

Northwest Territories Housing Corporation

Annual Report

2017-2018



NORTHWEST TERRITORIES
HOUSING CORPORATION

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Housing Corporation
Annual Report 2017-2018*

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MESSAGE FROM THE MINISTER

The past fiscal year for the Northwest Territories Housing Corporation (NWTHC) has been ambitious, exciting, and very busy in planning, revitalizing, and accomplishing improvements and enhancements under the NWTHC's Strategic Renewal plan and actions.

Changes have begun under our Strategic Renewal, and efforts will continue as we work with other partners that provide housing-related services, to align and improve program policies and services. This Strategic Renewal is informed by the results of the 2017 Housing Engagement Survey. The findings of the 2017 Survey helped inform on the needs and priorities of stakeholders in every NWT community. A survey report was released, *Voices on Housing*, in which the facts, issues, and perspectives of the diverse representation of participants were considered.

Some of the new initiatives include the Fuel Tank Replacement Initiative, the Seniors-Aging-in-Place Retrofit Program and the Community Housing Support Initiative. The Community Housing Support Initiative shows promise to be one of the flagship programs for the NWTHC going forward. The initiative involves working closely with communities to address their housing needs. Partnering with Indigenous and community governments on meeting their housing aspirations is the type of forward-thinking approach to housing that northerners expect from their government.

Strategic Renewal began in 2017-18, but will continue over the next few years. Looking ahead, the direction to support communities in the development of Community Housing Plans will be transformational. Communities, governments, stakeholders, investors and residents will have the housing planning information they require at their disposal in order to more effectively impact their community's housing future.

As always, I would like to express appreciation for the work of the NWTHC staff and our partners in Local Housing Organizations. We have made significant changes towards improved customer service and implementing actions based on public input informed by the results of the 2017 Housing Engagement Survey.

I am proud of the work we have done this year but much remains to be done. I am confident that our work to improve the quality of life for people with low-to-moderate incomes in the NWT, along with the hard work and dedication of everyone at the NWTHC and our other partners, we will continue to take further major strides to achieve our goals through renewal and revitalization of the NWTHC.



A handwritten signature in black ink, appearing to read 'Alfred Moses'.

The Honourable Alfred Moses
Minister Responsible for the Northwest Territories Housing Corporation

MESSAGE FROM THE PRESIDENT AND CEO

In 2017-2018, the Northwest Territories Housing Corporation (NWTHC) continued to engage in addressing the GNWT housing-related mandate commitments as set out by the 18th Legislative Assembly, and in completing many actions in its Strategic Renewal process. We continue to fulfill our mission of implementing northern solutions for northern housing to ensure access to affordable, adequate, and suitable housing for NWT residents.



In 2017-18, the NWTHC spent over \$97 million on housing operations in the NWT. In addition to this amount, the NWTHC expended approximately \$19 million on capital investments that included the construction of 8 Market Housing Units; 17 Public Housing replacements and 92 major modernization and improvement projects. These investments included much needed market housing for community workers in a number of our communities, such as Fort Simpson, a new 9-unit seniors independent living complex in Whati, a 4-unit transitional supportive house in Fort Simpson and a 4-plex in Tuktoyaktuk, which is the first project delivered under the NWTHC's strategic partnership with the Inuvialuit Regional Corporation. During this past year, the NWTHC also completed a renovation project for the Centre for Northern Families in Yellowknife delivering 8 additional semi-independent units for the community and advanced the construction of two additional transitional supportive housing projects for Behchoko and Aklavik that are scheduled for completion this coming year.

Many Strategic Renewal initiatives and activities were rolled out in 2017-18. The new Community Housing Support Initiative, which involves partnerships with Indigenous governments, and other orders of government supports innovative, and environmentally safe and responsible, housing projects that meet their housing aspirations. We enjoyed a particularly strong partnership with the Salt River First Nation this year that resulted in the creation of two homes on the Salt River First Nation reserve.

The NWTHC also introduced a Seniors Aging-in-Place retrofit program, which provides up to \$10,000 annually to make the homes of seniors more durable and energy-efficient. A Fuel Tank Replacement Initiative was also rolled out, which supports homeowners in replacing their aging fueling tanks preempting high environmental clean-up costs down the road should their tanks have failed. Also, to make repair programming more accessible, the co-pay requirement was removed for low-to-modest income households.

As the NWTHC interacts with all kinds of people across the NWT, from students to seniors and everyone in between, a renewed commitment to customer service was made. This year, all frontline staff and all senior managers have received up-to-date customer service training to improve our interactions with the public. I would like to thank all of the staff of the NWTHC and the Local Housing Organizations for their work in this area.

I am pleased with the progress we have made, and I am confident in our efforts to face our challenges, celebrate our achievements, and accomplish the work we have ahead of us.

Mr. Tom R. Williams
President and CEO
Northwest Territories Housing Corporation

CORPORATE PROFILE

Mission Statement

The Northwest Territories Housing Corporation (NWTHC) works in partnership with residents to ensure access to affordable, adequate and suitable housing.

Goals:

- Ensure a sufficient supply of adequate, suitable and affordable housing to address the housing needs of NWT residents.
- Promote personal responsibility and accountability for housing.
- Provide homeownership and rental programs and services that are effective and appropriate.
- Help address homelessness through supporting the infrastructure needs of emergency shelters and transitional housing.
- Acquire housing in an effective and efficient manner for program delivery through appropriate designs, land planning and acquisition, and appropriate construction standards.
- Enhance the long term sustainability of NWTHC housing assets through on-going maintenance and repairs and implementing energy efficiency technologies.

CORPORATE STRUCTURE

Corporate Summary

The NWTHC provides social and market housing programs and services including subsidized rental and homeownership programs (including purchase and repairs), and unsubsidized rental housing in rural and remote communities. Policy and program development play a key role in creating appropriate programs to address the core housing need of NWT residents and promote self-reliance. The NWTHC incorporates energy-efficient technologies in its housing design and in the retrofitting of housing to improve its sustainability and energy efficiency. The NWTHC also works in partnership with the Canada Mortgage and Housing Corporation to cost-share the development and improvement of housing infrastructure across the NWT. At the community level, the NWTHC partners with Local Housing Organizations, and municipal and Aboriginal governments, to manage and administer community housing services in 33 communities

Branches

The Executive, comprised of the President's Office and the Strategic Planning, Policy and Communications Division manages the implementation of the Government's direction related to housing.

The President's Office—The President's Office is responsible for supporting the Minister Responsible for the NWTHC, providing overall strategic and operational direction, leading the senior management team and managing the human and financial resources of the NWTHC.

CORPORATE STRUCTURE

Policy and Planning - The Policy and Planning Division provides support with regard to long-term strategic direction and planning for the NWTHC. This Division is also responsible for strategic and business planning, policy development, qualitative and quantitative research, corporate communications and homelessness initiatives. This section represents the NWTHC on a Federal/Provincial/Territorial level, on interdepartmental working groups, and on other committees.

Finance and Infrastructure Services - The Finance and Infrastructure Services Branch is comprised of the Finance and Administration Division, Financial Planning Section, Information Services Section, and the Infrastructures Services Division.

Finance and Administration Division - The Finance and Administration Division is responsible for the overall financial affairs of the NWTHC. This includes the provision of accounting and advisory services, reporting and monitoring, treasury services, mortgage administration and the management of own source revenues and federal funding.

Financial Planning - The Financial Planning Section leads the development of the infrastructure, revenues and operating budgets for the NWTHC, including the annual business plan and main estimates, and on-going variance analysis and reporting.

Information Services - The Information Services Section utilizes the latest in information management tools and methodologies support the business processes of the Corporation and its community partners. This section develops NWTHC-specific information tools as well as system training, critical to the delivery of housing programs and services.



CORPORATE STRUCTURE

Infrastructure Services Division - The Infrastructure Services Division is responsible for the overall delivery of the NWTHC's capital infrastructure projects, as well as the acquisition of suitable land for the delivery of housing programs and services and the overall maintenance management of the NWTHC's housing portfolio.

Programs and District Operations - The Programs and District Operations Branch oversees the development, implementation, monitoring, and delivery of programs and initiatives that support the NWTHC's responsiveness to housing needs in the NWT. The Branch provides corporate support, training, and oversight to the NWTHC's five District Offices for the delivery of housing programs and services in order to ensure a continuity of approach to program delivery.

The Programs Development and Implementation Section - The Program Development and Implementation section works closely with District Offices and LHOs to ensure compliance with existing program policies and procedures. This section also develops and updates ongoing operational policies and procedures to ensure housing programs remain updated and responsive, and to ensure that District Offices and LHOs have the support, training and capacity required to effectively and efficiently deliver the NWTHC's programs and services.

The District Operations - District Operations is responsible for the administration of district capital, program delivery, maintenance, training, assisting in land acquisitions and development, and working closely with stakeholders at the community level. In addition, they also work with LHOs and NWT residents to identify options for programming to assist individuals and families in decision making regarding their housing needs. This assistance includes the delivery of the Corporation's Providing Assistance for Territorial Homeownership (PATH), Contributing Assistance for Repairs and Enhancements (CARE), Contributing Assistance for Repairs and Enhancements Preventive Maintenance (CARE PM), Contributing Assistance for Repairs and Enhancements Mobility for Seniors (CARE Mobility), and Securing Assistance for Emergencies (SAFE) homeownership programs.

North Slave District Office:

This District Office supports the communities of: Behchoko, Detah/N'dilo, Gamèti, Lutselk'e, Wekweèti, Whatì and Yellowknife.

South Slave District Office:

This District Office supports the communities of: Enterprise, Hay River, K'at'l'odeeche First Nation, Kakisa, Fort Providence, Fort Resolution and Fort Smith.

CORPORATE STRUCTURE

Nahendeh District Office:

This District Office supports the communities of: Fort Liard, Fort Simpson, Jean Marie River, Nahanni Butte, Sambaa K'e and Wrigley.

Sahtu District Office:

This District Office supports the communities of: Colville Lake, Deline, Fort Good Hope, Norman Wells and Tulita.

Beaufort-Delta District Office:

This District Office supports the communities of: Aklavik, Fort McPherson, Inuvik, Paulatuk, Sachs Harbour, Tsiigehtchic, Tuktoyaktuk and Ulukhaktok.

Local Housing Organizations (LHOs) - The NWTHC, in partnership with 23 LHOs, and community organizations, administers approximately 2,400 social housing units in 33 communities across the NWT. The LHOs, under agreement with the NWTHC, provide property management services including the allocation of units, the assessment of rent, the collection of rents, and the provision of preventative and demand maintenance services. LHOs have an advisory board that oversees its operations. The NWTHC's district offices are responsible for these operations in communities where an LHO has not been established.

LHOs, operating as agents of the NWTHC, are responsible for the administration of Public, Homeownership Entry Level Program (HELP) and Market housing rental units in the majority of communities across the NWT. Public housing units were developed under the Social Housing Agreement between the NWTHC and the Canada Mortgage and Housing Corporation. The Public Housing Program is a rental program designed for individuals and families who do not have the financial resources to access shelter on their own. Affordable housing includes both our leased subsidized HELP units, and our unsubsidized Market Housing units that are used to house critical staff in NWT communities.

The following is a list of all LHOs:

Aklavik Housing Association	Lutsel K'e Housing Authority
Behchokö Ko Gha K'òodèè	Norman Wells Housing Authority
Deline Housing Association	Paulatuk Housing Association
Fort McPherson Housing Association	Radilih Koe Housing Association
Fort Providence Housing Association	Sachs Harbour Housing Association
Fort Resolution Housing Authority	Tsiigehtchic Housing Association
Fort Simpson Housing Authority	Tuktoyaktuk Housing Association
Fort Smith Housing Authority	Tulita Housing Association
Gameti Housing Authority	Ulukhaktok Housing Association
Hamlet of Fort Liard	Whati Housing Authority
Hay River Housing Authority	Yellowknife Housing Authority
Inuvik Housing Authority	

NWTHC RENTAL PROGRAMS

The NWTHC provides opportunities for residents to access rental units in all NWT communities. The administration and management of these units are conducted through service contracts with Local Housing Organizations. There is a wide variety of rental programming offered by the NWTHC that suits the differing needs of resident. These programs include subsidized social housing, rental housing as a transition to homeownership, market rental housing for community workers and a rent supplement program to improve affordability.

Public Housing

The Public Housing Program provides income-based subsidies for the rental of housing for residents in need. The NWTHC provides financial, administrative, maintenance, construction and repair support to its community partners who deliver the program on behalf of the NWTHC. The NWTHC utilizes management/services agreements with LHOs or community services organizations to manage its affordable housing portfolio. Currently, the NWTHC operates approximately 2,400 public housing units, which are managed by LHOs and community organizations, located in 33 communities throughout the NWT.

HELP (Homeownership Entry Level Program)

The NWTHC provides affordable rental housing through the delivery of the Homeownership Entry Level Program (HELP) and the Market Housing Program throughout the NWT. In 2017-18, the NWTHC had approximately 222 units in the HELP. The HELP Program assists prospective first-time homebuyers who are not able to secure mortgage financing or are unsure of their responsibilities as homeowners, by providing the opportunity to lease subsidized units from the NWTHC at affordable standardized rents based on geographic zones.

Tenants are responsible for the payment of utilities. The program also offers homeownership educational opportunities through Solutions to Educate People (STEP) courses. A unit is leased to eligible applicants (tenant) who pay a subsidized rent depending on the Community they reside in. After completing a six-month lease period, the tenant is eligible to receive an "equity contribution" of up to \$20,000, to purchase a unit, provided that the tenant: is not in default of the HELP Agreement or the Residential Tenancy Agreement, has no outstanding rental arrears or tenant related damages and has completed the required courses of the STEP Program.

Market Rental

A lack of market housing options in small communities has been a key challenge in delivering GNWT programs and services, especially in the case of front-line workers like teachers and nurses. In order to support our communities, the NWTHC operates approximately 177 units under the Market Housing Program, providing rental housing units at market rental rates to increase the availability of housing for essential workers in smaller communities.

Transitional Rent Supplement Program

The Transitional Rent Supplement Program (TRSP) is designed to provide short-term support to Northwest Territories residents who pay more than 30% of their household income towards rent in private market rentals. This program fills an important gap in assisting working families challenged by affordability issues.

NWTHC HOMEOWNERSHIP PROGRAMS

The NWTHC provides an opportunity for NWT residents to access government support through programming for the purchase of a modest private home, repair their homes to ensure a safe and healthy residence and to increase the useful economic life of their home, or access a rental program that allows them to experience the commitments required to be a successful homeowner.

The simplified structure of the homeownership programs offers flexible delivery options to NWT residents and also meets the needs of seniors, and those with accessibility challenges. These programs use education and counselling to help residents in becoming successful homeowners.

Recently, program application intake changed to a year-round intake to better provide timely supports to residents in need. These one-on-one discussions between residents and staff of the NWTHC are necessary in order to explore program requirements, help individuals in identifying their housing needs and to determine the program that will best fit an individual's or a household's needs.

The following housing programs help us to achieve our goals to improve housing in the NWT.

- Solutions To Educate People (STEP)
- Providing Assistance for Territorial Homeownership (PATH)
- Contributing Assistance for Repairs & Enhancements (CARE)
- Contributing Assistance for Repairs & Enhancements - Mobility (CARE Mobility)
- Contributing Assistance for Repairs & Enhancements - Preventative Maintenance (CARE PM)
- Securing Assistance For Emergencies (SAFE)

STEP (Solutions To Educate People)

STEP provides education and counseling assistance consisting of four courses designed to prepare participants for the responsibilities of homeownership. STEP aims to increase homeownership applicants' financial skills, as well as, their knowledge of the home purchase process, basic home maintenance and repairs.

STEP courses are not only offered to NWTHC applicants and clients, but also to NWT residents at large. Although priority is given to applicants/clients, space permitting, residents are encouraged to sign up for the courses through their District Offices.

NWTHC HOMEOWNERSHIP PROGRAMS

PATH (Providing Assistance for Territorial Homeownership)

PATH allows clients the opportunity to become homeowners by assisting in the construction or purchase of a modest home. Clients obtain additional funding from an approved financial institution or other verifiable sources. Assistance levels are determined by a zone approach that provides a level of subsidy to roughly equalize shelter costs for dwellings of a similar age and quality within non-market communities, and range between 5% and 55% of the purchase price or the Maximum Construction Cost (MCC), whichever is less. Applicants with moderate income, but income over the Core-Need Income Threshold (CNIT), will be eligible for 50% of the subsidy. Assistance is provided through a forgivable loan. The forgiveness period of the loan is dependent on the amount of assistance provided.

CARE (Contributing Assistance for Repairs & Enhancements)

CARE assists existing homeowners in making necessary repairs to their home to ensure a safe and healthy residence and to increase the remaining economic life of their home. Assistance of up to \$100,000 is provided in the form of a forgivable loan to subsidize the cost of preventative maintenance checks, repairs and renovations for their existing home. The forgiveness period is dependent on the amount of assistance being provided. Co-pay may be required depending on household income.

CARE Mobility

CARE Mobility assists low-income homeowners with disabilities by providing up to \$100,000 to carry out modifications to their home to improve accessibility and support independent living. Again, co-pay may be required depending on household income.

Modifications may include:

- The construction of wheelchair access ramps;
- The installation of grab bars in bathrooms; and
- Creating better access to bathtubs, showers, and the kitchen.
- Modifications must be directly related to the disability of the homeowner or a family member residing in the unit.

CARE PM (Preventative Maintenance)

CARE PM provides assistance for preventative maintenance and minor repairs. Clients can apply for up to \$3,000 annually and can apply for this support on a year-round basis.

SAFE (Securing Assistance For Emergencies)

SAFE is an emergency repair program. Clients are eligible for up to \$10,000 for emergency repairs to their private home to ensure health and safety standards are met, and are able to make applications for SAFE funding at any time. SAFE is designed to assist eligible homeowners with emergency repairs to their private home based on a partnership model (copayment) between the NWTHC and the homeowner.

NWTHC HOMELESSNESS PROGRAMS

The NWTHC supports the Minister Responsible for Homeownership in a secretariat role, monitoring and taking inventory of the numerous homelessness interventions taken across GNWT departments. The NWTHC also direct delivers its own homelessness programming, which ranges from capital support for shelters, fostering small community homelessness solutions and working with GNWT case managers and referral agents to help prevent homelessness.

SEF (Shelter Enhancement Fund)

Recognizing that shelters often struggle to find resources for repairs, renovation or important equipment purchases, the NWTHC created the Shelter Enhancement Fund. This ongoing fund provides one-time funding for repairs and capital purchases based on proposals by shelter proponents. This fund supports shelters to maintain health and safety standards as well as to purchase important equipment and supplies to continue their operations.

SCHF (Small Community Homelessness Fund)

Communities are often best placed to identify solutions to address homelessness or assist homeless people. Sometimes these supports can come in the form of food security initiatives such as soup kitchens, food vouchers or food hampers. Sometimes communities want support to conduct their own planning to address homelessness. The Small Community Homelessness Fund, in its flexible funding design allows for communities to implement their own homelessness initiatives.

HAF (Homelessness Assistance Fund)

The Homelessness Assistance Fund works cooperatively with GNWT case managers and referral agents to support homeless resident to access housing, prevent tenants from being evicted or provide assistance for residents to return to more stable housing situations in their home community.

Housing First

The NWTHC provides an ongoing contribution to support the sustainability of a Housing First program in Yellowknife. The Housing First philosophy involves taking a two-fold approach to addressing homelessness: opportunities for independent rental housing and the provision of wrap around supports to address underlying homelessness factors.

NWTHC PROGRAM DELIVERY IN A SNAPSHOT

Homeownership Programs

Approved programs offered through the NWTHC in 2015-2016.

Beaufort Delta District

Program	# of Programs
CARE Major	-
CARE PM	62
CARE Mobility	-
Fuel Tank Replacement	-
HELP	3
PATH	1
SAFE	15
Seniors Aging-in-Place	1
Total	82

Sahtu District

Program	# of Programs
CARE Major	1
CARE PM	17
CARE Mobility	-
Fuel Tank Replacement	-
HELP	4
PATH	-
SAFE	24
Seniors Aging-in-Place	4
Total	50

Nahendeh District

Program	# of Programs
CARE Major	-
CARE PM	27
CARE Mobility	-
Fuel Tank Replacement	1
HELP	5
PATH	1
SAFE	22
Seniors Aging-in-Place	3
Total	59

South Slave District

Program	# of Programs
CARE Major	2
CARE PM	67
CARE Mobility	1
Fuel Tank Replacement	-
HELP	1
PATH	2
SAFE	41
Seniors Aging-in-Place	4
Total	118

North Slave District

Program	# of Programs
CARE Major	4
CARE PM	83
CARE Mobility	-
Fuel Tank Replacement	3
HELP	2
PATH	1
SAFE	29
Seniors Aging-in-Place	24
Total	146

Northwest Territories

Program	# of Programs
CARE Major	7
CARE PM	256
CARE Mobility	1
Fuel Tank Replacement	4
HELP	15
PATH	5
SAFE	131
Seniors Aging-in-Place	36
Total	455

NWTHC PROGRAM DELIVERY IN A SNAPSHOT

Public Housing Program

Expenditures for the Public Housing Program in 2017-2018 totaled approximately \$60.8 million. Public Housing refers to public programs that provide income-based subsidies for the rental of housing for residents in need. The NWTHC provides financial, administrative, maintenance, construction and repair support to community partners so they can deliver Public Housing on behalf of the NWTHC. The NWTHC has signed Partnership Agreements with LHOs to manage the Public Housing portfolio. The Partnership Agreements between LHOs and the NWTHC cover the areas of financial administration, tenant relations and operations and maintenance of Public Housing in the NWT. Currently the NWTHC operates approximately 2,400 Public Housing units located in 33 communities throughout the NWT, which are managed by LHOs and community service agents.



PUBLIC HOUSING UNIT CONDITION RATINGS

Each year, the NWTHC and LHOs conduct unit condition ratings on NWTHC owned public housing units.

Unit condition ratings provide the NWTHC with valuable information as to the state of its assets. The ratings are one source of information that helps support the NWTHC on how best to utilize its scarce financial resources to improve the quality of housing across the NWT.

The unit condition ratings influence the capital planning process. The yearly capital planning process directs future modernization and improvements projects based on the condition of our existing public housing stock. These projects are done in order to maintain the quality of housing for our tenants.



Condition ratings are also done to determine when older units need to be replaced or scheduled for demolition. In addition, the data collected through the unit condition ratings allows a planned approach to mitigate the financial pressures in the longer term while maintaining our assets in good condition. A systematic walk-through inspection is conducted to complete the

condition rating of a unit. A standardized condition rating form is used that lists the components that make up the unit. The condition of each component is documented to assist in prioritizing repairs and estimating their cost.

The NWTHC has also implemented a training, monitoring, and reporting process so this annual inspection can be utilized as an opportunity for both quality control in ensuring that all LHOs across the NWT are completing the inspections consistently as per NWTHC guidelines and a training opportunity where required.

Units with low condition ratings undergo a more detailed evaluation. This additional evaluation determines the cost benefit of investing further dollars to modernize and improve the unit to extend its useful life or to dispose of the unit and replace it.

The NWTHC plans for a 50-year life of new units with two major renovation/repair milestones; the first at 20 years and the second at 35 years. As well, regular maintenance is performed on its public housing assets.

The table provides a snapshot of the condition of the public housing stock for the fiscal year 2017-2018. Unit condition ratings are finalized in the month of October of each year.

PUBLIC HOUSING UNIT CONDITION RATINGS

NWTHC-Owned Public Housing Unit Condition Ratings for 2017-2018

District/Community	Below 60%	60% - 69%	70% and higher	Total UCRs Completed
Beafort Delta	49	82	699	830
Aklavik	1	4	133	138
Fort McPherson	14	27	98	139
Inuvik	31	18	154	203
Paulatuk	1	2	36	39
Sachs Harbour	1	7	17	25
Tsiigehtchic	0	0	27	27
Tuktoyaktuk	1	24	144	169
Ulukhaktok	0	0	90	90
Nahendeh	0	1	107	108
Fort Liard	0	0	35	35
Fort Simpson	0	1	54	55
Jean Marie River	0	0	5	5
Nahanni Butte	0	0	0	0
Sambaa K'e	0	0	5	5
Wrigley	0	0	8	0
North Slave	23	16	597	636
Behchoko	4	8	204	216
Dettah	0	1	42	43
Gameti	2	1	27	29
Lutselk'e	1	2	64	67
N'Dilo	0	2	28	30
Wekweeti	0	0	9	9
Whati	0	1	40	41
Yellowknife	17	1	183	201
Sahtu	36	37	234	307
Colville Lake	0	0	7	7
Deline	17	21	62	100
Fort Good Hope	3	0	53	56
Norman Wells	1	1	57	59
Tulita	15	15	55	85
South Slave	17	69	468	554
Fort Providence	2	24	94	120
Fort Resolution	3	13	78	94
Fort Smith	2	5	149	156
Hay River	5	26	141	172
Kakisa	0	1	2	3
K'atloodeeche First Nation	5	0	4	9
Total NWT	125	205	2105	2435

*Note: Approved surplus and pending surplus units have been removed from this summary. UCRs are not completed on units leased from private landlords.

PROJECT FOCUS - HABITAT FOR HUMANITY



The NWT HC has worked with Habitat for Humanity NWT over the past three years to support their affordable homeownership model that empowers families. In 2017-18, the NWT HC provided a funding contribution to Habitat for Humanity NWT to assist with the construction of a single-family dwelling in Yellowknife. In previous years, the NWT HC provided assistance to Habitat for Humanity NWT to construct a duplex. These homes provided three families with affordable housing. The development of these units is really community effort with contributions from private industry, government, volunteer work by private residents and not the least of which, sweat equity by the eventual owners.

THE COMMUNITY HOUSING SUPPORT INITIATIVE

The Community Housing Support Initiative (CHSI) is a partnership program between the Northwest Territories Housing Corporation and Indigenous and local governments. The CHSI is a three year pilot program that will allow local and Indigenous governments address housing and homelessness issues in their communities with their own locally developed solutions.

These innovative, locally developed projects reflect the GNWT's commitment to supporting the housing aspirations of local and Indigenous governments across the NWT. This program recognizes that local and Indigenous governments are often best placed to developed potential solutions to housing issues in their communities. Also, in some cases, innovative projects may be easier communities to take on as opposed to a government entity.

Support for this project is flexible: it can be a financial or in kind, whichever best assists the community to implement appropriate housing solutions. This program is also intended to leverage existing community supports, in conjunction with what the NWT HC contributes.

Among the successes of this program was the recent partnership between the NWT HC and the Salt River First Nation (SRFN). The NWT HC allocated \$360,000 of building material to the SRFN, which supported the construction of two homes. The SRFN contributed to the project by providing the labour to build the homes as well as the land. This initiative has provided homes to members of the Salt River First Nations, created training opportunities for community residents, supported an Indigenous government in managing their own housing initiatives and increased economic development in the community.



STRATEGIC RENEWAL 2017-2018

The Northwest Territories Housing Corporation began its Strategic Renewal process in early 2017 with the release of the Housing Engagement Survey. This survey played a critical role in directing and informing the Strategic Renewal process within the NWT HC. Strategic Renewal is a long-term, sometimes challenging process, but one that will significantly reduce core need and provide the best possible housing system for residents of the NWT. The process will involve all aspects of the Housing Corporation including the establishment of new initiatives and projects, as well as the re-evaluation of current programs.

Over the past year a significant number of actions were undertaken as part of this Strategic Renewal process, including:

- Seniors Aging-in-Place Retrofits (discussed in more detail later in the report).
- Community Housing Support Initiative (discussed in more detail later in the report).
- The removal of the co-pay requirement for low-to-modest households, where these households formerly needed to pay for a portion of their home repairs.
- The Fuel Tank Replacement Initiative, which replaces older fuel tanks of private homeowners in order to mitigate potential environmental damage and significant remediation costs;
- The creation of an assumption agreement under the Family Home Transfer Program, which facilitates the transfer of a home to a loved one when a resident is required to relocate to another community for uncontrollable reasons like accessing long-term health care.
- A redesign of the Transitional Rent Supplement Program that will address issues with previous rent supplement programs in order to more effectively serve our residents;
- An NGO Supportive Rental Program or Rapid Rehousing Program, which is geared towards partnering with NGOs to provide rental housing support to their program participants;
- Students in Public Housing changes that provide greater program support for students living in Public Housing by not requiring them to fulfill a residency requirement upon returning to their home community;
- Customer Service Improvements that will involve meaningful customer service training for all front-line staff and senior management.

These programs and initiatives are good first steps, but there is still a lot of work to be done. As the Strategic Renewal Process moves forward there will be more changes coming, all of which will be done with the goal of making sure everyone in NWT has an affordable, appropriate, and safe place to call home.



SENIORS AGING IN PLACE

The Mandate of the 18th Assembly has committed the Government of the Northwest Territories to lowering the cost of living and ensuring that seniors are able to live in their home communities for as long as possible. With the population of seniors in NWT projected to rise by 25% over the next five years, work towards this commitment is of immediate importance.

The Northwest Territories Housing Corporation is fully supportive of this commitment and is working diligently on programs that will allow seniors to stay in their own homes and communities for as long as possible. To this end the NWT HC has implemented the Seniors Aging in Place initiative that will keep seniors in their own homes longer through energy-efficient repairs and retrofits.

The object of this initiative is increase sustainability and energy efficiency in homes – while lowering utility costs – thereby making it easier for seniors to stay in their own homes as long as possible. The initiative provides a forgivable loan of up to \$10,000 to put towards repairs or retrofits.



Seniors participating in this initiative are still able to access other NWT HC home repair programs in addition to Seniors Aging in Place.

Beyond the repair and retrofit aspects of Seniors Aging in Place, the NWT HC – in partnership with the Department of Health and Social Services – is also investing in new seniors’ independent living facilities. These facilities allow seniors to live independently, but also have easy access to supportive services like home care. The new facilities were allocated to communities after a needs and population-based assessment was carried out.

Initiatives like Seniors Aging in Place are key parts of the NWT HC’s Strategic Renewal process while also directly supporting the Mandate of the 18th Assembly. The NWT HC will continue to work with all stakeholders in order to ensure that seniors across the NWT are able to stay in in their homes and home communities for as long as possible.

STAFF PROFILE - KELCY McDONALD

In August 2006 the NWT HC welcomed Kelcy McDonald as Programs Advisor. Little did she know, it would be the start of a long career with the NWT HC's Beaufort Delta District Office (BDDO) in Inuvik. She became manager in 2011. Originally, from Inuvik, Kelcy went to Edmonton to attend post-secondary school, but returned to Inuvik afterwards.

"My father's family is one of the original of Inuvik," she explained, after they had been relocated from Aklavik. Her grandmother is from the Sahtu and her grandfather is from Fort Chipewyan.

She said she loves that her job allows her to "work with clients" and "try to address housing needs." She added she also likes being able to travel and visit the communities. "It's always busy."

Kelcy currently has two programs advisors who work under her. She said the job involves good team work. The BDDO covers the most remote communities and biggest land area, presenting unique challenges. There is also the coastal communities, which have different needs than the Delta communities. "What we deal with is vastly different from what other divisions work with," she said.

The challenges that come up are very wide ranging. "You have to think outside the box," she adds, "I get satisfaction that we're making a difference."

Previously Kelcy had worked in the private sector for a family business. "I just wanted a change," she said of her switch to working in housing. She said having spent so much of her life in the area she does have a connection with many people in the region, which brings a familiarity/common ground for the clients she works with.



STAFF PROFILE - BONNIE LEONARDIS

Bonnie Leonardis has been with the NWT HC for 17 years. She spent 12 years working in Finance at the head office. Wanting a change, she moved to the North Slave District Office, in Yellowknife. She has been working in programs for the last five years.

“Dealing with people, you feel like you make a difference,” Bonnie said.

Bonnie, a born and raised Yellowknifer, has an eclectic work history. A journeyman hairstylist, she previously worked at Stanton Territorial Hospital as a clinical clerk. She also attended Aurora College for management studies. She said she hadn’t thought about housing as a career until getting the job with the NWT HC.

“One of the best parts of my job is the PATH (Providing Assistance for Territorial Homeownership) program and helping (residents) buy their first home.” She said she received a big thank you email recently, a rewarding feeling.

Bonnie works in a team that splits up the travel to communities. There are seven total, Bonnie works in Behchoko and Whati. She says working in a team that is supportive and work well together is a major motivator.



STAFF PROFILE - LISA MAURICE



Lisa Maurice has spent 20 years working in finance with the NWT HC’s South Slave District Office (SSDO) in Hay River. Recently she was given the opportunity to complete a developmental transfer as a Program Advisor. She moved into programs in June 2017. “I went for it and I have no regrets,” she said. “It’s a very nice change.”

Lisa is born and raised in Hay River. She previously held the title of Senior Finance Officer, which involved various tasks like budgeting and reporting on financials. She said initially she was reluctant to move out of finance and into programs and turned the offer down. However, she was given the opportunity a second time and decided to go for it. “Who gets a second chance?” she said. “I’m really enjoying this position and I have no regrets.”

Lisa said she enjoys the change of getting to travel and meet community members. She said part of her job is the review of applications and to go out and meet the qualifying applicants. As part of a team working in programs, she has specific communities assigned to her. Lisa works with clients in Fort Resolution, Fort Providence, Kakisa and Enterprise.

Lisa said she is always striving to improve effectiveness and efficiency in the way programs are delivered. She also added that having such a good working knowledge of how finance works within the NWT HC gives her a broad knowledge of how the NWT HC operates overall.

STAFF PROFILE - RUTH MCKEOWN



Ruth McKeown is a Policy Analyst in Strategic Planning, Policy, and Communications for the NWTHC's head office in Yellowknife. Ruth previously worked in developing and coordinating mental health services and teaching in the elementary, secondary, and post-secondary college systems in Ontario.

Ruth started with the NWTHC on April 3, 2016. She has been in Yellowknife for seven years. She said she enjoyed coming onto the team when it was implementing the strategic renewal, noting it was an interesting time and felt good to bring new ideas. "It was a good time to come to housing."

An educational background in mental health and social work, she was first hired by the GNWT in the winter of 2012. Ruth worked as the Supported Living and Persons with Disabilities Consultant in the Continuing Care Division of the Health Department. From there, she became the Manager of NWT Victim Services in the Department of Justice. Ruth was subsequently hired by Aurora College to teach adult students from N'dilo, Detah, and Lutsel K'e at the Adult Learning Centre in N'dilo.

Ruth said she was always interested in housing; her father had worked in the housing field in Ontario and Manitoba. He spent two years with Canada Mortgage and Housing Corporation. She said housing is a big issue and "everyone I have met (at NWTHC) has been very hard working."

LHO PROFILE - TULITA HOUSING ASSOCIATION



Tulita's Local Housing Organization has undergone a great deal of change in the past few years. After a big upheaval in staff changes, the LHO is now flourishing under new management. Tulita is located in the Sahtu, which means they are part of the NWTHC's Sahtu District Office.

The current manager, Sasha Doctor, and the Tenant Relations Officer, Dusty Yakeleya, are local hires. They have gone out of their way to work with community members and keep people in the community successful in meeting their housing goals.

Doctor has been in the manager role since early 2017. She said the best part of her job is "Knowing we are trying our best to improve the conditions of the Units for local residents."

Recently, a tenant had a large amount of arrears owing. She was also facing a cancer diagnosis. The LHO staff worked hard with this client in order to keep her in her house and keep her housed, despite the large amount of arrears.

Appendix A:
Management Discussion and Analysis
Fiscal Year 2017-2018

MANAGEMENT DISCUSSION AND ANALYSIS - FISCAL YEAR 2017-2018

Managing Risk / Pressures

There are both external and internal pressures and risks that influence how the NWT HC delivers its housing programs and services. In response to these challenges, the NWT HC has employed various mitigation strategies to help manage these risks, to the extent possible.

CMHC Funding

Base funding for social housing operations from CMHC is scheduled to decline to zero by 2038-39. This funding continues to decline at varying amounts annually, depending on when the housing stock was initially constructed in partnership with the federal government. Over the term of the 18th Legislative Assembly, CMHC federal funding will decline by \$1.4 Million.

The NWT HC continues to work with CMHC to minimize the impacts of this declining funding. Under Federal Budget 2016, the NWT HC received approximately \$20 million for fiscal years 2016-17 and 2017-18. This incremental funding assisted the NWT HC significantly in responding to CMHC funding declines in these years. The NWT HC continues to lobby CMHC for stable, long-term funding for our social housing programs.

The NWT HC also participates in the Provincial – Territorial Housing Forum that leads the inter-jurisdictional efforts to engage the federal government in meaningful discussions regarding sustainable social housing. One mitigation strategy that the NWT HC will be implementing is the expansion of the market rent program to accommodate RCMP Members stationed in various NWT communities.

This initiative will not only increase the availability of affordable, adequate, and suitable market housing but will also contribute additional revenues to help offset CMHC's declining funding.

In addition, the NWT HC will continue to provide opportunities for tenants to take greater responsibility for their utility consumption. On September 1, 2018, tenants will be paying the same electricity rates as private households as established under the GNWT's Territorial Power Support Program. This initiative supports tenant self-reliance and assists the NWT HC in responding to the continued decline in CMHC funding.

Core Need (Quality of Housing and Affordability)

The level of core housing need in the NWT, according to the 2014 NWT Community Survey, is 19.8%. To assist in addressing this situation, the NWT HC continues to make capital investments to replace and retrofit older and less energy-efficient housing units.

In addition to these investments in existing housing stock, the NWT HC continues to address core housing need by delivering a wide range of housing programs. For example, the Rent Supplement Program used to address market rental housing challenges of the working poor and the Securing Assistance for Emergencies (SAFE) repair program that provides access to financial assistance emergency repairs for low to moderate-income households.

MANAGEMENT DISCUSSION AND ANALYSIS - FISCAL YEAR 2017-2018

Utility Costs

The NWTHC continues to invest in improving the overall quality and energy-efficiency of its owned housing assets. New construction for the replacement of aging, single detached Public Housing is now primarily multi-unit buildings, resulting in reduced utility costs. Our standards for retrofits and new units require that projects meet, or exceed, EnerGuide for Housing (EGH) 80 design standards. The NWTHC has also invested in numerous energy efficiency technologies, such as biomass and photovoltaic solar systems, to help offset the high cost of energy.

The NWTHC has recently designed and implemented a system to improve detailed tracking of utility consumption and pricing. This system continues to undergo enhancements and improved business processes to provide useful information for analysis and reporting purposes.

Land Development

Land availability for both current and future housing construction projects is an ongoing challenge. Land development in many Northwest Territories communities has not kept pace with the ongoing demand for suitable building lots. The NWTHC continues to work with community governments to identify and develop suitable land for residential construction.

Credit Risk

The NWTHC is exposed to credit risk from tenants and mortgage clients. Several LHOs have had challenges with collections resulting in accumulated arrears over several years. The NWTHC has increased support to enhance rent collections, including establishing a Collections Unit, to further support LHOs with their ongoing collection activity. Our Territorial Housing System (THS) gives the NWTHC the ability to closely monitor tenant collection matters.

Since 2012-13, the NWTHC has worked with clients to restructure their mortgages with a view to improving overall collections rates. Working with program participants, the NWTHC was able to restructure existing mortgages to assist homeowners in satisfying their mortgage payment obligations.

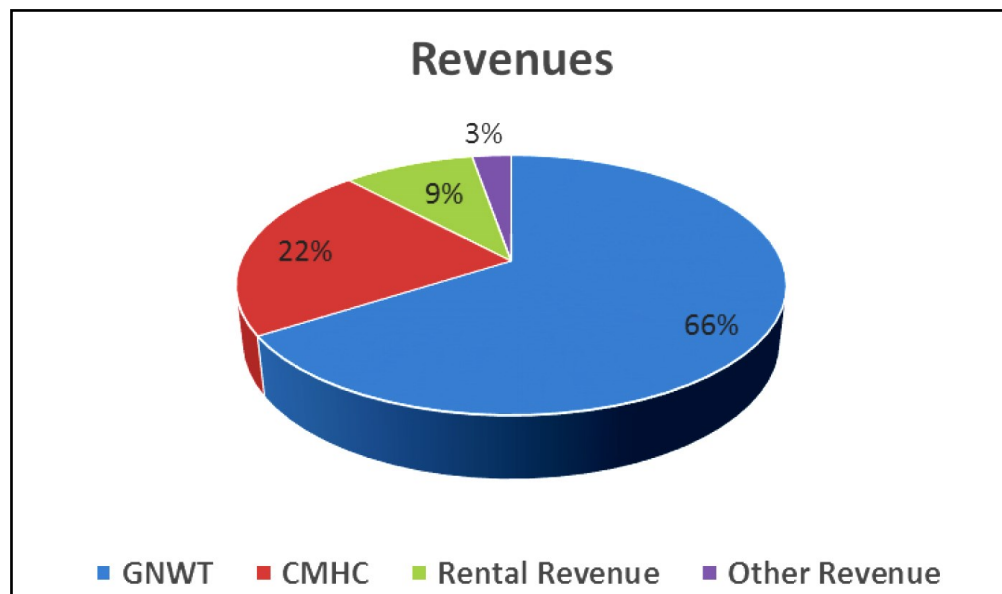
MANAGEMENT DISCUSSION AND ANALYSIS - FISCAL YEAR 2017-2018

Financial Results

Revenues

The total revenues for the Corporation in 2017-18 were \$113.6 million, a decrease of \$8.9 million from the previous year's total of \$122.5 million.

Government funding from the GNWT and CMHC decreased by \$10.3 million, from \$110.3 million to \$100 million. The net decrease is due to reduced funding received under CMHC Investment in Affordable Housing Agreement and GNWT sunset funding. Revenue generated from operations amounted to \$13.6 million in 2017-18, an increase of \$1.4 million over the \$12.2 million in revenue generated in 2016-17. This increase was primarily related to higher rental revenues from the HELP and market housing rental programs and an increase in other revenues and recoveries.



Expenses

The Corporation's total operating expenditures for 2017-18 were \$97.4 million, a 2.4% increase over the 2016-17 year's expenses of \$95.1 million. The cost of operating the Public Housing program decreased by 2.9%. The Public Housing program costs continue to be the largest component of the Corporation's expenses, representing 62.4% of the annual operating expenditures, including amortization of the public housing units.

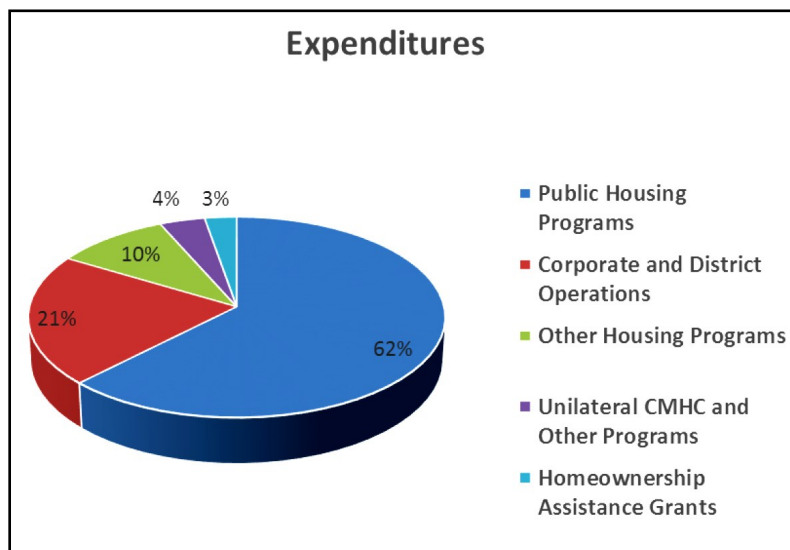
Expenditures for the HELP and market housing programs were \$7.9 million in 2017-18 including amortization, a \$1.7 million or 27.4% increase over the \$6.2 million expended in 2016-17. The increase was attributable to factors such as additional repairs and maintenance activities and increased amortization due to the construction of additional market housing units. The NWTHC also contributed \$3.8 million to unilateral CMHC programs and other programs, an increase of 40.7% over the \$2.7 million contributed in 2016-17. This increase primarily related to additional funding for maintenance projects.

MANAGEMENT DISCUSSION AND ANALYSIS - FISCAL YEAR 2017-2018

Homeownership assistance grants were \$2.7 million in 2017-18, an increase of \$0.2 million or 8.0% over the previous year's amount of \$2.5 million. This funding provides homeownership grants and contributions to support increased homeownership units, and improvements to existing homeownership units. Funding provided by the NWTHC is subject to the receipt of qualified applicants.

The Corporation had losses from disposals of tangible capital assets of \$0.3 million compared to the gains of \$0.3 million in 2016-17. Losses resulted from buildings disposed of where proceeds were lower than the net book value of the units. The Corporation spent \$20.6 million on corporate and district operations in 2017-18, an increase of \$2.0 million or 10.7% from the \$18.6 million expended in 2016-17. Costs include program development and delivery and technical and administrative support at the district office and headquarters; including approximately \$1.0 million additional investment in environmental projects.

The acquisition or construction of new housing assets and the renovation of existing housing is funded by the GNWT, CMHC, and the NWTHC's own source revenues. During the year, revenues, including NWTHC generated revenues, exceeded expenses resulting in an annual surplus of \$16.2 million. Annual surpluses are used to support NWTHC's capital investments and housing programming



Financial Position

The Corporation continued to maintain a sound financial position in 2017-18, with net financial assets of \$71.8 million, an increase of \$11.4 million over the prior year. The requirement for the Corporation to maintain a positive net financial resources position is necessary to ensure future obligations can be met, particularly related to capital projects and contractual commitments, and to mitigate financial risk associated with the \$14.4 million third party loans that the Corporation administers on behalf of the CMHC.

The Corporation indemnifies and holds harmless the CMHC from all losses, costs, and expenses related to these loans, as provided under the Social Housing Agreement (SHA). The Corporation has also provided loan guarantees to private sector companies and households in support of new construction or improvements in residential housing across the north. The total outstanding balance of loans guaranteed was \$15.2 million as at March 31, 2018.

MANAGEMENT DISCUSSION AND ANALYSIS - FISCAL YEAR 2017-2018

The cash and cash equivalents balance of \$43.9 million (\$16.9 million at March 31, 2017) represents the March 31, 2018 bank balance for 23 LHOs and the Corporation. The Corporation invests excess cash flow in portfolio investments that meet the terms of the investment policy. As at March 31, 2018, \$42.8 million (\$56.4 million at March 31, 2017) was invested in portfolio investments with a weighted average rate of return of 2.06%. These cash reserves will be used to support the NWTHC's capital investments and housing programs.

Since 2012-13, the Corporation has been assisting mortgage program participants in restructuring their loans. This approach has assisted homeowners in satisfying their mortgage payment obligations while supporting the on-going delivery of housing programs and services. The total mortgage and loans receivable balance, net of allowances, decreased from \$4.2 million as at March 31, 2017, to \$3.6 million as at March 31, 2018. This decrease is due in part to the continued collection of principal balances.

Investment in Housing

As at March 31, 2018, the Corporation had \$288.6 million of investments in land and buildings and other property and equipment, representing the amortized book value of approximately 2,600 owned public housing, homeownership rental, and market rental units. During the year, the NWTHC incurred \$18.7 million in capital expenditures.

Summary of Financial Results (in millions of dollars)

	2013-2014	2014-2015	2015-2016	2016-2017	2016-2017 (Restated ¹)	2017-18
Revenues						
GNWT	69.3	85.1	85.8	81.6	81.6	74.9
CMHC	17.5	17.4	17.3	28.7	28.7	25.1
Other	16.8	15.1	12.6	12.2	12.2	13.6
Total Revenues	103.6	117.6	115.7	122.5	122.5	113.6
Expenses²						
Public Housing Programs	52.7	52.7	54.0	53.2	53.2	50.8
Other Housing Programs	9.2	8.3	7.7	8.3	8.3	9.9
Homeownership Assistance Programs	5.2	5.6	2.9	2.5	2.5	2.7
Impairment/ Disposal Loss on TCAs	1.1	1.6	0.6	-	-	0.5
Amortization ¹	12.2	11.7	12.8	13.3	12.6	13.0
Corporate and District Operations	19.6	19.8	19.8	18.5	18.5	20.5
Total Expenses	100.0	99.7	97.8	95.8	95.1	97.4
Annual Surplus (Deficit)	3.6	17.9	17.9	26.7	27.4	16.2

1. The restatement is a result of a change in accounting policy to align with the amortization policy of the GNWT (refer to Note 3 to the Consolidated Financial Statements).

2. Amortization reported separately.

Appendix B:
Independent Auditor's Report and
Consolidated Financial Statements



INDEPENDENT AUDITOR'S REPORT

To the Minister responsible for the Northwest Territories Housing Corporation

I have audited the accompanying consolidated financial statements of the Northwest Territories Housing Corporation, which comprise the consolidated statement of financial position as at 31 March 2018, and the consolidated statement of operations and accumulated surplus, consolidated statement of change in net financial assets and consolidated statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Northwest Territories Housing Corporation as at 31 March 2018, and the results of its operations, changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



David Irving, CPA, CA
Principal
for the Auditor General of Canada

August 28, 2018
Edmonton, Canada

Northwest Territories Housing Corporation
Consolidated Financial Statements
March 31, 2018

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

These accompanying consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the consolidated financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the consolidated financial statements.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management maintains financial and management control systems and practices designed to provide reasonable assurance that transactions are properly authorized and recorded, proper records are maintained, assets are safeguarded, and the Corporation complies with applicable laws and regulations. These controls and practices ensure the orderly conduct of business, the preparation of reliable financial information, and adherence to the Corporation's statutory requirements and policies.

The Corporation's external auditor, the Auditor General of Canada, conducts an independent audit, in accordance with Canadian general accepted auditing standards, and expresses his opinion on the consolidated financial statements. The Corporation's external auditor has full and free access to financial management of Northwest Territories Housing Corporation.

On behalf of the Northwest Territories Housing Corporation



Tom R. Williams
President and CEO



Jim Martin, FCPA, FCGA, MBA, MA
Vice President
Finance and Infrastructure Services

Yellowknife, Northwest Territories
August 28, 2018

NORTHWEST TERRITORIES HOUSING CORPORATION

Consolidated Statement of Financial Position As at March 31, 2018 (in thousands)

	2018	2017 (Restated - Note 3)
Financial assets		
Cash (Note 4)	\$ 43,896	\$ 16,886
Portfolio investments (Note 5)	42,825	56,444
Accounts receivable (Note 6)	13,431	13,503
Mortgages and loans receivable (Note 7)	3,611	4,172
	<u>103,763</u>	<u>91,005</u>
Liabilities		
Accounts payable and accrued liabilities (Note 8)	19,941	17,852
Deferred revenue	360	256
Loans and mortgages payable to Canada Mortgage and Housing Corporation (Note 9)	8,256	9,063
Environmental liabilities (Note 10)	461	615
Retirement, post-employment, and other leave benefits (Note 11)	2,897	2,805
	<u>31,915</u>	<u>30,591</u>
Net financial assets	71,848	60,414
Non-financial assets		
Tangible capital assets (Schedule A)	288,646	283,800
Inventories held for use	2,657	3,009
Prepaid expenses	284	43
	<u>291,587</u>	<u>286,852</u>
Accumulated surplus	<u>\$ 363,435</u>	<u>\$ 347,266</u>

Contractual obligations and contingencies (Notes 16 and 17)

Approved by:



Alfred Moses
Minister Responsible for the
Northwest Territories Housing Corporation



Tom R. Williams
President and CEO

The accompanying notes and schedule form an integral part of the consolidated financial statements.

NORTHWEST TERRITORIES HOUSING CORPORATION

Consolidated Statement of Change in Net Financial Assets For the year ended March 31, 2018 (in thousands)

	2018 Budget	2018 Actual	2017 Actual (Restated - Note 3)
Net financial assets, beginning of the year	\$ 60,414	\$ 60,414	\$ 44,090
Items affecting net financial assets:			
Annual surplus	8,752	16,169	27,390
Acquisition of tangible capital assets	(24,302)	(18,668)	(24,003)
Amortization	15,550	13,038	12,612
Proceeds from disposal of tangible capital assets	-	277	814
Loss (gain) from disposal of tangible capital assets	-	261	(314)
Write-down of tangible capital assets	-	246	-
Acquisition of inventories held for use	-	(1,311)	(1,692)
Consumption of inventories held for use	-	1,663	1,526
Acquisition of prepaid expenses	-	(292)	(36)
Consumption of prepaid expenses	-	51	27
Increase in net financial assets	-	11,434	16,324
Net financial assets, end of the year	\$ 60,414	\$ 71,848	\$ 60,414

The accompanying notes and schedule form an integral part of the consolidated financial statements.

NORTHWEST TERRITORIES HOUSING CORPORATION

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2018

(in thousands)

	2018 Budget	2018 Actual	2017 Actual (Restated - Note 3)
Revenues			
Government funding:			
Government of the Northwest Territories	\$ 74,878	\$ 74,883	\$ 81,611
Canada Mortgage and Housing Corporation (CMHC) (Note 12)	25,214	25,105	28,673
	100,092	99,988	110,284
Generated revenues:			
Rental revenue	9,741	10,480	9,125
Recoveries from mortgages and loans (Note 7)	475	795	940
Income from portfolio investments	626	1,105	1,188
Gain on disposal of tangible capital assets	1,400	-	314
Other revenue and recoveries	19	1,080	506
Interest revenue on mortgages and loans	120	122	136
	12,381	13,582	12,209
	112,473	113,570	122,493
Expenses (Note 18)			
Public housing program (Note 13)	65,716	60,753	62,566
Unilateral CMHC programs and other programs	3,268	3,779	2,738
HELP and market housing (Note 14)	7,163	7,906	6,172
Non-residential building operations	254	654	596
Rent subsidy program	600	215	254
Homelessness fund program	1,386	794	1,612
Homeownership assistance grants	7,017	2,665	2,519
Corporate and district operations (Note 15)	18,317	20,635	18,646
	103,721	97,401	95,103
Annual surplus	\$ 8,752	\$ 16,169	\$ 27,390
Accumulated surplus, beginning of year	347,266	347,266	319,876
Accumulated surplus, end of year	\$ 356,018	\$ 363,435	\$ 347,266

The accompanying notes and schedule form an integral part of the consolidated financial statements.

NORTHWEST TERRITORIES HOUSING CORPORATION

Consolidated Statement of Cash Flow For the year ended March 31, 2018 (in thousands)

	2018	2017 (Restated - Note 3)
Cash provided by (used in) operating transactions		
Annual surplus	\$ 16,169	\$ 27,390
Items not affecting cash:		
Amortization	13,038	12,612
Write-down of tangible capital assets	246	-
Loss (gain) from disposal of tangible capital assets	261	(314)
Loss on disposal of portfolio investments	368	267
Non-cash portfolio investment (loss) income	(172)	171
Non-cash mortgage funding	(24)	-
Change in valuation allowance for doubtful accounts	(903)	(457)
Change in valuation allowance for mortgages and loans receivable	102	(544)
	12,916	11,735
Change in non-cash assets and liabilities:		
Decrease (increase) in accounts receivable	975	(7,154)
Decrease (increase) in inventories held for use	352	(166)
Increase in prepaid expenses	(241)	(9)
Increase (decrease) in accounts payable and accrued liabilities	4,001	(1,916)
Increase in deferred revenue	104	108
Decrease in environmental liabilities	(154)	(68)
Increase in retirement, post-employment, and other leave benefits	92	27
	5,129	(9,178)
Cash provided by operating transactions	34,214	29,947
Capital transactions		
Acquisition of tangible capital assets	(20,580)	(29,550)
Proceeds from disposal of tangible capital assets	277	811
Cash used for capital transactions	(20,303)	(28,739)
Financing transactions		
Repayment of loans payable to CMHC	(807)	(848)
Repayment of obligations under capital leases	-	(53)
Cash used for financing activities	(807)	(901)
Investing transactions		
Proceeds from sale of portfolio investments	16,242	47,601
Acquisition of portfolio investments	(2,819)	(53,653)
Repayments of mortgages and loans receivable	483	812
Cash provided by (used for) provided by investing transactions	13,906	(5,240)
Increase (decrease) in cash	27,010	(4,933)
Cash at beginning of the year	16,886	21,819
Cash at end of the year	\$ 43,896	\$ 16,886

Total interest paid during the year was \$533 (2017 - \$592).

Total interest received during the year was \$1,473 (2017 - \$1,416).

The accompanying notes and schedule form an integral part of the consolidated financial statements.

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Consolidated Financial Statements For the year ended March 31, 2018 (in thousands)

1. PURPOSE OF THE ORGANIZATION

The Northwest Territories Housing Corporation (the "Corporation") is a territorial corporation, established under the *Northwest Territories Housing Corporation Act* (the "Act") and named in Schedule B of the *Financial Administration Act* (FAA) of the Northwest Territories (NWT). Accordingly, the Corporation operates in accordance with its Act and regulations, the FAA, and any directives issued to it by the Minister responsible for the Corporation. The Corporation is exempt from income tax but is subject to Goods and Services Tax.

The Corporation's mandate is to ensure, where appropriate and necessary, that there is a sufficient supply of affordable, adequate, and suitable housing stock to meet the housing needs of residents in the NWT. The Corporation works in partnership with the local communities in the NWT to ensure residents have access to housing that supports a healthy, secure, independent, and dignified lifestyle.

The Corporation's public housing program is delivered by twenty-four community-based local housing organizations (LHOs). Each LHO has a board of directors and management and staff who are responsible for the day-to-day activities associated with the delivery of the program in the communities. Agreements are in place between the Corporation and the LHOs which outline the roles and responsibilities of each party.

The Corporation and the LHOs are economically dependent upon the Government of the NWT (the "Government") for the funds required to finance the net cost of their operations and capital acquisitions.

2. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards.

The significant accounting policies are as follows:

Measurement uncertainty

The preparation of the consolidated financial statements in accordance with Canadian public sector accounting standards requires the Corporation to make estimates and assumptions that affect the amounts of assets, liabilities, revenues and expenses reported in the consolidated financial statements and accompanying notes. By their nature, these estimates are subject to measurement uncertainty. Actual results could differ significantly from the estimates. The more significant management estimates relate to the allowance for impaired mortgages and loans receivable, the amortization of tangible capital assets, retirement, post-employment and other leave benefits, and contingencies.

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Consolidated Financial Statements For the year ended March 31, 2018 (in thousands)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Reporting entity

These consolidated financial statements reflect the assets, liabilities, revenues and expenses, change in net financial assets and cash flows of the reporting entity. The reporting entity is comprised of the Corporation and the accounts of the following twenty-three LHOs, via consolidation, which are controlled by the Corporation:

Aklavik Housing Association	Lutsel K'e Housing Authority
Behchokö Kô Gha K'òdèè	Norman Wells Housing Authority
Deline Housing Association	Paulatuk Housing Association
Fort Liard Housing Authority	Radilih Koe Housing Association
Fort McPherson Housing Association	Sachs Harbour Housing Association
Fort Providence Housing Association	Tsiigehtchic Housing Association
Fort Resolution Housing Authority	Tuktoyaktuk Housing Association
Fort Simpson Housing Authority	Tulita Housing Association
Fort Smith Housing Authority	Ulukhaktok Housing Association
Gameti Housing Authority	Whati Housing Authority
Hay River Housing Authority	Yellowknife Housing Authority
Inuvik Housing Authority	

The Yellowknife Dene First Nation (Housing Division) has been excluded from the reporting entity since it is considered to be part of a separate level of government and thus should be excluded from the reporting entity of any other government or government organization.

All inter-entity balances and transactions have been eliminated in the preparation of the consolidated statements.

Revenue recognition

The Corporation receives funding for operating and capital purposes from the Government of the Northwest Territories (Government).

The Corporation also receives funding from the Canada Mortgage and Housing Corporation (CMHC) under the Social Housing Agreement and other agreements between CMHC and the Corporation for the operation and maintenance of the various public housing programs, the acquisition of public housing and to provide assistance to eligible homeowners and landlords for repair and rehabilitation of properties.

Government transfer revenues, including funding provided by the Government and CMHC, are recognized as revenue in the period in which events giving rise to the transfer occurred as long as:

- i. the transfer is authorized;
- ii. eligibility criteria have been met;
- iii. there are no stipulations that give rise to a liability; and,
- iv. a reasonable estimate of the amount can be made.

Transfers received before these criteria are fully met are recorded as a liability.

Rental revenue is recognized on an accrual basis. An allowance is recognized for any rental amounts owing which are deemed uncollectible.

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Consolidated Financial Statements

For the year ended March 31, 2018

(in thousands)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Programs

a) Contributions for public and affordable housing (HELP and market housing programs)

The Corporation provides income-based subsidies for the rental of housing for residents in need. The Corporation provides financial, administrative, maintenance, construction and repair to its public and affordable housing units. The Corporation operates multiple public housing units located in NWT communities.

b) Contributions for unilateral CMHC programs and other programs

The Corporation provides subsidy assistance to various non-profit housing sponsor groups and co-operatives in accordance with operating agreements, which set out the basis on which eligibility for subsidy assistance will be determined. These expenditures are recognized based on actual or estimated costs incurred by each sponsor group in the year.

c) Homeownership assistance grants

The Corporation, under section 44(1) of its Act, may make a homeownership assistance grant in the form of a forgivable loan to eligible homeowners on terms and conditions that may be imposed by the Corporation. The conditional grants, which vary in amount depending on the income or community of the applicant and are not expected to be repaid unless certain conditions are not met, are expensed in the year the grant is approved. Any recoveries on the conditional grants are recognized in the year the amount is recovered from the borrower (Note 7).

The Corporation is not currently providing any new repayable mortgages/loans or loan guarantees to eligible homeowners under its Homeownership Assistance program.

Cash and cash equivalents

Cash and cash equivalents are comprised of bank account balances net of outstanding cheques and short-term investments that have terms to maturity of less than or equal to 90 days from the date of acquisition.

Portfolio investments

Portfolio investments are investments in debt securities of organizations that do not form part of the reporting entity and are accounted for using the amortized cost method.

Investment income is recognized on the accrual basis; premiums and discounts arising on purchase are amortized over the term of the respective investment, and capital gains and losses are recognized when realized. When there has been a loss in value of a portfolio investment that is other than a temporary decline, the investment is written down to recognize the loss.

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Consolidated Financial Statements For the year ended March 31, 2018 (in thousands)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Mortgages and loans receivable

The net carrying amount of the mortgages and loans receivable represents the present value of the expected future principal and interest payments to be received, net of the grants provided to the borrowers, any restructuring costs, and the allowance for impairment. Interest income on mortgages and loans receivable is recognized when earned. The costs related to a mortgage or loan restructuring, if any, are expensed in the year of the restructuring.

A mortgage or loan is considered to be impaired when, in management's opinion, there is reasonable doubt as to the collection of principal and interest or when six months of arrears have accumulated. When a mortgage or loan has six months of arrears an allowance for impairment of 100% is established to reduce the carrying amount to an estimated recoverable value of nil based on management's best judgment and the Corporation's historical loss experience. The recognition of interest income also ceases on a mortgage or loan identified as impaired.

The Corporation also performs an annual assessment of mortgages and loans with payments in arrears between one and six months. A partial allowance is recorded on these mortgages and loans based on the average collection rate on similar mortgages and loans.

A mortgage or loan receivable reverts to performing status when, in management's opinion, the ultimate collection of principal and interest is reasonably assured and in the case of a mortgage or loan restructuring, when at a minimum twelve months has passed since the restructuring and payments are not more than six months in arrears.

Borrowers in arrears may choose to settle their obligation with a quit claim. A quit claim is an agreement between the owner of a housing unit and the Corporation to transfer ownership of the housing unit back to the Corporation for a nominal fee. The fair value of the housing unit acquired through the quit claims process is determined to be the original purchase price or construction costs (if available) less amortization from the original purchase date to the date the quit claim occurred. This is considered to be a reasonable estimate of the fair value of the assets recovered. Quit claim units are evaluated for suitability for delivery of programs and if suitable are added to tangible capital assets at a value as described above. Where suitability criteria are not met the units are disposed of by sale to a third party or demolished and are written down to their residual value if any.

Loan guarantees

An obligation and expense is recognized related to a loan guarantee when it is likely that a loss will be incurred, and the amount of the loss can be reasonably estimated. When estimating the amount of contingent loss, management considers the value of any security (properties) which could be sold to cover the loan guarantee. Provisions for losses are reviewed annually.

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Consolidated Financial Statements For the year ended March 31, 2018 (in thousands)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Tangible capital assets

a) Land and buildings

Land and housing units constructed or purchased by the Corporation are recorded at cost. Housing units previously transferred from CMHC or the Government were recognized at net book value which was considered a reasonable estimate of fair value at the time of the transfer. Housing materials are also recorded at cost and included in construction in progress.

When the Corporation enters into lease agreements where the risks and benefits of ownership are transferred to the Corporation, the Public and affordable (HELP and market) housing units are recorded as capital leases. In such cases, the cost of the asset is determined as the discounted net present value of the minimum lease payments and is amortized using the straight-line method over the lease term. Obligations recorded under capital leases are reduced by rental payments net of imputed interest and executory costs.

Housing units are amortized at an annual rate of 5% on a declining balance basis. Amortization begins in the year the housing unit is placed into service. Work in progress is not amortized.

b) Property and equipment

Property and equipment are stated at cost. Amortization is provided using the following methods and annual rates:

Warehouses and offices	Declining balance	5%
Office furniture and equipment	Declining balance	20%
Mobile equipment	Declining balance	20%
Software	Straight-line over 10 years	
Leasehold improvements	Straight-line over term of lease	

Inventories held for use

Inventory held for use consists of materials and supplies to be used for the maintenance or minor modifications of buildings. The inventory is valued on a weighted average basis at the lower of cost and replacement value.

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Consolidated Financial Statements For the year ended March 31, 2018 (in thousands)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee future benefits

a) Pension benefits

All eligible employees of the Corporation are covered in 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 to cover current service cost. The Corporation's contributions are charged as an expense on a current year basis and represent the total pension obligations. The Corporation is not required under present legislation to make contributions with respect to actuarial deficiencies of the Public Service Pension Plan.

b) Retirement, post-employment, and other leave benefits

Under the terms and conditions of employment, government employees may earn non pension benefits for resignation, retirement and removal costs. Eligible employees earn benefits based on years of service to a maximum entitlement based on terms of employment. Eligibility is based on a variety of factors including place of hire, date employment commenced, and reason for termination. Benefit entitlements are paid upon resignation, retirement or death of an employee.

Employees earn other benefits including maternity and parental leave and non-vesting accumulating sick leave benefits. Accumulating non-vesting and special leave are recognized in the period the employee provides services, whereas parental and maternity leave are event driven and are recognized when the leave commences.

An actuarial valuation of the cost of these benefits has been prepared under the projected unit credit methodology using data provided by management and assumptions based on management's best estimate.

c) Northern Employee Benefits Service (NEBS) Pension Plan

Eligible employees of the following LHOs are covered by the Northern Employee Benefits Services Pension Plan ("NEBS"). This plan is a multi-employer contributory defined benefit plan and accordingly contributions are expensed as incurred. NEBS is a member owned, not-for-profit, corporation that sponsors an insurance and health care benefits plan and a pension plan for public sector employees in the north.

Behchokö Kö Gha K'òodèe	Inuvik Housing Authority
Deline Housing Association	Lutsel K'e Housing Authority
Fort McPherson Housing Association	Radilih Koe' Housing Association
Fort Resolution Housing Authority	Tulita Housing Association
Fort Simpson Housing Authority	Whati Housing Authority
Fort Smith Housing Authority	Yellowknife Housing Authority
Gameti Housing Authority	

NEBS establishes contribution rates for participating employers/employees, and contributions are remitted to NEBS on a regular basis throughout the year. Contributions are recorded as an expense in the year when the employees have rendered service.

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Consolidated Financial Statements For the year ended March 31, 2018 (in thousands)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Environmental liabilities

Contaminated sites are a result of contamination that exceeds an environmental standard. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- i. an environmental standard exists;
- ii. contamination exceeds the environmental standard;
- iii. the Corporation:
 - is directly responsible; or
 - accepts responsibility;
- iv. it is expected that future economic benefits will be given up; and
- v. a reasonable estimate of the amount can be made.

The liability is recognized net of any expected recoveries.

Related Party Transactions

The Corporation is related to all Government of the Northwest Territories departments, territorial corporations and public agencies; 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 consolidated financial statements and notes thereto.

a) Inter-entity transactions

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.

b) Other related party transactions

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

c) Services provided without charge

The Corporation receives services provided by the Government without charge which include legal, human resource and other services. The Corporation does not recognize any amounts related to these services.

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Consolidated Financial Statements For the year ended March 31, 2018 (in thousands)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Adoption of new accounting standards

Effective April 1, 2017, the Corporation adopted Public Sector Accounting Handbook Sections PS 2200 - Related party disclosures, PS 3210 - Assets, PS 3320 - Contingent assets, PS 3380 - Contractual rights, and PS 3420 - Inter-entity transactions. There was no significant impact on the consolidated financial statements as a result of adopting these new standards.

3. CHANGE IN ACCOUNTING POLICY

In prior years, the Corporation amortized acquisitions of tangible capital assets using the full annual rate in the year they were put into service. In the current year, the Corporation reviewed and changed this policy. As a result, acquisitions of tangible capital assets are now amortized in the first year using a prorated annual rate based on the date they are put into service. This change was made to align the Corporation's amortization policy with the Government's amortization policy. The effect of the change in the current year has been to decrease amortization of tangible capital assets by \$415. The change in policy has been applied retroactively, and prior periods have been restated, resulting in a \$4,508 decrease in opening accumulated amortization of tangible capital assets (Schedule A). The following table presents the impact of these restatements on the financial statements for the year ended March 31, 2017.

	<u>2017 as previously reported</u>	<u>Restatement</u>	<u>2017 restated</u>
Consolidated Statement of Financial Position			
Tangible capital assets	\$ 279,292	\$ 4,508	\$ 283,800
Accumulated surplus	342,758	4,508	347,266
Consolidated Statement of Change in Net Financial Assets			
Annual surplus	26,727	663	27,390
Amortization	13,275	(663)	12,612
Consolidated Statement of Operations and Accumulated Surplus			
Public housing program	62,788	(222)	62,566
HELP and market housing	6,606	(434)	6,172
Non-residential building operations	603	(7)	596
Annual surplus	26,727	663	27,390
Accumulated surplus, beginning of year	316,031	3,845	319,876
Accumulated surplus, end of year	342,758	4,508	347,266
Consolidated Statement of Cash Flow			
Annual surplus	26,727	663	27,390
Amortization	13,275	(663)	12,612

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Consolidated Financial Statements For the year ended March 31, 2018 (in thousands)

4. CASH

Included in cash are tender and security deposits from contractors on construction projects and rental housing damage deposits held in trust in the amount of \$2,628 (2017 - \$2,528) which are also included in accounts payable and accrued liabilities (Note 8).

5. PORTFOLIO INVESTMENTS

Issuer	2018		2017	
	Stated interest rate	Remaining term	Carrying amount	Carrying amount
Fixed income investments:				
Banker acceptances, fixed rate	1.35% to 5.63%	33 to 273 days	\$ 419	\$ 37,936
Banker's acceptances, fixed rate	1.80% to 2.00%	2 to 4 years	25,384	-
Banker's acceptances, fixed rate	1.70% to 2.65%	5 to 8 years	14,750	9,434
Provincial governments bonds, fixed rate	2.19%	2 years	949	7,784
Ontario Hydro Zero Coupon Bonds, fixed rate	2.60%	4 years	<u>1,323</u>	<u>1,290</u>
			<u>\$ 42,825</u>	<u>\$ 56,444</u>

The weighted average effective yield of this portfolio in 2018 was 2.06% (2017 – 2.54%). Investments in bankers' acceptances are highly liquid investments with original terms to maturities of greater than 90 days.

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Consolidated Financial Statements For the year ended March 31, 2018 (in thousands)

6. ACCOUNTS RECEIVABLE

	2018	2017
Trade accounts receivable	\$ 2,752	\$ 2,693
Tenant rents receivable	<u>11,954</u>	<u>12,993</u>
	14,706	15,686
Less allowance for doubtful accounts	<u>(11,666)</u>	<u>(12,569)</u>
	3,040	3,117
Receivables from CMHC	10,384	10,270
Receivables from related parties:		
Government of the Northwest Territories	<u>7</u>	<u>116</u>
	<u>\$ 13,431</u>	<u>\$ 13,503</u>

7. MORTGAGES AND LOANS RECEIVABLE

Mortgages and loans receivable

	2018	2017
Corporate loans, repayable in monthly installments at interest rates of 0.00% and 3.00%, secured, with an original term of 10 years	\$ 454	\$ 499
Mortgages based on Income Assessment, repayable in monthly installments at interest rates varying between 6.35% and 10.50%, secured by registered charges against real property, with a term over a maximum of 15 years	451	553
Loans based on Income Assessment, repayable in monthly installments at interest rates varying between 0.00% and 12.00%, unsecured, with a term over a maximum of 15 years	3,666	3,782
Restructured mortgages, repayable in monthly installments at an interest rate of 3.00%, secured by registered charges against real property, with a term over a maximum of 25 years	1,124	980
Restructured loans, repayable in monthly installments at interest rates varying between 3.00% and 7.20%, unsecured, with a term over a maximum of 25 years	<u>8,468</u>	<u>8,808</u>
Mortgages and loans receivable	14,163	14,622
Less allowance for impaired mortgages and loans receivable	<u>(10,552)</u>	<u>(10,450)</u>
	<u>\$ 3,611</u>	<u>\$ 4,172</u>

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Consolidated Financial Statements For the year ended March 31, 2018 (in thousands)

7. MORTGAGES AND LOANS RECEIVABLE (continued)

The carrying value of the mortgages and loans receivable that are past due but not classified as impaired is \$922 (2017 - \$1,484). There were no write-offs in the current year (2017 - none).

The allowance for impaired mortgages and loans that were restructured is \$6,800 (2017 - \$6,473) and the allowance for impaired subsidized mortgages and loans advanced based on Income Assessment is \$3,752 (2017 - \$3,977).

Homeownership assistance grants

Conditional grants have been provided by the Corporation to eligible homeowners, which are fully forgivable on the condition that the property remain the principal residence and the annual income remain below the core need income threshold for the term of the agreement. If the conditions are not met, the grants are repayable to the Corporation. Conditional grants comprise the Homeownership Assistance grants of \$2,274 (2017 - \$2,519), which are expensed on the consolidated statement of operations and accumulated surplus.

Net recoveries on mortgages, loans receivable, and conditional grants

	2018	2017
Recoveries on impaired mortgages and loans	\$ 375	\$ 352
Adjustment to allowance for impaired mortgages and loans	(76)	93
Recoveries from conditional grants	496	495
	\$ 795	\$ 940

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2018	2017
Trade payables	\$ 9,750	\$ 7,396
Contractor holdbacks	1,372	2,913
Tender and security deposits	415	393
Wages and employee benefits	1,756	2,515
Accrued interest	110	120
Damage deposits	2,213	2,135
Payables to related parties:		
Trade payables to Government of the Northwest Territories	4,325	2,380
	\$ 19,941	\$ 17,852

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Consolidated Financial Statements For the year ended March 31, 2018 (in thousands)

9. LOANS AND MORTGAGES PAYABLE TO CANADA MORTGAGE AND HOUSING CORPORATION (CMHC)

	2018		2017	
	Debt balance	CMHC funded portion	Net debt balance	Net debt balance
Mortgages payable to CMHC (NHA Section 79 debt), repayable in monthly or quarterly installments, maturing from 2019 to 2038, at interest rates from 5.94% to 19.00% (2017 - 5.94% to 19.00%).	\$ 22,535	\$ (22,535)	\$ -	\$ -
Loans payable to CMHC (NHA Section 82 debt), repayable in annual installments until the year 2033, bearing interest of 6.97% (2017 - 6.97%). These loans are guaranteed by the Government.	13,156	(7,309)	5,847	6,401
Mortgages payable to CMHC for three housing projects acquired from third parties in accordance with the provisions of the SHA related to third party loans, maturing in 2026 and 2027, at interest rates from 2.78% to 3.68%, (2017 - 2.78% to 3.68%).	<u>2,409</u>	<u>-</u>	<u>2,409</u>	<u>2,662</u>
	<u>\$ 38,100</u>	<u>\$ (29,844)</u>	<u>\$ 8,256</u>	<u>\$ 9,063</u>

Under the terms of the 1999 Social Housing Agreement (SHA), CMHC originally provided funding to the Corporation to build public housing assets in the form of long-term mortgages payable to CMHC (referred to as National Housing Act (NHA) Section 79 debt under the SHA) and loans payable to CMHC (referred to as National Housing Act (NHA) Section 82 debt under the SHA). Under the SHA, CMHC also agreed to provide additional funding to the Corporation to reduce 100% of the NHA Section 79 debt and to reduce by 5/9th the NHA Section 82 debt, and to fund the related interest repayments that the Corporation would make each year to CMHC. This additional funding receivable from CMHC and the related payments due by the Corporation each year on the long-term debt payable to CMHC are offset, resulting in no exchange of cash between the Corporation and CMHC.

Had CMHC not funded the repayments of the long-term debt principal and interests payable to CMHC, the Corporation would have incurred additional interest expense of \$3,443 in 2018 (2017 - \$3,570) and would have made additional principal long-term debt repayments to CMHC of \$1,466 in 2018 (2017 - \$1,453).

The above mortgages and loans payable to CMHC are not secured.

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Consolidated Financial Statements For the year ended March 31, 2018 (in thousands)

9. LOANS AND MORTGAGES PAYABLE TO CANADA MORTGAGE AND HOUSING CORPORATION (CMHC) (continued)

Principal repayments and interest requirements over the life of the outstanding loans are as follows:

	Principal	Interest	Total
2019	\$ 1,801	\$ 476	\$ 2,277
2020	597	407	1,004
2021	585	370	955
2022	620	335	955
2023	658	297	955
2023 - 2028	3,212	855	4,067
2029 - 2038	783	121	904
	\$ 8,256	\$ 2,861	\$ 11,117

10. ENVIRONMENTAL LIABILITIES

The Corporation has identified six fuel spills sites and no other contaminated site (2017 - eight fuel spill sites and no other contaminated site) for which an environmental liability has been recorded. The liability is calculated as costs remaining to remediate the spills to the required environmental standard. The spills are expected to be remediated within the twelve months subsequent to year end. The estimated amount of recoveries is nil (2017 - nil). The Corporation has not identified any sites where an environmental liability may exist but no liability has been recorded.

11. RETIREMENT, POST-EMPLOYMENT, AND OTHER LEAVE BENEFITS

Pension benefits

Employees of the Corporation participate in Canada's Public Service Pension Plan (the "Plan"). The Plan provides benefits based on the number of years of pensionable service to a maximum of 35 years. Benefits are determined by a formula set out in legislation; they are not based on the financial status of the pension plan. The basic benefit formula is 2 percent per year of pensionable service multiplied by the average of the best five consecutive years of earnings.

The Plan was amended during 2013 which raised the normal retirement age and other age related thresholds from age 60 to age 65 for new members joining the plan on or after January 1, 2013. The Corporation's contribution rate effective at the end of the year is 1.01 times (2017 - 1.01) the employee's contribution for employees who started prior to January 2013 and 1.00 times (2017 - 1.00) the employee's contribution for all other employees. The Corporation's and employees' contributions for the year were \$1,337 and \$1,339 (2017 - \$1,094 and \$1,089 respectively). Total contributions of \$1,337 (2017 - \$1,094) were recognized as an expense in the current year.

Other benefits include survivor pensions, minimum benefits in the event of death, unreduced early retirement pensions, and disability pensions.

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Consolidated Financial Statements For the year ended March 31, 2018 (in thousands)

11. RETIREMENT, POST-EMPLOYMENT, AND OTHER LEAVE BENEFITS (continued)

Other employee future benefits and compensated absences

In addition to pension benefits, the Corporation provides severance (resignation and retirement), removal and compensated absence (sick, special, maternity and parental leave) benefits to its employees. The benefit plans are not pre-funded and thus have no assets, resulting in a plan deficit equal to the accrued benefit obligation.

Severance benefits are paid to the Corporation's employees based on the type of termination (e.g. resignation versus retirement) and inputs such as when the employee was hired, the rate of pay, the number of years of continuous employment and age and the benefit is subject to maximum benefit limits. Removal benefits are subject to several criteria, the main ones being location of hire, employee category and length of service. The benefits under these two categories were valued using the projected unit credit methodology.

Compensated absence benefits generally accrue as employees render service and are paid upon the occurrence of an event resulting in eligibility for benefits under the terms of the plan. Events include, but are not limited to employee or dependent illness and death of an immediate family member. Non-accruing benefits include maternity and parental leave. Accrued compensated absence benefits were valued using the projected unit credit methodology and an expected valuation methodology.

Valuation results

The most recent actuarial valuation was completed as at March 31, 2018. This valuation was based on data completed as at February 17, 2017 that has been extrapolated to year-end. The values presented below are for all of the benefits under the severance and removal and compensated absences for the Corporation.

Changes in Obligation

	2018	2017
Accrued benefit obligation, beginning of year	\$ 2,797	\$ 2,481
Current period benefit cost	243	86
Accrued interest	47	39
Benefits payments	(269)	(154)
Amortization of actuarial (gains)/losses	(397)	260
Accrued benefit obligation, end of year	2,421	2,712
Unamortized net actuarial loss	476	93
Retirement, post-employment, and other leave benefits*	\$ 2,897	\$ 2,805

*Total retirement, post-employment, and other leave benefits includes \$2,549 (2017 - \$2,502) related to severance and removal and \$348 (2017 - \$303) related to compensated absences.

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Consolidated Financial Statements For the year ended March 31, 2018 (in thousands)

11. RETIREMENT, POST-EMPLOYMENT, AND OTHER LEAVE BENEFITS (continued)

Benefits Expense

	2018	2017
Current period benefit cost	\$ 243	\$ 86
Accrued interest	47	39
Amortization of actuarial (gains)/losses	(14)	(46)
	\$ 276	\$ 79

The discount rate used to determine the accrued benefit obligation is an average of 3.80% (2017 - 3.30%). The assumed rate of compensation increase is 2% (2017 - 2%). Unamortized actuarial gains and losses are amortized straight line over the expected average remaining service lives of active employees which is 8 years (2017 - 8 years). No inflation rate was applied.

Northern Employees Benefits Services (NEBS) Pension Plan

Eligible employees of member LHOs are covered by the Northern Employee Benefits Services (NEBS) Pension Plan, a contributory defined benefit plan. NEBS is a member owned, not-for profit corporation that sponsors an insurance and health care benefits plan and a pension plan for public sector employees in the north. The employer and employee contribution rates effective at year end were both 8% (2017 - 8%). The Corporation's and employees' contribution to the NEBS Pension Plan for the year were \$405 and \$405 (2017 - \$375 and \$375 respectively).

The plan serves 1,700 Employee Members and 115 Employer Members. As of April 2004, the Office of the Superintendent of Financial Institutions (OSFI) exempted NEBS from compliance with the Pension Benefits Standards Act (PBSA). NEBS has agreed to voluntarily comply with PBSA until the plan can be registered under Territorial legislation. The Governments of the NWT and Nunavut passed the NEBS Pension Plan Protection Act in February 2014 which sets rules to protect Plan Members funds. As of December 31, 2017, the plan had a surplus of \$31,927 (December 31, 2016 - \$25,122).

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Consolidated Financial Statements For the year ended March 31, 2018 (in thousands)

12. FUNDING FROM CANADA MORTGAGE AND HOUSING CORPORATION (CMHC)

	2018	2017
Funding received from the CMHC recognized as government funding under the:		
Social Housing Agreement:		
Contributions for public housing rental subsidies	\$ 9,262	\$ 9,894
Contributions to non-profit housing sponsor groups and cooperatives	3,916	3,918
Repairs, maintenance and other costs	1,294	1,364
Agreement for Investment in Affordable Housing	10,633	13,467
Agreement for Energy Construction Monitoring	-	30
	\$ 25,105	\$ 28,673

Under the terms of the 1999 Social Housing Agreement with CMHC, the Corporation assumed full responsibility for the management of various public housing programs specified in the SHA. CMHC provides annual funding to the Corporation to manage these programs. The SHA and the funding expire in 2038.

On December 20, 2011 the Corporation and CMHC signed the Agreement for Investment in Affordable Housing. This \$11,627 three year agreement amalgamated two existing agreements between the Corporation and CMHC: the Housing Renovation Program Agreement and the Affordable Housing Agreement Extension. Funding under this agreement can be utilized under four specific housing programs: CARE, PATH, HELP and Shelter Enhancement. This Agreement was extended on February 2, 2015 for a period of five years (2014/2015 to 2018/2019) for \$18,400. The annual funding is cost shared with CMHC and the Corporation each contributing \$1,840 per year for this program. Both parties to the Agreement will provide a total of \$14,720 over the eight year period from 2011/2012 to 2018/2019.

On September 29, 2016 the Corporation signed the Amended Social Infrastructure Fund Agreement under the Investment in Affordable Housing Agreement with the CMHC. Under this Agreement, \$20,420 in funding has been allocated to the Corporation from 2016 to 2018 of which the Corporation will be required to cost share \$3,866. The Amended Agreement had \$15,000 removed from the original \$35,000 Federal allocation under the Social Infrastructure Fund Agreement signed on June 8, 2016. The total funding earned under this agreement during the year is \$8,792 (2017 - \$11,627).

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Consolidated Financial Statements For the year ended March 31, 2018 (in thousands)

13. PUBLIC HOUSING

	2018	2017 (Restated - Note 3)
Utilities, taxes, land and rental housing leases	\$ 29,647	\$ 31,826
Repairs, maintenance and other costs	7,384	7,737
Compensation and benefits	11,249	11,168
Administration	824	935
Contribution for public housing	1,233	955
Interest on long-term debt	444	579
Amortization	9,465	9,366
Loss from disposal of tangible capital assets	261	-
Write-down of tangible capital assets	246	-
	\$ 60,753	\$ 62,566

14. HELP AND MARKET HOUSING

	2018	2017 (Restated - Note 3)
Utilities, taxes, land and rental housing leases	\$ 1,099	\$ 1,217
Repairs, maintenance and other costs	826	625
Compensation and benefits	2,485	1,150
Contribution for affordable housing	250	228
Amortization	3,246	2,952
	\$ 7,906	\$ 6,172

15. CORPORATE AND DISTRICT OPERATIONS

	2018	2017
Compensation and benefits	\$ 14,348	\$ 13,543
Building and equipment rentals	2,397	2,308
Professional and special services	1,386	356
Training and workshops, travel and other support	1,406	1,282
Computer services	480	498
Material and supplies	287	318
Communications	202	200
Amortization	129	141
	\$ 20,635	\$ 18,646

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Consolidated Financial Statements For the year ended March 31, 2018 (in thousands)

16. CONTRACTUAL OBLIGATIONS

The Corporation leases office space and rents supplemental public housing units and is committed to basic rental payments. The leases contain escalation clauses for operating costs and property taxes, which may cause the payments to exceed the basic rental. Included in the contractual obligations below are ongoing maintenance contributions funded by the Government of Northwest Territories. Also included in the 2019 contractual obligations are construction commitments of \$20,063 (2017 - \$13,133).

	<u>Total</u>
2019	\$ 23,969
2020	3,242
2021	2,065
2022	1,748
2023	1,588
After	<u>1,385</u>
	<u>\$ 33,997</u>

17. CONTINGENCIES

The Corporation provided guarantees to banks in financing certain new or renovated residential housing construction. The Corporation has the authority to provide loan guarantees to a limit of \$30,000 as established by Regulation made pursuant to the *Northwest Territories Housing Corporation Act*. As at March 31, 2018 a total of 17 (2017 - 17) loan guarantees were in effect, and the outstanding balance of loans guaranteed was \$751 (2017 - \$870). In 2018, one of these loans was a corporate loan guarantee with a total outstanding balance of \$47 (2017 - \$64). All of these loans are secured by registered charges against real property.

The period covered by these guarantees extends up to 2028.

Under the terms of the Social Housing Agreement with CMHC, the Corporation is responsible for the administration of a number of loans to third parties, where CMHC is the lender or insurer of these loans. The agreement provides that the Corporation shall indemnify and reimburse CMHC for and save it harmless from all losses, cost and expenses related to these loans. The outstanding balance of these third party loans as at March 31, 2018 was \$14,415 (2017 - \$16,534).

The period covered by these related loans extends up to 2029.

The outstanding balances represent the maximum amount of future loan principal payments under the guarantees and indemnities. In the event of default by the borrowers, the lenders could request payment from the Corporation. The obligation under loan guarantees as at March 31, 2018 is nil (2017 - nil).

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Consolidated Financial Statements For the year ended March 31, 2018 (in thousands)

18. EXPENSES BY OBJECT

	2018	2017 (Restated - Note 3)
Amortization	\$ 13,038	\$ 12,612
Compensation and benefits	28,190	27,937
Computer costs	485	168
Contract services	5,621	7,542
Controllable assets	95	30
Fees and payments	300	421
Grants and contributions	6,180	5,357
Interest on long-term debt	522	571
Housing operations and maintenance	37,939	37,144
Materials and supplies	2,412	2,097
Other expenses	240	215
Purchased services	706	620
Travel	703	724
Valuation allowances	463	(335)
Write-down of tangible capital assets	246	-
Loss from disposal of tangible capital assets	261	-
	\$ 97,401	\$ 95,103

19. FINANCIAL RISK MANAGEMENT

The Corporation's financial instruments consist of cash, portfolio investments, accounts receivable, mortgages and loans receivable, accounts payable and accrued liabilities, and loans payable to CMHC and are measured at amortized cost. The Corporation has exposure to the following risks from its use of financial instruments:

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting its obligations associated with financial liabilities or cash outflow obligations as they come due. The Corporation manages its liquidity risk by regularly monitoring forecasted and actual cash flows. The Corporation does not believe that it will encounter difficulty in meeting its future obligations associated with its financial liabilities. The table below shows when various financial liabilities mature.

	Up to 6 months	6 months to 1 year	1 to 5 years	Over 5 years	Total
Financial Liabilities					
Accounts payable and accrued liabilities	\$ 19,941	\$ -	\$ -	\$ -	\$ 19,941
Loans payable to CMHC	1,801	-	2,460	3,995	8,256
Total liabilities	\$ 21,742	\$ -	\$ 2,460	\$ 3,995	\$ 28,197

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Consolidated Financial Statements For the year ended March 31, 2018 (in thousands)

19. FINANCIAL RISK MANAGEMENT (continued)

Credit risk

The Corporation is exposed to credit risk on its cash, portfolio investments, accounts receivable and mortgages and loans receivable.

Cash and portfolio investments

Credit risk on cash and portfolio investments arises from the possibility that the counter-party to the instrument fails to meet their obligations. In order to manage this risk, the Corporation only invests in high quality fixed income investments. The maximum exposure to credit risk is \$86,721 (2017 - \$73,330).

Accounts receivable

Credit risk on accounts receivable arises from the possibility that the customer fails to meet their obligations. In order to manage this risk, the Corporation actively monitors the age of accounts receivable and initiates collection action. The maximum exposure to credit risk is \$13,431 (2017 - \$13,503).

Mortgages and loans receivable

Credit risk on mortgages and loans receivable arises from the possibility that the borrower fails to meet their obligations. In order to manage this risk, the Corporation actively monitors mortgage and loan payments and works with borrowers to develop payment plans to resolve outstanding arrears issues. In 2013 the Corporation developed the Revised Mortgage Approach to determine new repayable loan amounts. The maximum exposure to credit risk is \$3,611 (2017 - \$4,172).

As at March 31, 2018, \$1,098 (2017 - \$1,948) of the impaired mortgages and loans are secured by homes the Corporation has the ability to sell or use in its operations in order to satisfy borrowers' commitments. The value of the security is not readily determinable.

As at March 31, 2018, the following financial assets were past due but not impaired:

Financial assets	<u>30 days</u>	<u>60 days</u>	<u>90 days</u>	<u>120+ days</u>
Tenants rent receivable	\$ 260	\$ 263	\$ 125	\$ 517
Trade accounts receivable	138	78	3	907
Mortgages and loans receivable	307	198	136	281

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Consolidated Financial Statements For the year ended March 31, 2018 (in thousands)

19. FINANCIAL RISK MANAGEMENT (continued)

Interest rate risk

Interest rate risk is the risk that the fair value or cash flows of a financial instrument will fluctuate in the future because of interest rate changes. The Corporation is exposed to interest rate risk primarily through its investment in fixed income investments. Fluctuations in interest rates can affect the fair value of the fixed income investments, as well as shift investor preferences among asset classes. Because the Corporation accounts for its fixed rate instruments at amortized cost, a change in interest rates would not affect the consolidated statement of operations and accumulated surplus with respect to these fixed rate instruments.

Interest rate risk is minimized by actively managing the duration of the fixed income investments.

Term	Within 1 year	1 to 2 years	2 to 5 years	5 to 10 years	Over 10 years	Carrying Value	
						2018	2017
Portfolio Investments	\$ 419	\$ -	\$ 27,656	\$ 14,750	\$ -	\$ 42,825	\$ 56,444

The Corporation does not face cash flow interest rate risk on its loans payable to the Canada Mortgage and Housing Corporation because these interest rates are fixed for the full term of the loans. Because the Corporation accounts for these loans at amortized cost, a change in interest rates would not affect the consolidated statement of operations and accumulated surplus with respect to these loans payable.

20. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The fair value of the Corporation's financial assets and liabilities is estimated as follows:

	2018		2017	
	Carrying amount	Fair Value	Carrying Amount	Fair Value
Portfolio investments	\$ 42,825	\$ 68,989	\$ 56,444	\$ 56,054
Loans payable to CMHC	5,847	6,282	6,401	7,779
Mortgages payable to CMHC	2,409	2,417	2,662	2,695

The estimated fair value of the portfolio investments are the quoted market values as at March 31.

The estimated fair value of loans and mortgages payable to CMHC is determined by applying the current yield for debt with a similar maturity date issued by the province of Newfoundland and Labrador and applying this yield to present value the Corporation's debt. This approach is used because the Government of the Northwest Territories does not issue debt and the province of Newfoundland and Labrador would be considered to have a similar risk profile.

The fair value of the mortgages and loans receivable is estimated to be the carrying amount due to the significant valuation allowances provided.

The fair values of the cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities approximate their carrying amounts because of their short term to maturity.

NORTHWEST TERRITORIES HOUSING CORPORATION

Notes to Consolidated Financial Statements **For the year ended March 31, 2018** (in thousands)

21. RELATED PARTY TRANSACTIONS

In addition to the related party transactions previously disclosed, some employees of the Corporation are paid by the Government. The Corporation reimburses the Government for these costs which are incurred on the Corporation's behalf. Reimbursements are measured at the exchange amount and are included in compensation and benefits expenses. During the year, the Corporation reimbursed the Government for \$14,348 (2017 - \$13,543).

22. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the financial statement presentation adopted for the current year.

23. BUDGETED FIGURES

Budgeted figures have been provided for comparison purposes and have been derived from the Main Estimates approved by the Legislative Assembly.

NORTHWEST TERRITORIES HOUSING CORPORATION

Schedule A

Consolidated Schedule of Tangible Capital Assets
As at March 31, 2018
(in thousands)

Lands and Buildings:	Cost			Accumulated amortization			Net Book Value		
	Opening balance	Acquisitions	Write-downs and Transfers*	Closing balance	Opening balance (Restated - Note 3)	Amortization	Disposals	Closing balance	2017 (Restated - Note 3)
Land	\$ 8,263	\$ -	\$ 348	\$ 8,611	\$ -	\$ -	\$ -	\$ 8,611	\$ 8,263
Public Housing	324,462	-	13,734	337,193	150,350	8,896	(770)	158,476	174,112
HELP and market housing	89,530	-	3,300	92,502	24,096	3,246	(119)	27,223	65,434
Non-residential properties	6,408	-	1,640	8,048	3,352	198	-	3,550	3,056
Work in progress	24,606	18,668	(19,548)	23,726	-	-	-	-	24,606
Sub-total	453,269	18,668	(526)	470,080	177,798	12,340	(889)	189,249	280,831
Property and equipment:									
Warehouses and offices	12,660	-	-	12,408	5,778	339	(156)	5,961	6,882
Mobile equipment	2,611	-	-	2,611	1,661	170	-	1,831	950
Leasehold improvements	771	-	-	771	737	5	-	742	34
Office furniture and equipment	5,597	-	280	5,877	5,204	173	-	5,377	393
Software	114	-	-	114	44	11	-	55	70
Sub-total	21,753	-	280	21,781	13,424	698	(156)	13,966	8,329
Total	\$475,022	\$ 18,668	\$ (246)	\$491,861	\$ 191,222	\$ 13,038	\$ (1,045)	\$ 203,215	\$ 288,800

* There was a \$246 write-down in the current year (2017 - nil).

