

**1996-1997  
Corporate Plan**

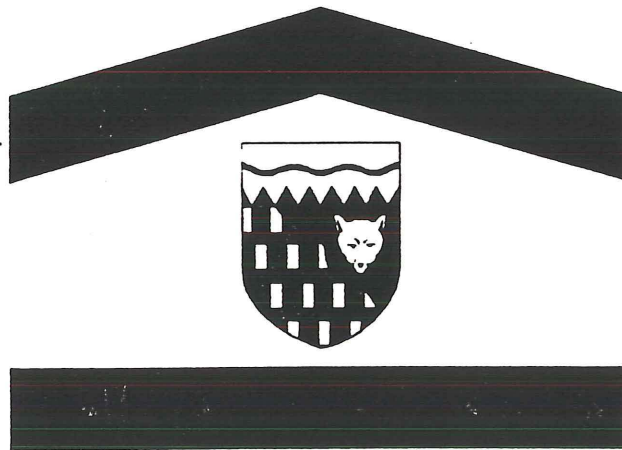


Northwest Territories Housing Corporation

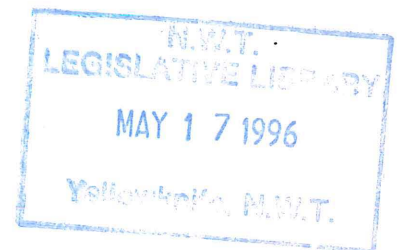




# 1996-1997 Corporate Plan



Northwest Territories  
Housing Corporation



APRIL 19, 1996



# **LETTER OF TRANSMITTAL**

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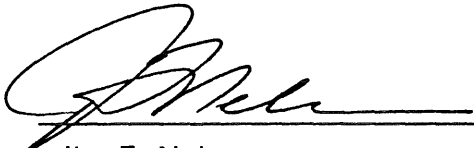
April 19, 1996

To the Honourable Goo Arlooktoo  
Minister Responsible for the  
Northwest Territories Housing Corporation

Dear Sir:

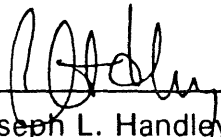
We are pleased to submit the 1996-97 Corporate Plan of the Northwest Territories Housing Corporation for your approval. This document is required under Section 91 of the *Financial Administration Act* which states that "every territorial corporation shall annually submit a corporate plan for the approval of the appropriate Minister".

Recommended by:



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Jim F. Nelson  
Vice President  
Finance and Administration



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Joseph L. Handley  
President

Approved by:



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Goo Arlooktoo  
Minister Responsible for the  
Northwest Territories Housing Corporation



# **1996-97 CORPORATE PLAN**

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# ***EXECUTIVE SUMMARY***

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The NWT Housing Corporation has developed its 1996-97 Corporate Plan in response to the strategic priorities recently announced by Cabinet, the recommendations of the Standing Committee on Social Programs and direction from the Minister Responsible for the NWT Housing Corporation, the Honourable Goo Arlooktoo.

This Plan presents the Corporation's operating plan and anticipated results over the 1996-97 fiscal year. The level of projected reductions has increased and implementation has been accelerated so that cost-savings can be maximized and achieved earlier. Corporate administration will be significantly streamlined and restructured. At the same time, steps are being taken to facilitate the transfer of housing programs to communities. More units will be delivered by stimulating private sector involvement in mortgage financing.

The 1996-97 fiscal year will be a transitional year for the NWT Housing Corporation. A major restructuring project has been fast-tracked to deliver a new, streamlined organizational structure at Headquarters and the District Offices by June 1996.

The new organizational structure at Headquarters has been determined and the result is a considerable reduction in positions, particularly at the Senior Management level. One Vice President and five Director level positions are included in the 23 position reduction at Headquarters. The result is a \$2.4 Million reduction in the Headquarters budget for 1996-97.

District Offices will be reorganized to reflect a community development approach. District budgets will be reduced by \$1.2 Million over the next two years. This phasing-in of District reductions is proposed in order to ensure an adequate level of resources are available in the districts to respond to community transfer requests and to facilitate the transfer of housing programs to local housing organizations (LHOs) and community governments. The LHO assessment process, initiated in 1994-95, indicates that while many LHOs have the interest and ability to take on more housing program responsibility, others have significant training and development needs to be met for such transfers to be successful. It will be the priority of each District Office to facilitate this training at the community level so that programs can be transferred as soon as possible.

LHOs will experience a five percent reduction in O&M over the next two years, although program transfers from Districts such as staff housing alleviate this impact.

# ***EXECUTIVE SUMMARY***

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Phasing-in of Social Envelope budget reductions over two years will result in the addition of over \$3.5 million to the Corporation's capital budget, for a total of \$46.87 million. In 1995-96, the Corporation's capital budget was \$49 million with 313 homeownership units delivered. In 1996-97, with a capital budget of \$46.87 Million the projected delivery is 346 units. The Corporation will also continue to upgrade existing homes through the modernization and improvement of existing public housing and repair programs for private homeowners. There is still a significant number of homes in the NWT which lack basic services and repair programs will be targeted to those most in need.

The Housing Needs Survey will be updated in 1996-97 to provide an accurate basis for identifying current and projected housing needs in each community. This information is critical for effective planning. The last survey was done in 1992 and that information is dated. The Corporation will undertake the 1996-97 Housing Needs Survey in partnership with LHOs.

The second phase of implementation of the new Rent Scale for public housing will take effect April 1, 1996 and homeownership units are being targeted to communities where high-income tenants will experience rent increases. Client counselling will remain a top priority to ensure that families with sufficient income have the information, lead time and support they need to become homeowners.

The Corporation continues to establish partnerships with the private sector. In recent years, the Corporation has worked with the banks to facilitate mortgages for clients in remote communities previously not serviced by lending institutions. Interest in the Downpayment Assistance Program is growing. Through this program, the Corporation's capital dollars can support three times as many units as can be provided through the conventional Purchase Programs. The Corporation also supports the development of northern owned and operated manufacturing businesses. Several currently supply a number of building components for Corporation clients.

Stronger partnerships with the Department of Municipal and Community Affairs will be established to facilitate the transfer of housing programs to community governments and with the Department of Education , Culture and Employment to integrate income support reform initiatives with community housing operations. LHO and community government administrative systems will be reviewed and redesigned, where necessary, to eliminate duplication and overlap and to also improve efficiency.

## ***EXECUTIVE SUMMARY***

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In summary, the Corporation will become a leaner, more efficient organization in the next year, while continuing to deliver the maximum number of new homes and repair programs possible within its capital budget. Restructuring will be ongoing as programs are transferred to communities and administrative requirements are streamlined. The development and training of community housing organization staff to improve services at the local level will be critical to ensure the success of fast-tracked transfers to communities.

# ***CORPORATE ENVIRONMENT***

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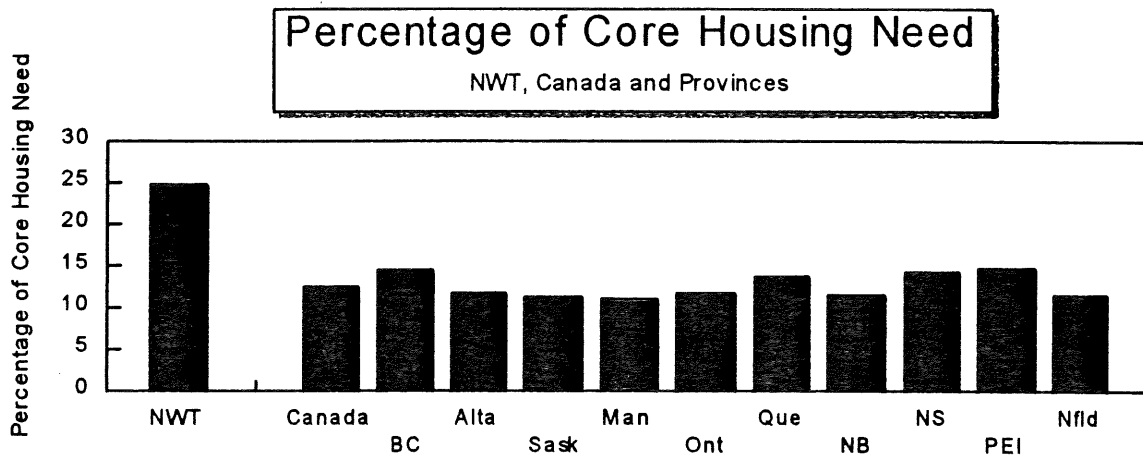
The Northwest Territories Housing Corporation is responding to many diverse challenges. The people of the Eastern Arctic will see their dream of a Nunavut Territory and the people of the West will be able to concentrate on their vision of the future. The Federal Government, with their goal of deficit reduction, will allocate fewer resources to Northerners to govern themselves.

The Corporation is working with other Government of the NWT departments and agencies in developing strategic directions that meet the requirements of the *Deficit Elimination Act*, planning for the creation of two new Territories, and coping with forced growth needs.

## ***The Need for Homes***

The need of residents of the Northwest Territories for housing help remains proportionally the largest in Canada. Twenty-five percent of the households surveyed in 1992 were in core housing need - double the national average. This was over 3,500 families. Since 1992, the number of families in need has increased. There is an estimated shortfall of 300 homes a year. The lack of adequate, suitable and affordable housing impacts immediately on community wellness and will have impacts far into the future.

In 1996, there will be a new survey. This information will be used to target programs for the future.



Sources: 1992 NWT Housing Needs Survey, 1991 HIFE/SCS Database

## ***New Fiscal Realities***

The Housing Corporation was one of the first Northern public sector organizations to feel the impact of reduced Federal funds. The elimination of direct Federal capital and associated O&M funding combined with the deficit reduction activities of the Territorial government has forced the Corporation to fast-track several initiatives.

Change in the type and emphasis of homeownership programs will continue to produce over 300 new homes each year. This is less than the 400 to 500 homes created annually with previous Federal cost-sharing and less than the estimated requirement of at least 600 homes per year to meet the growth in family formations and replacement of aging housing stock.

The reduction in other funding areas will affect the Housing Corporation as much as the changes to the capital program. For example, on the operations side of the Assisted Rental Program over 95 million dollars is spent in combined CMHC and GNWT funds. Of this money, over 51 million dollars goes to pay for power, heating fuel, water and sanitation service, and property taxes. While funding for operations decreases to an expected level in 1998 of 94 million dollars, power, heating fuel, water and sanitation service and property taxes are expected to grow to 53 million dollars. This shift in funding will put more pressure on the maintenance capability of the LHOs.

A new method for allocating funding to the LHOs is being introduced. This approach will enhance the ability of communities to manage their funds and make local decisions on housing priorities.

Reductions are being planned at the Corporate level. Budgets for salaries and wages are decreasing at Headquarters and the Districts. This will result in a much trimmer Housing Corporation.

A greater emphasis is being placed on keeping these older units in service. It will be more difficult to maintain minimum program and service levels with the current social rental housing stock. Targeting current tenants for homeownership programs does create vacancies for people in need. However, these units, as they get older, need more repairs and upgrading.

# ***CORPORATE ENVIRONMENT***

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## ***Federal Funding***

There is little expectation that the Federal Government will reinstate funding for new social housing in the NWT in the short term. However, they are developing an Aboriginal Housing Policy. Lobbying efforts must continue so that NWT housing needs will be recognized and addressed within this new policy.

## ***Senior's Housing***

In cooperation with the Department of Health and Social Services, a capital budget has been identified for Independent Senior's Housing. This will produce about 20 new homes each year.

## ***More Community Partnerships***

The Housing Corporation is positioned to devolve more housing program delivery to communities. Community assessments identifying training and support needs have been prepared with communities. This is the first step for communities to take over more program authority and accountability. The Housing Corporation is now working with several communities that want to take over housing programs. This will be a major thrust over the next year.

Under new partnership and community transfer agreements, the Housing Corporation is providing greater flexibility and incentives for communities who manage their budgets well. LHOs who manage well and have identified costs savings can reallocate those savings into areas of housing that are important to them. The new focus is on standards and results, less on process and rules. The Housing Corporation will be looking for new ways to help communities.

# ***CORPORATE ENVIRONMENT***

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## ***Community Consultation Process***

One of the key approaches for change and planning is the annual meetings in communities and the annual District meetings. At these meetings, input and advice is sought from the public. This process was very successful in the development of the new rent scale and is seen as the cornerstone of new policy and program development. Recommendations from this year's meetings will be analysed in the fall of 1996.

## ***New Rent Scale***

Adjustments were made to the rent subsidy program with the introduction of a new rent scale. This new scale balances the requirement to raise revenue from tenants as part of the Federal cost-sharing agreements with the need to reduce expenditures and retarget subsidies to those most in need. The adjustments are being introduced over a four year period. This year, Phase Two changes are being implemented. Incentives to encourage higher income tenants into homeownership are also part of the new rent scale.

## ***New Program Development***

The Housing Corporation is committed to simplifying programs to ensure that resources are concentrated in program delivery (the objective) rather than in administration and overhead. Simplified programs will help with the transfer of these programs to communities.

## ***Restructuring***

The Housing Corporation is developing a new organizational structure. A new vision, in line with the new fiscal realities, is the basis for the organizational changes being planned.

Community based delivery is the new focus and the new Corporate structure will reflect this change. During this change, communities will be supported by strong field support and by encouraging a team approach to solving housing problems.

# ***CORPORATE ENVIRONMENT***

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## ***Staff Housing***

The final phase in the transfer of staff housing responsibilities to the Housing Corporation was implemented on April 1, 1996. Based on community specific plans, the maintenance of staff housing has moved from Public Works and Services to LHOs, community governments, or other organizations under various contract arrangements.

## ***Cooperation with Private Market Lenders***

The implementation of the Downpayment Assistance Program (DAP) has brought in the addition of over five million dollars of private money to the construction of homes in communities in the 1995-96 fiscal year. The new financing programs, by creating joint involvement between the Housing Corporation, contractors and lending institutions, provide a long term solution that continues to produce homes without adding funding burden to the GNWT. The DAP programs will be expanded to assist even more families and increase the use of private, rather than government funding.



## ***Vision***

The Northwest Territories Housing Corporation is committed to working in partnership with communities and to providing opportunities for communities to become accountable for their own choices and delivery of housing programs. Through this partnership, opportunities are provided for all community residents to have homes that support a healthy, secure, independent, and dignified lifestyle.

## ***Mandate***

The Northwest Territories Housing Corporation will work in partnership with communities in providing, developing, maintaining, and managing housing in accordance with the *Northwest Territories Housing Corporation Act*.

## ***Mission***

The Northwest Territories Housing Corporation, working in partnership with communities, will:

- enable communities to deliver their own housing programs;
- provide training, advice, support and financial assistance;
- promote individual independence with increased responsibility and accountability;
- work toward flexible and innovative approaches to housing Northerners;
- facilitate the design, construction and financing of houses;
- promote the establishment and growth of private housing markets and the northern economy.

# GOALS AND RESULTS

The NWT Housing Corporation has developed the following goals and anticipated results for 1996-97.

<i>Goal</i>	<i>Results</i>
To downsize and restructure the Corporation.	<ul style="list-style-type: none"> <li>➤ Development and approval of the Corporate (HQ) restructuring plan by Minister, Cabinet and Standing Committee by June 1996.</li> <li>➤ Implementation of restructuring as per approved plan and timetable.</li> <li>➤ Reduction of salaries, benefits and other O&amp;M by \$2.4 Million in Headquarters by March 31, 1997.</li> </ul>
To restructure District Offices to improve efficiencies and effectiveness.	<ul style="list-style-type: none"> <li>➤ Approval of District restructuring plans by Minister, Cabinet and Standing Committee by June 1996.</li> <li>➤ Reduction of District Office expenditures by \$1.1 Million by March 31, 1997.</li> <li>➤ Reduction of District Office expenditures by additional \$0.3 Million by March 31, 1998.</li> </ul>
To change program delivery so that it is more community-development based.	<ul style="list-style-type: none"> <li>➤ Identify functions and programs for delivery by communities by June 1, 1996.</li> <li>➤ Move identified functions and program responsibilities to communities during 1996-97.</li> <li>➤ Complete new agreements to move programs to interested community by April 1, 1997.</li> </ul>
To maximize the number of new homes built each year within the available capital budget.	<ul style="list-style-type: none"> <li>➤ All 1996-97 units as identified in capital plan delivered.</li> <li>➤ As many homeownership clients as possible are identified from social housing.</li> </ul>
Reduce per unit costs of new houses while maintaining quality and improving efficiency.	<ul style="list-style-type: none"> <li>➤ Research, identify and implement new technologies that reduce Capital and O&amp;M costs for homeownership and rental units.</li> <li>➤ Incorporate cost saving technologies into new home designs.</li> <li>➤ Conduct a cost/benefit analysis of new technologies used during 1997.</li> </ul>

## **GOALS AND RESULTS**

<b>Goal</b>	<b>Results</b>
Reduce utility costs in public housing.	<ul style="list-style-type: none"> <li>➤ Develop and implement an effective utility conservation strategy for public housing, including an incentive program for public housing tenants during 1996-97.</li> <li>➤ Implement increase to electricity rates under User Pay Program by June 1, 1996.</li> <li>➤ Develop a coordinated approach to energy conservation with Social Envelope Partners during 1996-97.</li> <li>➤ Develop and implement a plan with ECE to reduce utility costs for social assistance clients in public housing during 1996-97.</li> </ul>
Improve efficiency of LHO operations.	<ul style="list-style-type: none"> <li>➤ Complete LHO assessments by May 1, 1996 and implement training to address identified needs by December 31, 1996.</li> <li>➤ Expand LHO block funding formula to provide additional incentives for efficient management.</li> <li>➤ Work with MACA to develop and implement a model for integration of LHO functions and community government by July 1, 1996.</li> </ul>
To accurately identify current housing needs in each community and develop accurate housing need projections.	<ul style="list-style-type: none"> <li>➤ Conduct a Housing Needs Survey in the fall of 1996 that fully involves LHOs, community government and other Social Envelope partners.</li> <li>➤ Circulate main 1996 Housing Needs Survey results by January 31, 1997.</li> </ul>
To streamline administration and improve accountability.	<ul style="list-style-type: none"> <li>➤ All LHO accounting systems computerized and comparable with systems used by community governments.</li> </ul>
To ensure Northwest Territories housing needs are brought to the attention of the Federal Government.	<ul style="list-style-type: none"> <li>➤ Aggressively lobby for inclusion of Northwest Territories in proposed Federal Aboriginal Housing Policy.</li> <li>➤ Pursue negotiations with CMHC to streamline accounting requirements and/or transfer CMHC programs and funding to NWT HC.</li> </ul>

# ***CORPORATE PROGRAMS***

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Our programs help individuals and families get homes according to their need. We define *need* by our clients' ability to pay for their own housing, to find the right home for the family size, and the condition and equipment in the home. We expand our definition to include the clients' ability to access adequate financing and the clients' need for special accommodation due to a physical disability or social/emotional condition.

Our programs fall into three main types: Assisted Rental Programs, Assisted Homeownership Programs, and Financing Programs.

## ***Assisted Rental Programs***

The Assisted Rental Programs provide rental homes to households in need at subsidized rental rates that are geared to income. The Corporation now has over 5,500 units, some of which were inherited from earlier Federal and Territorial Programs (*Northern Rentals*), most were built in partnership with Canada Mortgage and Housing Corporation (*Public Housing*), some are leased from the private sector (*Rent Supplement Program*), and some are set aside for senior citizens (*Senior Citizen's Accommodation*). The operation and maintenance of rental housing is done by Local Housing Organizations (LHOs) through operating agreements and the Corporation's financial contributions.

Associated programs are delivered to LHOs to aid them in operating the rental programs. These programs include the *Modernization and Improvement Program* for major repairs and replacement of rental houses, the *Fire Damage Repair/Replacement Program*, and the *Weber Retrofit Program* for major repairs and upgrading to early public housing units (Weber design). As well, we have programs to ensure that LHOs have facilities (*Warehouse and Office Program*) and equipment (*Housing Association/Authority Mobile Equipment Program*) to do their work.

# **CORPORATE PROGRAMS**

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## ***Assisted Homeownership Programs***

Families who can afford the operating expenses of a home may receive help through one of our Homeownership Programs. This help is available to get a new home or make repairs to their existing home.

The ***Purchase Program*** enables clients to purchase a house from the NWT Housing Corporation. The cost of the house is repaid by the client, according to household income, over a 15 year period.

The Purchase Program is designed for clients who have sufficient income to afford homeownership. The client is required to make monthly mortgage payments as well as paying for the costs of fuel, power, water delivery, sewage disposal and insurance directly to the suppliers. The client is also responsible for the regular maintenance of the house.

The ***Alternative Housing Program*** provides basic shelter to clients who have no access to public housing programs or to those wishing to follow a more traditional life style. There is no repayment required under this program because it is directed to clients with the lowest incomes.

The ***Sale of Housing Materials Program*** is available for clients to purchase the same housing materials packages that the NWT Housing Corporation uses in the Purchase Program. Experience shows that one of the difficulties identified by northern residents in accessing homeownership is organizing the shipment of building materials, particularly to the more remote communities in the Northwest Territories.

The ***Northern Territorial Rental Purchase Program (NTRPP)*** gives clients the opportunity to purchase the older Northern Rental houses at an affordable price. To determine the purchase price of the house, the NWT Housing Corporation depreciates the initial cost of the house by 5% for each year after the house was built. In addition to this, a percentage of rent that has been paid by a client over the years is applied to further reduce the cost of the house.

The ***Home Improvement Program***, the ***Emergency Repair Program*** and the ***Senior Citizen Home Repair Program*** help existing home owners to repair their homes.

# ***CORPORATE PROGRAMS***

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## ***Financing Programs***

Families who can afford the purchase or construction costs as well as the operating costs may receive help through one of the Corporation's Financing Programs.

The ***Interim Financing Program*** provides interim or bridge financing up to 85% of the principal amount of an approved mortgage to a homeowner/builder who cannot get similar financing from a bank. Many banks are reluctant to provide this form of financing because a client is building the house on their own.

The ***Direct Lending Program*** helps clients who intend to purchase or build a house on Indian Affairs Branch (IAB) land to obtain financing directly from the NWT Housing Corporation. This program exists because banks will not make similar financing available due to the lack of suitable land tenure.

The ***Downpayment Assistance Program*** assists clients, who have incomes below the Core Need Income Threshold, to obtain homeownership through conventional financing. This is achieved by providing down payment assistance to clients so they can obtain suitable, adequate and affordable housing through private financing from a bank.

The Corporation recognizes that some clients, who have incomes under the Core Need Income Threshold, could acquire private homeownership if their monthly mortgage payments were affordable. To make this possible, the NWT Housing Corporation is making down payment assistance available to reduce the monthly operating expenses for those clients who wish to buy or build their own stick built home.

The Downpayment Assistance Program provides a forgivable loan up to 25% of the purchase price to potential home owners. The loan is forgiven over 15 years. The rest of the cost is covered by a private mortgage from a bank.

# ***CORPORATE PROGRAMS***

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The core of our approach is matching people to the most appropriate program. We do this by providing personal counselling to people looking for help. The service continues to expand and now covers a range of topics:

1. assessing and determining client's housing needs;
2. matching client needs to the right program;
3. assessing and determining affordability;
4. getting a mortgage and other financing;
5. choosing a lot;
6. constructing a home;
7. preparing a contract;
8. insuring a home; and
9. operating and maintaining a home.

## ***PROGRAM SUMMARY***

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The following summary discloses the full magnitude of the operations of the Northwest Territories Housing Corporation (NWTHC). O&M details are included under the Restructured Organization section. The funding received from Canada Mortgage and Housing Corporation (CMHC) is included and recorded as a revenue item. The capital details for the Corporation are included under the Capital Summary section.

Not included in this summary is the \$21,064,000 related to staff housing responsibilities that the Corporation has assumed on a contractual basis with the Government of the NWT (GNWT).

	%	1996-97	1995-96	1995-96	1994-95
	CHANGE	ESTIMATES	REVISED	ESTIMATES	ACTUALS
	*				
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OPERATIONS & MAINTENANCE					
Salaries & Wages	-17%	10,723	12,964	13,884	13,168
Grants & Contributions	-1%	84,304	84,981	85,280	81,312
Other O&M	-23%	5,572	7,259	6,333	7,752
Amortization	-1%	7,638	7,695	7,638	7,687
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TOTAL O&M	-4%	108,237	112,899	113,135	109,919
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TOTAL CAPITAL	-6%	53,275	54,297	53,661	48,976
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TOTAL EXPENDITURES	-3%	161,512	167,196	166,796	158,895
TOTAL REVENUE	4%	56,268	54,088	55,761	58,065
TOTAL POSITIONS	-16%	161.7	193.0	193.0	176.3

\* % Change from 1995-96 Revised to 1996-97 Estimates



# ***RESTRUCTURED CORPORATION***

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## ***EXECUTIVE***

The Executive is the President, the two Vice Presidents, and their support staff. We are responsible for managing the Corporation to ensure consistent application of policies, standards and procedures, and program delivery throughout the Northwest Territories. We oversee the development of long-range plans, policies, and operational guidelines on Corporate matters for the Minister Responsible for the Northwest Territories Housing Corporation and for the Executive Council (Cabinet). As well, we ensure that programs are delivered according to the Corporation's funding agreements with Canada Mortgage and Housing Corporation (CMHC).

## ***POLICY AND HUMAN RESOURCES DIVISION***

Policy is accountable for the development and coordination of Corporate policies, strategic planning and human resource management. We provide support to the Executive and to the Minister to promote the goals of the Corporation. We provide an in-house research capacity and represent the Corporation on inter-departmental working groups participating in GNWT initiatives. We manage the recruitment and transfer of staff, classification of positions, labour relations advice, staff training and development, Affirmative Action strategies, and employee assistance.

## ***OPERATIONS BRANCH***

This Branch, headed by Vice President, has two Divisions: Operations East and Operations West. The Vice President is accountable for developing and carrying out the process of enabling community groups to deliver all housing programs at the local level through the provision of appropriate housing programs and the provision of program and technical support, direction, training and help to District Offices, and through District Offices to the Local Housing Organizations (LHOs).

The Director of Operations East supports housing program activities in the Baffin, Keewatin and Kitikmeot Districts. The Director of Operations West supports the Western Arctic, North Slave and South Slave Districts. The two divisions work closely together. They are accountable for the coordination of LHO Assessments and for the provision of support within the following areas: Programs, Contracting, Material Management, Project Management, Design, and Maintenance.

# ***RESTRUCTURED CORPORATION***

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## ***FINANCE AND ADMINISTRATION BRANCH***

This Branch, headed by a Vice President, is made up of two Divisions: Controllership and Budgets & Systems. The Vice President has fiduciary responsibility for the financial and administrative affairs of the Corporation and is accountable for developing and managing the Corporation's information and management reporting systems.

The Controller is accountable for the management of the Corporation's general accounting and financial systems, mortgage administration, pay & benefits administration and for safeguarding corporate assets, preparing and issuing financial reports, maintaining financial controls, and providing associated training.

The Director, Budgets & Systems is accountable for development and management of the Corporate O&M budgeting process and the Corporate Capital budgeting process and Corporate Informatics Services.

	% Change *	1996-97 Main Estimate s	1995-96 Revised Forecast	1995-96 Main Estimates	1994-95 Actuals
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<b>HEADQUARTERS</b>					
Salaries & Wages	-24%	4,625	6,071	6,733	6,655
Grants & Contributions	-4%	572	597	572	580
Other O&M	-27%	3,085	4,252	3,563	5,945
Amortization	-1%	7,638	7,695	7,638	7,686
Headquarters Total	-14%	15,920	18,615	18,506	19,867
Total Revenue	-39%	6,123	10,075	6,523	9,231
<i>Approved Positions</i>	-25%	68.0	91.0	91.0	88.7

\*%Change from 1995-96 Revised to 1996-97 Estimates.

# **RESTRUCTURED CORPORATION**

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## **THE DISTRICTS**

Support to communities in program and service delivery is managed through six District offices. The NWT is a very diverse and vast territory. To provide quality housing services in this environment, we must be particularly innovative and responsive. To provide support and services to LHOs and individual clients on the best possible basis, we emphasize a decentralized and community-based delivery model.

What we do on a day-to-day basis is different for each District because of our differing populations and economic bases. We work with LHOs and individual clients to achieve the best mix of programs and approaches to meet their needs. We ensure that LHOs get the best available support and ensure that programs are being delivered to appropriate standards through monitoring and assessment. Training takes the form of both administrative and technical (trades) assistance and instruction.

	% Change *	1996-97 Main Estimates	1995-96 Revised Forecast	1995-96 Main Estimates	1994-95 Actuals
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<b>DISTRICT OFFICES</b>					
Salaries & Wages	-12%	6,098	6,893	7,151	6,513
Grants & Contributions	0%	0	0	0	0
Other O&M	-17%	2,487	3,007	2,770	2,806
District Offices Total	-13%	8,585	9,900	9,921	9,319
<i>Approved Positions</i>	-8%	93.7	102.0	102.0	87.6

\* % Change from 1995-96 Revised to 1996-97 Estimates.

# ***RESTRUCTURED CORPORATION***

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## ***THE LOCAL HOUSING ORGANIZATIONS (LHOs)***

The Corporation is partnered at the community level with LHOs. Most of the day-to-day duties associated with program delivery to individuals and families are done by staff of the LHOs. Most LHOs are formed as independent organizations under the *Societies Act* (Housing Associations) or under the *Northwest Territories Housing Corporation Act* (Housing Authorities). Some communities, either through the Community Transfer Initiative or in preparation for self-government, include the housing function within municipal or band council operations.

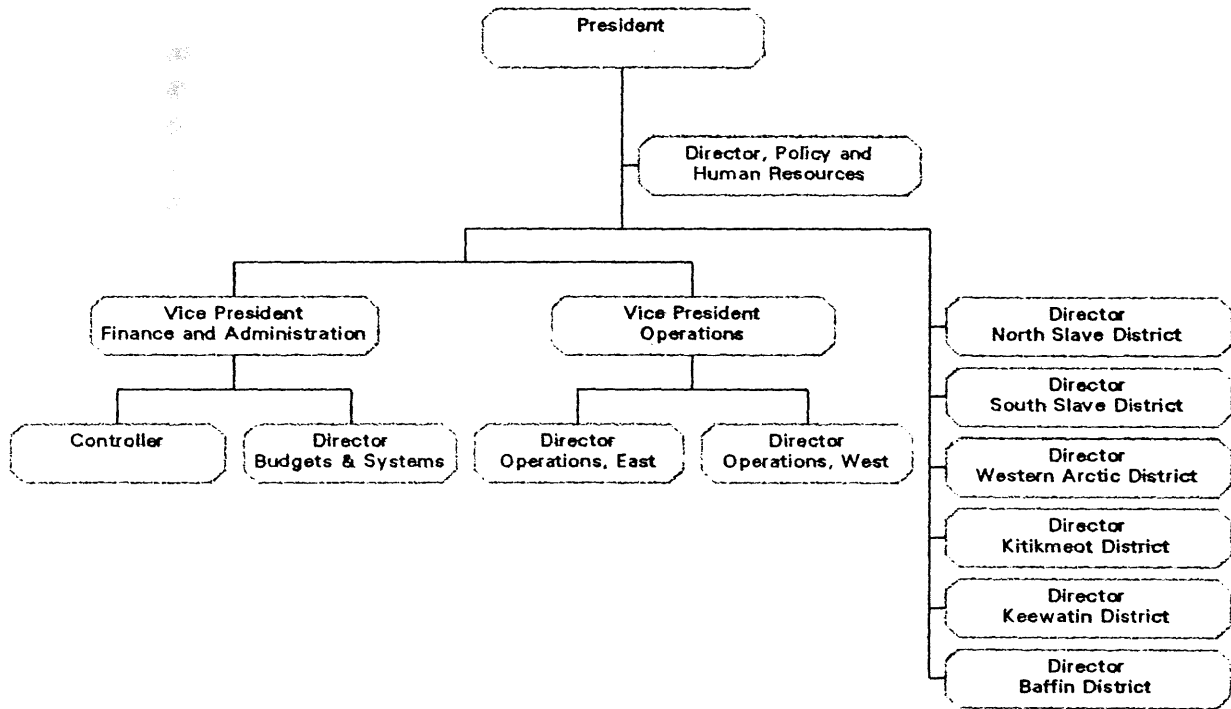
The relationships with the LHOs are based on signed operating or partnership agreements. Under the rental housing program, duties include allocation of housing to community residents according to need. As well, the LHOs provide the administration and maintenance services on the rental program. Several LHOs also have responsibility for parts or all of the home repair and homeownership programs. The partnership between the Corporation and the LHO is based on a cooperative investment of resources (time, funding, materials and support) in a spirit that includes participation, openness, consultation, trust, integrity and fairness towards our shared goals of quality service.

	% Change *	1996-97 Main Estimates	1995-96 Revised Forecast	1995-96 Main Estimates	1994-95 Actuals
<hr/>					
<b>LOCAL HOUSING ORGANIZATIONS</b>					
Grants & Contributions	-1%	83,732	84,384	84,708	80,731
Total Revenue	11%	43,740	39,352	44,577	44,122

\* % Change from 1995-96 Revised to 1996-97 Estimates.

# ORGANIZATIONAL CHART

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# CAPITAL SUMMARY

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The following is a breakdown of those capital programs which are cost-shared between Canada Mortgage and Housing Corporation (CMHC) and the Government of the Northwest Territories (GNWT) with respective shares identified.

	Main Estimates		3rd Party Share		Total Expenditures	
	95-96	96-97	95-96	96-97	95-96	96-97
<b>Weber Retrofit</b> Upgrading of Weber Public Housing units built in the mid-70s, incorporating the retrofit and roof replacement (CMHC 50% / GNWT 50%)	2,198	3,283	2,198	3,283	4,396	6,566
<b>Modernization and Improvement (M&amp;I)</b> Correction of health and safety hazards, replacement of major housing components, equipment and upgrading of Corporation rental stock. CMHC shares in Public Housing units only; (CMHC share 75% / GNWT share 25% for Section 40 units and CMHC share 50% / GNWT share 50% for Section 43 units). GNWT share 100% for Northern Rentals	2,282	3,960	2,282	2,866	4,564	6,826
<b>Fire Damage</b> Cost-shared with CMHC as per the M&I Program. Repairs to, or replacement of, fire damaged Corporation rental stock.	181	256	181	256	362	512
<b>TOTAL COST-SHARED PROGRAMS</b>	<b>4,661</b>	<b>7,499</b>	<b>4,661</b>	<b>6,405</b>	<b>9,322</b>	<b>13,904</b>
<b>Balance of Capital Programs not subject to Federal cost-sharing</b> (Downpayment Assistance, Purchase Program, Homeownership Forgivable Loan, Alternative Housing, Senior Citizens Home Repair, Emergency Repair, Homeownership Improvement, Mobile Equipment, Warehousing and Seniors Independent Housing.	44,339	39,371	0	0	44,339	39,371
<b>TOTAL CAPITAL PROGRAM</b>	<b>49,000</b>	<b>46,870</b>	<b>4,661</b>	<b>6,405</b>	<b>53,661</b>	<b>53,275</b>

## **CAPITAL SUMMARY**

District Offices	1996-97 Main Estimates	1995-96 Main Estimates
<b>Rental Housing</b>		
Rental Housing Programs include: Public Housing Program Seniors Independent Housing Program		
<b>Headquarters*</b>	3,000	0

\* Community allocations are currently being finalized by the Department of Health and Social Services. Once the allocations are known, Capital will be allocated to the appropriate Districts.

District Offices	1996-97 Main Estimates	1995-96 Main Estimates
<b>New Housing</b>		
New Housing Programs include: Purchase Program Alternative Housing Program (AHP)		
North Slave District	3,692	3,312
South Slave District	2,490	2,594
Western Arctic District	3,740	4,365
Kitikmeot District	3,998	6,445
Keewatin District	5,053	7,792
Baffin District	6,950	12,655
<b>Total New Housing</b>	<b>25,923</b>	<b>37,163</b>

# CAPITAL SUMMARY

District Offices	1996-97 Main Estimates	1995-96 Main Estimates
<b>Repair Programs</b>		
The group of Repair Programs include:		
Home Improvement Program (HIP)		
Senior Citizens Home Repair Program (SCHRP)		
Emergency Repair Program (ERP)		
Modernization & Improvement Program (M&I)		
Weber Retrofit		
Association Mobile Equipment		
Warehousing		
Fire Damage Repairs		
Headquarters	256	0
North Slave District	668	616
South Slave District	1,187	1,534
Western Arctic District	1,170	1,663
Kitikmeot District	1,447	1,234
Keewatin District	1,504	1,079
Baffin District	4,146	2,699
<b>Total Repair Programs</b>	<b>10,378</b>	<b>8,825</b>

District Offices	1996-97 Main Estimates	1995-96 Main Estimates
<b>Financing Programs</b>		
The Financing Programs include:		
Homeownership Forgivable Loans Program		
Downpayment Assistance Program (DAP)		
North Slave District	286	346
South Slave District	538	727
Western Arctic District	760	444
Kitikmeot District	1,548	240
Keewatin District	1,669	374
Baffin District	2,768	881
<b>Total Financing Programs</b>	<b>7,569</b>	<b>3,012</b>

<b>TOTAL NWT HOUSING CORPORATION</b>	<b>46,870</b>	<b>49,000</b>
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# ***CAPITAL DISTRIBUTION***

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## ***1996-97 CAPITAL DISTRIBUTION BY DISTRICT***

	<b>GNWT Capital Contributions</b>	<b>Funded from other Sources (CMHC)</b>	<b>Total Capital Expenditures</b>
North Slave	4,646	326	4,972
South Slave	4,215	358	4,573
Western Arctic	5,670	745	6,415
Kitikmeot	6,993	1,063	8,056
Keewatin	8,226	1,032	9,258
Baffin	13,864	2,625	16,489
Headquarters	3,256	256	3,512
Total	46,870	6,405	53,275

## ***1995-96 CAPITAL DISTRIBUTION BY DISTRICT***

	<b>GNWT Capital Contributions</b>	<b>Funded from other Sources (CMHC)</b>	<b>Total Capital Expenditures</b>
North Slave	4,274	156	4,430
South Slave	4,855	286	5,141
Western Arctic	6,472	582	7,054
Kitikmeot	7,919	972	8,891
Keewatin	9,245	774	10,019
Baffin	16,235	1,891	18,126
Headquarters	0	0	0
Total	49,000	4,661	53,661

# ***PRO FORMA BALANCE SHEET***

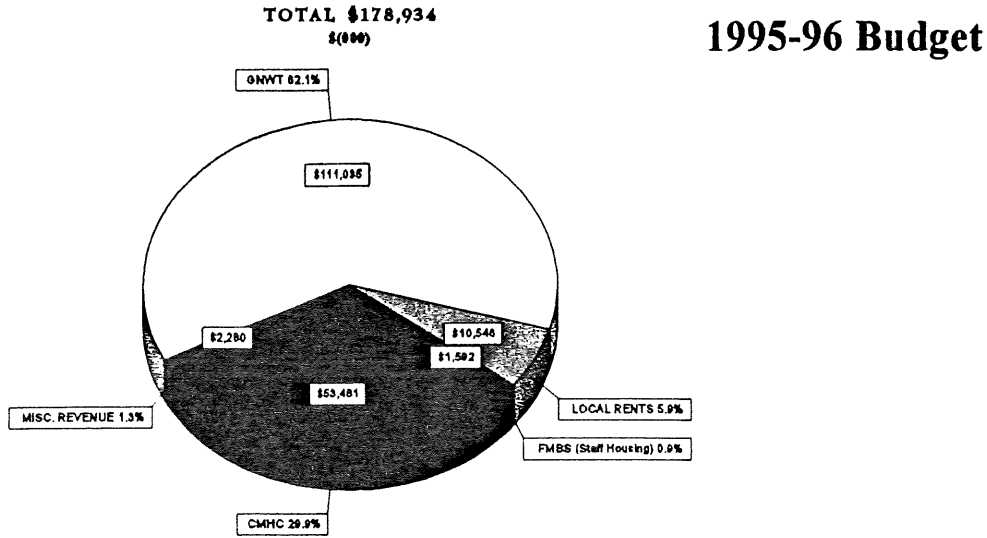
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	1996-97 Corporate Plan	1995-96 Year End Projection	1994-95 Year End Actual	1993-94 Year End Actual
<b>ASSETS</b>				
Cash	15,000,000	24,200,000	10,854,000	22,921,000
Accounts Receivable	15,000,000	14,000,000	27,533,000	17,472,000
Due From GNWT	0	0	0	383,000
Investment in Housing	225,000,000	217,634,088	182,165,000	161,720,000
Mortgages Receivable	23,000,000	17,000,000	11,531,000	3,370,000
Fixed Assets	8,350,000	8,480,000	8,485,000	9,110,000
<b>TOTAL ASSETS</b>	<b>286,350,000</b>	<b>281,314,088</b>	<b>240,568,000</b>	<b>214,976,000</b>
<b>LIABILITIES &amp; EQUITY</b>				
Accounts Payable	8,000,000	8,000,000	11,592,000	8,564,000
Due to the GNWT	101,000	101,000	101,000	0
Unapplied Capital Contributions	8,500,000	15,208,000	19,208,000	24,915,000
Contractors Holdbacks	1,100,000	2,270,000	1,180,000	344,000
Current - Long Term Debt	1,000,050	1,100,000	1,135,000	1,063,000
Current - Leave and Term Benefits	850,000	790,000	727,000	585,000
Long Term Debt	91,100,000	92,700,000	93,312,000	94,739,000
Leave and Term Benefits	1,900,000	1,700,000	1,178,000	963,000
GNWT Equity	173,798,950	159,445,088	112,135,000	83,803,000
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>286,350,000</b>	<b>281,314,088</b>	<b>240,568,000</b>	<b>214,976,000</b>

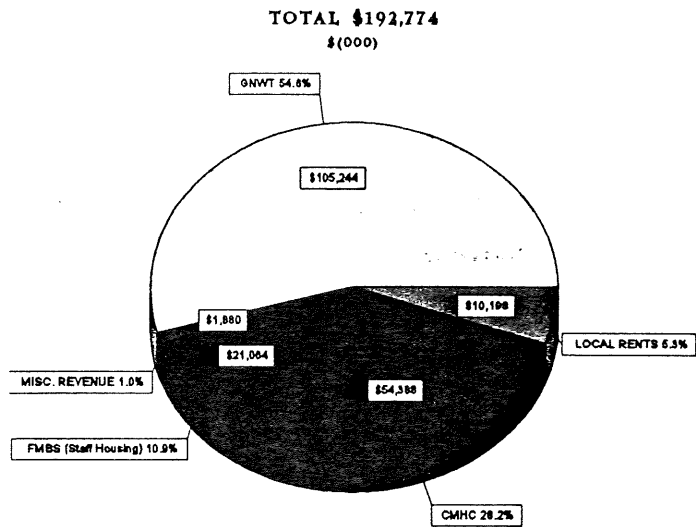
# **PRO FORMA INCOME STATEMENT**

	1996-97 PLAN	1995-96 REVISED	1995-96 PLAN	1994-95 ACTUALS
<b>EXPENDITURES</b>				
<b>General Operations</b>				
Social Housing Expenditures	93,930	93,882	95,256	90,817
Special Contributions	572	597	572	580
Salaries & Wages	10,723	12,964	13,884	13,168
General Administration	5,572	7,259	6,333	7,752
Interest on Long Term Debt	7,638	7,695	7,638	7,687
Staff Housing Administration	21,064	1,592	0	0
<b>Total Operations</b>	<b>139,499</b>	<b>123,989</b>	<b>123,683</b>	<b>120,004</b>
<b>Capital and Financing</b>				
Rental Housing	3,000	0	0	0
New Housing	25,923	37,163	37,163	39,200
Repair Programs	16,783	13,486	13,486	13,842
Financing Programs	7,569	3,012	3,012	950
Staff Housing	0	636	0	0
<b>Total Capital and Financing</b>	<b>53,275</b>	<b>54,297</b>	<b>53,661</b>	<b>53,992</b>
<b>TOTAL EXPENDITURES</b>	<b>192,774</b>	<b>178,286</b>	<b>177,344</b>	<b>173,996</b>
<b>FINANCING SOURCES</b>				
LHO Rental Revenues	10,198	9,498	10,548	10,086
CMHC Recoveries	54,388	48,288	53,481	53,044
Other Revenues	1,880	5,800	2,280	4,961
Operating Contribution from GNWT	58,374	62,329	62,035	57,049
Staff Housing Recovery from FMBS	21,064	1,298	0	0
Capital/Financing Contribution from GNWT	46,870	49,636	49,000	49,340
<b>TOTAL FINANCING SOURCES</b>	<b>192,774</b>	<b>176,849</b>	<b>177,344</b>	<b>174,480</b>
<b>SURPLUS/DEFICIT</b>	<b>0</b>	<b>(1,437)</b>	<b>0</b>	<b>484</b>

# SOURCE OF FUNDS

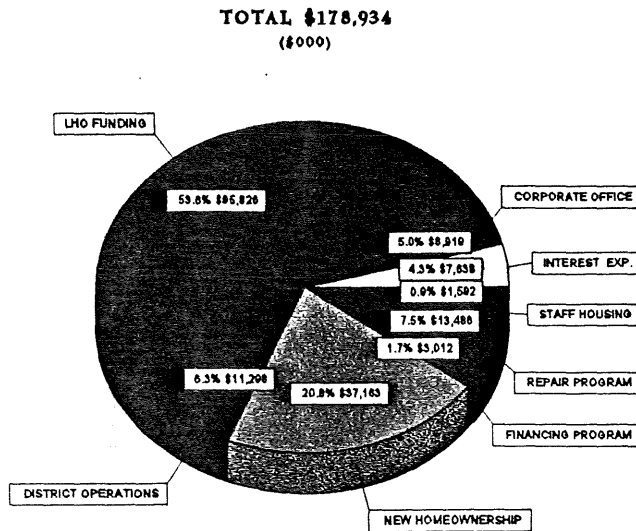


### 1996-97 Corporate Plan

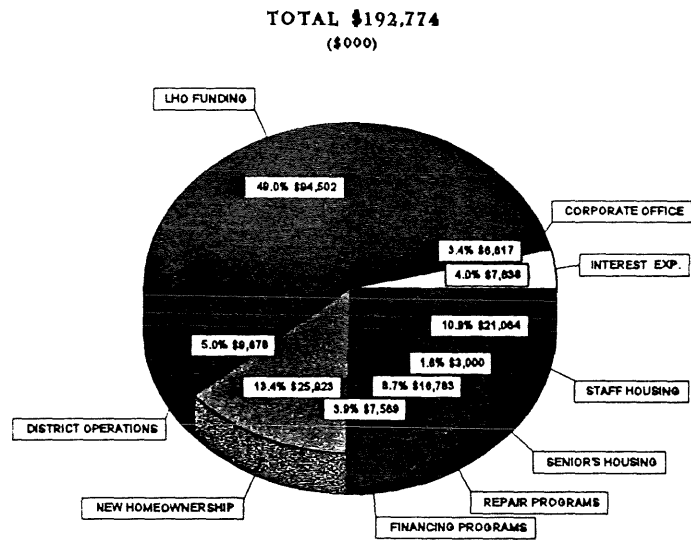


# USE OF FUNDS

## 1995-96 Budget



## 1996-97 Corporate Plan



# REVENUE FORECAST

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	AMOUNT	EXPLANATION
<b>CMHC Revenues</b>		
Social Housing	43,740,000	Cost shared operating costs on public housing
Section 82 Amortization	4,243,000	Cost shared principal and interest on cost of public housing
<b>Total CMHC Revenues</b>	<b>47,983,000</b>	
<b>Miscellaneous Revenues</b>		
Investment Revenue	1,350,000	Interest earned on investments
CMHC Interest Revenue	120,000	Interest earned on CMHC outstanding invoices
R&R Interest	130,000	Interest earned on R&R mortgages
Rent Revenue	196,000	Rental of units (Rae Lakes, Snare Lakes), staff accommodation
Other Mortgage Interest	427,000	Interest earned on other mortgages
CMHC Admin. Fees	500,000	Fees paid for operating units under the post 1985 program
R&R Admin. Fees	15,000	Fees paid by CMHC for operating R&R units
Sundry Income	15,000	Plan deposits, cash discounts received, NSF charges
R&R & O/B Subsidies	(473,000)	Subsidy of R&R and Owner Build mortgages
Impaired Loans Allowance	(400,000)	Allowance for overdue mortgages
<b>Total Misc. Revenues</b>	<b>1,880,000</b>	
<b>TOTAL REVENUE</b>	<b>49,863,000</b>	

## ***INVESTMENT STRATEGY***

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Information on the investment activity of the Corporation is required in the Corporate Plan to comply with Subsection 91(2) of the *Financial Administration Act*.

The types of investments the Corporation is restricted to are those specified in Subsection 81(1) of the *Financial Administration Act*, which states:

A public agency may invest money belonging to the public agency:

- a) in certificates of deposit, deposit receipts, notes or other evidences of indebtedness given by a bank in consideration of deposits made with the bank.
- b) in securities where repayment principal and interest is unconditionally guaranteed by a bank; and
- c) in an investment within the classes of investments enumerated in Section 86 of the *Canadian and British Insurance Companies Act (Canada)*.

Investments are determined through cash management procedures ensuring surplus funds are invested in those forms of security which pay the highest level of interest while maintaining an adequate level of cash on hand to meet daily operating procedures. Surplus funds for 1995-96 were invested for terms ranging from one day to six months, and at interest rates varying from 4.5% to 8.14%. Projected investment income for 1996-97 is \$1,350,000 and is recorded under other revenue on the operating statement.

# **CORPORATE VALUES AND APPROACHES**

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➤ ***To strengthen local authority, responsibility and accountability***

<b><i>Values we believe:</i></b>	<b><i>Approaches we will take:</i></b>
<ul style="list-style-type: none"> <li>• Community decisions should be made at the community level.</li> <li>• LHOs are a separate partnership organization.</li> <li>• Public participation in the affairs of the LHO is essential.</li> <li>• LHOs are answerable to community residents.</li> <li>• Willing and capable LHOs should receive greater authority.</li> <li>• Authority goes hand in hand with responsibility and accountability.</li> <li>• Adequate resources are required to exercise authority.</li> </ul>	<ul style="list-style-type: none"> <li>• Work with Local Housing Organizations on a partnership basis.</li> <li>• Identify issues and solutions by working together with LHOs.</li> <li>• Develop policies, procedures and programs which enable LHOs to meet local needs.</li> <li>• Encourage and facilitate LHOs to take on more authority.</li> <li>• Promote the importance of public involvement in local decision making processes.</li> <li>• Consult with LHOs and communities in an open and honest manner.</li> </ul>



# **CORPORATE VALUES AND APPROACHES**

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➤ ***Community and individual empowerment through knowledge and support***

<b><i>Values we believe:</i></b>	<b><i>Approaches we will take:</i></b>
<ul style="list-style-type: none"> <li>• People are the foundation of community organizations.</li> <li>• Communication and training is critical to the development of people and LHOs.</li> <li>• The development of people and LHOs is an ongoing and long-term process.</li> <li>• Broadening local skills enables communities to manage change and become more self-reliant.</li> <li>• Making decisions and living with the results is part of the learning process.</li> <li>• Learning with our community partners and clients is mutual.</li> </ul>	<ul style="list-style-type: none"> <li>• Develop strategies to provide information, advice and training to LHOs as our partner.</li> <li>• Provide advice to LHOs in a professional, supportive and clear manner.</li> <li>• Encourage LHOs to hire qualified staff capable of working with a minimum of outside support.</li> <li>• Support sharing information among LHOs so they can learn from each other.</li> <li>• Communicate clear information on Corporate programs and LHO responsibilities.</li> <li>• Identify LHO training needs and systems supporting them to carry out their duties.</li> </ul>

# ***CORPORATE VALUES AND APPROACHES***

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➤ ***Develop sound fiscal management practices***

<b><i>Values we believe:</i></b>	<b><i>Approaches we will take:</i></b>
<ul style="list-style-type: none"> <li>• We must live within our means and make the best use of existing resources.</li> <li>• We need long range financial planning.</li> <li>• LHOs should strive to maximize local revenues to be as financially self-supporting as possible.</li> <li>• LHOs should disclose information to the public on their financial decisions.</li> </ul>	<ul style="list-style-type: none"> <li>• Fund LHOs and allow them to establish spending priorities.</li> <li>• Share costs with LHOs for some priorities based on their ability to contribute.</li> <li>• Carry out regular assessment reviews with LHOs to promote good management.</li> <li>• Evaluate procedures and programs to better identify costs and benefits.</li> <li>• Encourage LHOs to plan for the future.</li> <li>• Encourage LHOs to assess their needs and establish priorities.</li> </ul>

# **CORPORATE VALUES AND APPROACHES**

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➤ ***Develop and manage human resources***

<b><i>Values we believe:</i></b>	<b><i>Approaches we will take:</i></b>
<ul style="list-style-type: none"> <li>• Our Corporation must be staffed with people who have integrity, honesty and a vision of the future.</li> <li>• A dedicated and productive staff is our most valued asset to achieve our mission.</li> <li>• Our Corporation should promote job satisfaction.</li> <li>• Career development is a shared responsibility of employer and employee.</li> <li>• We are accountable to the Minister for carrying out our responsibilities to the public.</li> <li>• A job well done should be recognized.</li> <li>• We should be known as an organization that manages change.</li> </ul>	<ul style="list-style-type: none"> <li>• Treat people as individuals and as partners in pursuing goals.</li> <li>• Develop clear human resources strategies and plans for the future.</li> <li>• Encourage active participation and input from staff.</li> <li>• Promote a workforce representative of the population.</li> <li>• Provide timely and constructive feedback on performance.</li> <li>• Provide our Minister with the best possible advice that is professional, non-partisan and objective.</li> </ul>

# ***CORPORATE VALUES AND APPROACHES***

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## **➤ *Develop a team approach to work***

<b><i>Values we believe:</i></b>	<b><i>Approaches we will take:</i></b>
<ul style="list-style-type: none"> <li>• A team approach to work maximizes the potential of our human resources.</li> <li>• Staff, partners and clients should be treated as individuals.</li> <li>• We should have consultative and results-oriented decision making processes.</li> <li>• A problem solving process should be flexible and sensitive to our partners' and clients' needs and on-going development.</li> <li>• We should have a commitment to shared goals and common objectives.</li> <li>• Managers should be allowed to manage.</li> <li>• Clients, partners and staff benefit from two-way, open and honest communication.</li> </ul>	<ul style="list-style-type: none"> <li>• Encourage decision making processes at the appropriate level.</li> <li>• Foster communication and cooperation in problem solving.</li> <li>• Listen actively and seek out community needs and ideas.</li> <li>• Establish clear priorities and assign appropriate resources to get the job done.</li> <li>• Respond to issues in a coordinated manner by sharing information on a timely basis.</li> </ul>

# **CORPORATE VALUES AND APPROACHES**

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➤ ***Develop a quality product at an affordable cost***

<b><i>Values we believe:</i></b>	<b><i>Approaches we will take:</i></b>
<ul style="list-style-type: none"><li>• It is possible to build houses that are both modest and functional.</li><li>• Houses should be cost effective to own and operate.</li><li>• Local and northern products, labour and manufactured components should be used.</li><li>• Capital cost for new houses should be reasonable and consistent with the goals of the Corporation.</li><li>• We should support the construction of as many homes as possible with available funds.</li></ul>	<ul style="list-style-type: none"><li>• Design and promote market designs that meet all industry standards without unnecessary additions.</li><li>• Use designs that achieve energy efficiency and cost effectiveness.</li><li>• Support community economic development, promote northern manufacturing and use indigenous materials where practical.</li><li>• Encourage private sector development by stimulating local housing markets.</li><li>• Encourage investors to provide funding for homes and stimulate homeownership through innovative housing programs.</li></ul>

