Due from Canada Mortgage and Housing Corporation		
- National Housing Strategy Agreement	\$ 6,389	\$ -
- Social Housing Agreement	201	231
Receivable from tenants	887	971
Other receivables	549	419
Less: Valuation allowance for receivable from tenants	(708)	(863)
Less: Valuation allowance for other receivables	(174)	(67)
	<u>\$ 7,144</u>	<u>\$ 691</u>

Valuation allowances for tenants and other receivables are calculated based on amounts greater than 90 days which exclude amounts due from the Government of Yukon as there is an expectation of collection.

On August 14, 1998 the Corporation entered into an agreement with CMHC to access funding under the Social Housing Agreement (SHA). Under this 31 year agreement (1999/2000 to 2029/2030) CMHC agreed to contribute up to \$114,379,000 for the Corporation to assume full responsibility for the management of various public housing programs specified in the SHA. As at March 31, 2024 the amount receivable under the SHA is \$201,000 (2023 - \$231,000).

On April 1, 2018 the Corporation entered into an agreement with CMHC to access funding under the National Housing Strategy Agreement (NHS). Under this 10 year agreement (2019/2020 to 2027/2028) CMHC agreed to contribute up to \$28,269,700 (various amounts each year) for project commitments made by the Corporation to increase access to housing, reduce housing need and achieve better housing solutions across the spectrum. As at March 31, 2024 the amount receivable under the NHS is \$6,389,000 (2023 - \$0).



Yukon Housing Corporation
 Notes to the financial statements
 for the year ended March 31, 2024

6. Mortgages and loans receivable

	Stated interest rates %	2024 (thousands of dollars)	2023
Mortgages receivable			
Home Ownership	0.00 - 6.08	\$ 20,009	\$ 21,743
Loans with terms up to five years, secured by registered charges against real property, repayable in blended weekly, bi-weekly or monthly payments at fixed rates of interest and with maturities up to 2029.			
Owner Build	3.66 - 5.98	4,029	4,482
Loans are advanced during the construction phase of a home for a maximum period of two years with interest of 1% below posted average five year rate of major banks. Repayment terms are up to five years, commencing upon completion of construction, secured by registered charges against real property with maturities up to 2028.			
Developer Build	0.00	3,268	2,103
Loan is advanced during the land and infrastructure development or construction phase of a home. Repayment terms are up to four years, commencing on the loan agreement date, secured by registered charges against real property with maturity up to 2027.			
Repair and Upgrade	0.00 - 8.20	947	1,288
Loans with terms up to 12 years, secured by registered charges against real property or chattel mortgages, repayable in blended weekly, bi-weekly or monthly payments at fixed rates of interest with maturities up to 2029.			
Flood Relief Initiative	0.00	181	-
Unsecured loans on residential properties to cover the costs of restoring, repairing and replacing items damaged by flooding. Maturities up to 2036.			



Yukon Housing Corporation
Notes to the financial statements
for the year ended March 31, 2024

6. Mortgages and loans receivable (continued)

	Stated interest rates %	2024 (thousands of dollars)	2023 (thousands of dollars)
Housing Industry Loans	2.25 - 8.20	238	341
Loans with terms up to 25 years, secured by registered charges against real property or general security agreements, repayable in blended bi-weekly or monthly payments at fixed rates of interest with maturities up to 2028.			
Subtotal mortgages receivable		28,672	29,957
Less: Discount for loans receivable with concessionary terms*		(769)	(458)
Less: Allowance for impaired loans		(176)	(181)
Net mortgages receivable		27,727	29,318
Land sales agreements receivable	5.00	14	197
Unsecured loans on residential, commercial and recreational lots, repayable in blended annual payments at fixed rates of interest with maturities up to 2024.			
Total loans receivable		<u>\$ 27,741</u>	<u>\$ 29,515</u>

*The total remaining principal \$4,604,000 (2023 - \$1,418,000) is for 12 loans (2023 - 11 loans).

These mortgages and loans receivable earn interest at the following weighted average rates:

	2024	2023
Mortgages receivable	3.48%	3.93%
Land sales agreements receivable	5.00%	5.00%



Yukon Housing Corporation
Notes to the financial statements
for the year ended March 31, 2024

7. Environmental liability

Changes in the environmental liability are as follows:

	2024	2023
	(thousands of dollars)	
Balance at beginning of year	\$ 579	\$ 184
Actual expenditures in current year relating to remediation	(185)	-
Revision of estimated remediation cost of existing sites	100	120
New sites assessed during fiscal year	260	275
Balance at end of year	<u>\$ 754</u>	<u>\$ 579</u>

Notable sites within the environmental liability include:

During the year, the Corporation removed some underground fuel tanks at its head office in Whitehorse and incurred remediation expenses for \$185,000. The Corporation is planning to carry out a delineation study to further assess the extent of a potential fuel spill. The projected cost of the study is \$150,000 (2023: \$70,000). The extent of the contamination, if any, is unknown, therefore no additional amount has been recorded for future expenditures associated with a potential spill.

After year-end, the Corporation identified potentially contaminated soil at a construction site in Dawson City. The projected cost associated with confirming the existence and determining the extent of the contamination is estimated to be \$260,000. The extent of the contamination, if any, is unknown, therefore no additional amount has been recorded for future expenditures associated with the remediation of potentially contaminated soil.

In fall 2010, it was confirmed that approximately 20,000 liters of fuel oil spilled under two properties of the Corporation in Dawson City. The remediation plan and projected future costs were prepared by independent consultants, and the remediation started in the summer of 2011. Remediation has been completed and future expenditures of \$96,000 (2023 - \$96,000) at year end are for ongoing water and soil monitoring.

In the summer of 2015, a split fuel line occurred under a house in Dawson City. Approximately 800 liters of fuel leaked from the oil storage tank. The projected future expenditures at year end associated with this spill are estimated at \$100,000 (2023 - \$100,000).

Projected future expenditures at year end for site monitoring of \$108,000 (2023 - \$108,000) are for ongoing ground water and soils monitoring for remediated oil spill sites in Old Crow and Watson Lake (2023 - Old Crow and Watson Lake).

During the year, the Corporation contracted an independent consultant to prepare a report on environmental liabilities for a projected cost of \$40,000.



Yukon Housing Corporation
Notes to the financial statements
for the year ended March 31, 2024

8. Deferred revenue

	2024	2023
	(thousands of dollars)	
Canada Mortgage and Housing Corporation (CMHC) funding		
- Northern Carve Out	\$ 17,798	\$ -
- Rapid Housing Initiative #3	5,000	-
- National Housing Strategy	2,404	2,294
- Yukon First Nations - Multi-unit Residential Building Workshop	114	127
- Investment in Affordable Housing	28	275
Unearned rent	349	297
	<u>\$ 25,693</u>	<u>\$ 2,993</u>

Northern Carve Out pertains to funds received from CMHC for the construction of at least 79 net new housing units. The Corporation expects that the stipulations of the agreement will be met on or before the project substantial completion date, in fiscal year 2028.

Rapid Housing Initiative #3 pertains to funds received from CMHC for the development of affordable multi-residential housing units. The Corporation expects that the stipulations of the agreement will be met on or before the project completion date, in fiscal year 2026.

National Housing Strategy pertains to funds received under the multi-year National Housing Strategy Agreement (Note

Unearned rent relates to prepayments made by tenants for future months.



Yukon Housing Corporation
Notes to the financial statements
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9. Long-term debt

	Stated interest rates	2024	2023
	%	(thousands of dollars)	
Mortgages payable to CMHC (guaranteed by the Government of Yukon)	5.00	\$ 251	\$ 379
Loan repayable in blended monthly payment at a fixed rate of interest and with maturity in 2028, secured by fixed charge against a housing project with net book value of \$527,000 (2023 - \$1,819,000)			
Loans payable to CMHC (guaranteed by the Government of Yukon)	7.50 - 9.50	293	412
Unsecured loans repayable in blended periodic installments at fixed rates of interest to maturity and with maturities up to 2028.			
Loans payable to the Government of Yukon	0.00	8,400	8,650
Repayable without interest in periodic instalments to 2027.			
Land sales agreements due to the Government of Yukon, unsecured	0.00	14	197
Repayable without interest in periodic instalments to 2025.			
Total long-term debt		<u>\$ 8,958</u>	<u>\$ 9,638</u>

The mortgages and loans payable bear interest at the following weighted average interest rates:

	2024	2023
Mortgages payable to CMHC	5.00%	2.73%
Loans payable to CMHC	7.98%	7.93%

Principal repayments required over the next five years are as follows:

	Loans Payable				Total
	Mortgages Payable	CMHC	Government of Yukon	Land Sales Agreements	
	(thousands of dollars)				
2025	\$ 52	\$ 128	250	\$ 14	\$ 444
2026	55	139	5,150	-	5,344
2027	58	11	3,000	-	3,069
2028	60	12	-	-	72
2029	26	3	-	-	29
Thereafter	-	-	-	-	-
Total	<u>\$ 251</u>	<u>\$ 293</u>	<u>\$ 8,400</u>	<u>\$ 14</u>	<u>\$ 8,958</u>



10. Post-employment benefits

The Corporation provides post-employment benefits to its employees based on years of service and salary. These benefits consist of severance benefits and unused sick and vacation leave.

The actuarial obligation for sick and vacation leave and severance benefits is calculated using the projected benefit method prorated on service. Post-employment benefits are not funded and thus have no assets, resulting in a plan deficit equal to the accrued benefit obligation. Benefits will be paid from future appropriations or other sources of revenue.

The results measured at March 31 are summarized as follows:

	2024	2023
	(thousands of dollars)	
Accrued benefit liability, beginning of year	\$ 2,497	\$ 2,509
Payment to Government departments for staff transfers	(421)	(18)
Add: Post-employment benefits expenses		
Current service costs	187	208
Interest on accrued benefit liability	95	92
Amortization of net actuarial (gains) losses	(61)	(17)
Less: Benefits paid during the year	(67)	(277)
Accrued benefit liability, end of year	2,230	2,497
Unamortized net actuarial gain	(659)	(613)
Accrued benefit obligation, end of year	<u>\$ 1,571</u>	<u>\$ 1,884</u>

The significant actuarial assumptions were:

	2024	2023
Discount rate	4.90%	4.80%
Inflation	2.00%	2.00%
Expected average remaining service life of active employees	11.8 years	11.8 years
Seniority and Promotional Salary Increases - based on the annual rates from the Public Service Pension Plan	March 31, 2020 valuation report	

The most recent actuarial valuation made for these post-employment benefits was extrapolated to March 31, 2024 based on census data at December 31, 2022. The next required valuation with updated census would be as of March

Included in the total accrued benefit obligation at March 31, 2024 are vacation leave of \$445,000 (2023 - \$662,000) and accumulated sick leave of \$305,000 (2023 - \$390,000).

The post-employment benefit expense for the financial year is \$221,000 (2023 - expense \$265,000).



Yukon Housing Corporation
Notes to the financial statements
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11. Retirement benefits

Substantially all of the employees of the Corporation are covered by the Public Service Pension Plan (the Plan), a contributory defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both the employees and the Corporation. The President of the Treasury Board of Canada sets the required employer contributions based on a multiple of the employees' required contribution. The general contribution effective at year end was \$1.02 (2023 - \$1.02) for every dollar contributed by the employee, and \$4.63 (2023 - \$5.29) for every dollar contributed by the employee for the portion of the employee's salary above \$202,200 (2023 - \$196,200). For new employees who are participating in the Plan on or after January 1, 2013, the Corporation contributes \$1.00 (2023 - \$1.00) for every dollar contributed by the employee, and \$4.63 (2023 - \$5.29) for every dollar contributed by the employee for the portion of the employee's salary above \$202,200 (2023 - \$196,200).

Contributions during the year were as follows:

	2024	2023
	(thousands of dollars)	
Employer's contribution	\$ 717	\$ 583
Employees' contribution	713	581

The Government of Canada holds a statutory obligation for the payment of benefits relating to the Plan. Pension benefits generally accrue up to a maximum period of 35 years at an annual rate of two percent of pensionable service times the average of the best five consecutive years of earnings. The benefits are coordinated with Canada Pension Plan benefits and they are indexed to inflation.

12. Advances - Government of Yukon

Advances from the Government of Yukon represent a series of working capital advances by the Government of Yukon to the Corporation. These advances are repayable on demand and without interest.

	2024	2023
	(thousands of dollars)	
Balance at beginning of year	\$ 17,523	\$ 23,001
Cash advanced during the year	31,079	15,085
Settlement of Low Carbon Economy Fund	-	(1,679)
Operations and maintenance transfer payment	(9,391)	(8,116)
Capital transfer payment	(21,212)	(10,768)
	<u>476</u>	<u>(5,478)</u>
Balance at end of year	<u>\$ 17,999</u>	<u>\$ 17,523</u>

From time to time, the Corporation repays in substance by requesting less cash than what was approved in the operating and capital transfer payments from the Government of Yukon. As a result, this repayment and the corresponding portion of these transfer payments are non-cash transactions. During the year, the Corporation did not repay in substance any amount (2023 - \$3,799,000).

During the year, the Corporation had no reduction (2023 - \$1,679,000) in the advances from the Government by the way of a non-cash settlement of 2021-22 Low Carbon Economy Fund.



Yukon Housing Corporation
Notes to the financial statements
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13. Tangible capital assets

			2024	2023
			(thousands of dollars)	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 5,189	\$ -	\$ 5,189	\$ 5,189
Social housing	161,971	58,533	103,438	98,793
Staff housing	23,389	15,966	7,423	8,180
Office building	2,103	1,787	316	374
Other facilities	629	556	73	1
Furnishings and equipment	4,307	2,413	1,894	2,217
Computer systems	295	295	-	-
(Schedule B)	<u>\$ 197,883</u>	<u>\$ 79,550</u>	<u>\$ 118,333</u>	<u>\$ 114,754</u>

At March 31, 2024, there were construction projects in progress in the amount of \$8,350,000 (2023 - \$3,746,000). There was no interest incurred for the construction of tangible capital assets in the current year or previous year.

Included in the cost of land are 4 vacant lots with a carrying value of \$1,000.

In 2021-22, the Corporation took ownership of building including land from Options for Independence Society of Yukon (OFI) in exchange of discharging a mortgage owed to the Corporation. The Government of Yukon is using the space to provide housing with supports and programming for people with Fetal Alcohol Spectrum Disorder. As part of an arrangement with Government of Yukon, the Corporation does not charge rent but instead charges Health & Social Services for operation and maintenance costs.

In 2021-22, the Corporation received a contribution of land from the Municipality of Watson Lake appraised at \$75,000. The Corporation recorded revenue of \$75,000 which was included in prior year Other revenues. The Corporation began construction of a new housing complex to support housing needs in the community in the spring of 2023 with an anticipated completion date in fiscal year 2025 at an estimated cost of \$13,100,000.

14. Rental and related client services income

	2024	2023
	(thousands of dollars)	
Rental income	\$ 8,003	\$ 7,533
Related client services income	523	300
	<u>\$ 8,526</u>	<u>\$ 7,833</u>



Yukon Housing Corporation
Notes to the financial statements
for the year ended March 31, 2024

15. Expenses by object

	<u>2024</u>	<u>2023</u>
	(thousands of dollars)	
Transfer payments (Grants/Program advances)	\$ 15,111	\$ 6,551
Repairs and maintenance	10,445	8,324
Materials, supplies and services	6,149	6,127
Personnel, training and post-employment benefits	9,532	8,210
Amortization	4,810	4,563
Accretion expense	299	256
Other	2,477	2,537
Communication and transportation	425	359
Interest on long-term debt	38	50
	<u>\$ 49,286</u>	<u>\$ 36,977</u>

16. Related party transactions and balances

In addition to those related party transactions disclosed elsewhere in these financial statements (Notes 9, 12 and 13), the Corporation enters into transactions with related entities in the normal course of business.

(a) Due from (to) the Government of Yukon

	<u>2024</u>	<u>2023</u>
	(thousands of dollars)	
Accounts payable	\$ (1,956)	\$ (946)
Accounts receivable	103	191
Amount due re: Canada - Yukon Low Carbon Economy Fund	2,753	2,036
Net amount due from the Government of Yukon	<u>\$ 900</u>	<u>\$ 1,281</u>

(b) Other transactions

The Government of Yukon provides life insurance and medical benefits to the Corporation's retired personnel, which are provided without charge and not recorded in the financial statements.

The value of administrative services provided by the Government of Yukon to the Corporation is estimated in 2024 to be \$45,000 (2023 - \$33,000). The value of territorial agent services provided by the Corporation to the Government of Yukon for 2024 is estimated to be \$172,000 (2023 - \$193,000). These services are provided without charge and not recorded in the financial statements.



16. Related party transactions and balances (continued)

The employees of the Corporation are paid by the Government of Yukon. The Corporation reimbursed the Government for personnel expenses (Note 15 and Schedule A) paid of \$10,171,000 during 2024 (2023 - \$8,063,000) which are recorded at the exchange amount.

In 2008, the Corporation entered into an agreement with the Government of Yukon for the use of a 48 unit seniors' social housing constructed as part of the Athletes' Village in Whitehorse. The Corporation is responsible for the operation and maintenance of the facility. The value of services provided without charge, relating to the use of this building by the Corporation, is estimated in 2024 to be \$502,000 (2023 - \$502,000) based on the Government of Yukon's amortization expense.

During 2024, the Corporation was charged \$667,000 (2023 - \$651,000) by the Government of Yukon for information technology support services, office rental, office supplies, computer software licensing, vehicle rental services and other upgrades. These charges are recorded at the exchange amount.

17. Contractual obligations and contingencies

	2025	2026	2027	2028 and subsequent years
	(thousands of dollars)			
Outstanding contractual obligations to complete the funding of mortgages receivable at end of year	\$ 2,019	\$ -	\$ -	\$ -
Outstanding contractual obligations to complete agreements and contract commitments at end of year	\$ 15,564	1,026	892	17,210
Annual subsidies to private social housing organizations	375	375	375	
	<u>\$ 17,958</u>	<u>1,401</u>	<u>1,267</u>	<u>17,210</u>

The outstanding contractual obligations include \$19,805,000 for the lease of 16 units in a senior supportive living facility in Whitehorse. The lease started in July 2023 and expires in June 2043. Key assumptions used in estimating the amount of the contractual obligation include inflation rate (2024 - 2%) and occupancy rate (2024 - 100%).

In the normal course of operations, the Corporation is subject to legal claims and possible claims. While the outcome of legal claims or possible claims is subject to future resolution, management's evaluation and analysis of such matters indicates that, individually or in the aggregate, the probable ultimate resolution of all legal claims and possible claims will not have a material financial impact on the Corporation's financial position, results of its operations or its cash flows.

Pursuant to an agreement signed with CMHC in 1998, the Corporation is liable for a mortgage payable by the Whitehorse Housing Co-operative Association Limited (the Co-operative) in the event of a default. The mortgage matures on July 1, 2025 and the amount payable as at March 31, 2024 was \$181,000 (2023 - \$220,000). Management believes that the Corporation would be able to repay the mortgage in full through the sale of the Co-operative's assets which are made up of twelve single family dwellings (against which the mortgage is made) in the event of a default.



Yukon Housing Corporation
Notes to the financial statements
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17. Contractual obligations and contingencies (continued)

In 2022, the Corporation acted as an agent when it received \$5,000,000 from CMHC. If Safe At Home Society is unable to operate and maintain these housing units for 20 years, the Corporation, in consultation with CMHC, would need to determine an appropriate course of action to ensure the Corporation's adherence to any potential obligation arising from this flow through arrangement.

18. Contractual rights

The Corporation has contractual rights for the following payments subsequent to March 31, 2024:

	Expiry Date	2024-25	2026-2031	Total
		(thousands of dollars)		
CMHC Social Housing Agreement	2030	\$ 2,754	\$ 5,276	\$ 8,030
CMHC Bilateral Agreement				
CMHC Northern Housing	2028	2,400	7,200	9,600
CMHC Canada Community Housing	2028	1,126	7,805	8,931
CMHC Yukon Priorities Housing	2027	827	1,194	2,021
CMHC Canada Housing Benefit	2028	1,241	4,153	5,394
		<u>\$ 8,348</u>	<u>\$ 25,628</u>	<u>\$ 33,976</u>

19. Bad debts write-offs

Section 14(4) of the *Financial Administration Act* of Yukon requires accounts written off during the fiscal year to be reported in the Public Accounts of Yukon. Bad debts written off during the current year and past four years are as follows:

Year	Amount
2024	\$ 207,334
2023	35,527
2022	190,534
2021	-
2020	-



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20. Prepaid expenses

	<u>2024</u>	<u>2023</u>
	(thousands of dollars)	
Prepaid Expense		
Prepaid Lease	\$ 3,267	\$ 3,442
Other	296	202
	<u>\$ 3,563</u>	<u>\$ 3,644</u>

During the year ended March 31, 2023, the Corporation prepaid \$3,500,000 to lease 10 units for the next twenty years in the Normandy Manor development project. The lease started in December 2022, when the building construction was completed, and expires in November 2042.

21. Asset retirement obligation

The Corporation owns and operates several buildings that are known to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove it. The asset retirement obligation accretion expense will be incurred over the estimated number of years to complete the retirement or remediation. Post-closure care is estimated to extend for up to a year post the closure of the building, while demolition and construction continues. Estimated undiscounted costs of \$14,263,000 (2023 - \$14,202,000) have been discounted to present value using a discount rate of 4.5% (2023 - 3%) per annum.

Changes to the asset retirement obligation in the year are as follows:

	<u>2024</u>	<u>2023</u>
	(thousands of dollars)	
Opening balance	\$ 9,962	\$ 10,410
Accretion expense	299	256
Liabilities settled	(302)	(149)
Change in estimate	(967)	(555)
Closing balance	<u>\$ 8,992</u>	<u>\$ 9,962</u>



22. Financial instruments

The Corporation has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk and market risk. The following analysis provides a measurement of those risks as at March 31, 2024.

a) Credit Risk

Credit risk is the risk of a financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks mainly arise from certain financial assets held by the Corporation consisting of cash, accounts receivable, due from the Government of Yukon, and mortgages and loans receivable.

Cash

The Corporation's exposure to credit risk associated with cash is assessed as low because the Corporation's cash deposits are held by a reputable Canadian Chartered bank.

Accounts receivable and Due from the Government of Yukon

The Corporation's exposure to credit risk associated with accounts receivable particularly due from CMHC, Government of Yukon and other receivables is considered low as these receivables are due from federal, territorial and First Nation governments. The Corporation is also exposed to credit risk through CMHC indemnifications as in the event of a loan or contribution default, the Corporation is required to rectify the default or fully reimburse CMHC for approved and paid claims. The Corporation mitigates this risk by continuing operation and assuming the loan/contribution obligation.

The Corporation's exposure to credit risk associated with accounts receivable from tenants is assessed as high due to the transient nature of clients. The Corporation mitigates this risk by keeping records of outstanding accounts where a returning client with outstanding account has to settle the amount owed to the Corporation before they are allowed to receive housing benefits.

Allowance for doubtful accounts are provided for potential losses that have been incurred at the reporting date. The amounts disclosed on the Statement of Financial Position are net of these allowances for doubtful accounts. All accounts are considered for impairment based on the type of client revenue and historical repayment information.

The maximum exposure to credit risk for due from Government of Yukon and accounts receivables by type of customer is as follows:

	2024	2023
	(thousands of dollars)	
<u>Due from the Government of Yukon (Note 16(a))</u>	\$ 900	\$ 1,281
Due from Canada Mortgage and Housing Corporation (Note 5)	6,590	231
Receivable from tenants (Note 5)	179	108
Other receivables (Note 5)	375	352
<u>Accounts Receivable</u>	<u>\$ 7,144</u>	<u>\$ 691</u>



Yukon Housing Corporation
Notes to the financial statements
for the year ended March 31, 2024

22. Financial instruments (continued)

The Corporation's receivable has a carrying value of \$7,144,000 as at March 31, 2024 (2023 - \$691,000). As at March 31, 2024, approximately 1% (2023 - 65%) were over 90 days past due, whereas 97% (2023 - 32%) were current or less than 30 days past due.

Mortgages and loans receivable

The Corporation's exposure to credit risk associated with mortgages and loans receivable is considered low because these receivables are primarily secured by property, and other security instruments. Additionally, the amounts due from clients can be recovered through court imposed repossession of property.

The Corporation has a carrying value of \$27,741,000 as at March 31, 2024 (2023 - \$29,515,000). As at March 31, 2024, approximately 95% (2023- 95%) were current or less than 30 days past due, whereas 3% (2023 - 2%) were over 90 days past due.

Allowance for impaired loans are provided for potential losses that have been incurred at the reporting date. The amounts disclosed on the Statement of Financial Position are net of these allowances for impaired loans. All accounts are considered for impairment based on the date of last payment and historical repayment information.

b) Liquidity Risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they become due. The Corporation's objective is to have sufficient liquidity to meet these liabilities when due. The Corporation monitors its cash balance and cash flows generated from operations to meet its liquidity requirements. To further manage its liquidity risk, the Corporation has a borrowing limit of up to \$11,000,000. Further financing can be obtained through transfers from the Government of Yukon to mitigate this risk and also, the Corporation has the option to sell from its housing portfolio.

The liquidity risk arises from the financial liabilities consisting of accounts payable and accrued liabilities and long-term debt. The Corporation's accounts payable and accrued liabilities had a carrying value of \$7,770,000 (2023 - \$7,033,000). As at March 31, 2024, approximately 98% (2023- 97%) of accounts payable were current or less than 30 days past due.

The Corporation's long-term debt has remaining undiscounted contractual cash flows of \$9,005,000 (2023 - \$9,638,000). The amount of principal to be repaid next fiscal year is \$444,000.

c) Market Risk

Currency risk

Currency risk is the risk that the value of financial assets and liabilities denominated in foreign currencies will fluctuate due to changes in their respective exchange rates. The Corporation is not exposed to any significant interest rate risk because instruments are held in domestic currency.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Corporation is not exposed to any significant interest rate risk.

Long-term debt has interest rates fixed for long periods of time with the debt intended to be repaid in accordance with corresponding agreed to schedules. Impact of 1% increase in interest rates would add \$5,000 to the Corporation's deficit while a 1% decrease in interest rates would add \$5,000 to the Corporation's surplus.



23. Comparative Figures

Certain comparative figures have been reclassified to conform to the current year's presentation.



Yukon Housing Corporation

Schedule of Program Costs, Corporate Services Costs and Administration Expenses
for the year ended March 31, 2024

Schedule A

	2024	2023
	(thousands of dollars)	
Social and staff housing operations		
Personnel	\$ 4,948	\$ 4,289
General maintenance	10,004	8,435
Utilities	3,714	3,764
Property taxes	1,337	1,264
Building services - in-kind (Note 16(b))	502	502
Bad debts - tenant receivable	152	(125)
Housing program administration	172	200
Accretion expense	299	256
Interest on long-term debt	38	50
Asset retirement obligation revision	(573)	-
Write-down of / loss (gain) on disposal of tangible capital assets	75	56
	<u>\$ 20,668</u>	<u>\$ 18,691</u>
Lending and grant programs		
Affordable housing contributions	\$ 14,172	\$ 5,780
Personnel	583	527
Community partnering contributions	415	377
Program materials	1	1
	<u>\$ 15,171</u>	<u>\$ 6,685</u>
Corporate services		
Personnel	\$ 2,656	\$ 2,257
Information technology systems and support	468	359
Professional fees	397	121
	<u>\$ 3,521</u>	<u>\$ 2,737</u>
Administration		
Personnel, training and post-employment benefits	\$ 1,345	\$ 1,137
Communications	181	177
Travel and transportation	244	182
Professional fees	35	62
Office space	168	204
Rentals - office and equipment	111	111
Office and sundry	155	124
Boards and committees	66	81
Program promotion	100	108
	<u>\$ 2,405</u>	<u>\$ 2,186</u>



Yukon Housing Corporation
 Schedule of Tangible Capital Assets
 for the year ended March 31, 2024

Schedule B

	Land	Social Housing	Staff Housing	Office Building	Other Facilities	Furnishings and Equipment	Computer Systems	2024 Total	2023 Total
(thousands of dollars)									
Cost of tangible capital assets at beginning of year ¹	5,189	154,586	23,566	2,118	557	4,349	295	190,660	184,462
Acquisitions ¹	-	8,858	-	-	-	-	-	8,858	6,885
Change in ARO estimate	-	(274)	(177)	(15)	72	-	-	(394)	(555)
Write-downs	-	(54)	-	-	-	(21)	-	(75)	(56)
Disposals	-	(1,145)	-	-	-	(21)	-	(1,166)	(76)
Cost of tangible capital assets at end of year ¹	5,189	161,971	23,389	2,103	629	4,307	295	197,883	190,660
Accumulated amortization at beginning of year	-	55,793	15,386	1,744	556	2,132	295	75,906	71,419
Amortization	-	3,885	580	43	-	302	-	4,810	4,563
Disposals	-	(1,145)	-	-	-	(21)	-	(1,166)	(76)
Accumulated amortization at end of year	-	58,533	15,966	1,787	556	2,413	295	79,550	75,906
Net book value ¹	\$ 5,189	\$ 103,438	\$ 7,423	\$ 316	\$ 73	\$ 1,894	\$ -	\$ 118,333	\$ 114,754
Construction in progress	\$ -	\$ 8,350	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,350	\$ 3,746

¹ Includes construction in progress



Yukon



Photo: shironosov