

GOVERNMENT OF ALBERTA

Annual Report

Seniors and Housing

2019-2020

Seniors and Housing, Government of Alberta | Seniors and Housing 2019–2020 Annual Report

©2020 Government of Alberta | Published: August 2020

ISBN: 978-1-4601-4784-9

ISSN: 2369-9981

Note to Readers: Copies of the annual report are available on the Alberta Open Government Portal website www.alberta.ca

Table of Contents

Preface	1
Minister’s Accountability Statement	2
Message from the Minister	3
Management’s Responsibility for Reporting	5
Results Analysis	7
Ministry Overview	8
Discussion and Analysis of Results	12
Performance Measures and Indicators	23
Performance Measure and Indicator Methodology	31
Financial Information	36
Reporting Entity and Method Consolidation	37
Ministry Financial Highlights	38
Supplemental Financial Information	44
Financial Statements of Other Reporting Entities	46
Other Financial Information	73
Annual Report Extracts and Other Statutory Reports	76
Public Interest Disclosure (Whistleblower Protection Act)	76

Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Fiscal Planning and Transparency Act*. The Public Accounts includes the Government of Alberta annual report as well as the annual reports of each of the 20 ministries.

The Government of Alberta annual report contains Ministers' accountability statements, the consolidated financial statements of the province and the *Measuring Up* report, which compares actual performance results to desired results set out in the government strategic plan.

This annual report of the Ministry of Seniors and Housing contains the Minister's accountability statement, the financial information of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes:

- other financial information as required by the Financial Administration Act and Fiscal Planning and Transparency Act, as separate reports, to the extent that the ministry has anything to report.

Minister's Accountability Statement

The ministry's annual report for the year ending March 31, 2020, was prepared under my direction in accordance with the *Fiscal Planning and Transparency Act* and the government's accounting policies. All of the government's policy decisions as at June 17, 2020, with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

[Original signed by]
Josephine Pon

Minister of Seniors and Housing

Message from the Minister



As Minister of Seniors and Housing, I am pleased to present our 2019-20 Annual Report, which highlights my ministry's work providing seniors' supports and affordable housing.

Over the past year, my ministry has maintained seniors benefits for those most in need. We are working to make our affordable housing system more sustainable for Albertans in housing need. That includes cooperation with other orders of government, housing providers, nonprofit organizations, and the private sector to ensure we provide housing for Albertans.

Alberta's population of seniors continues its rapid rise. There are about 640,000 seniors in Alberta, about 14 per cent of the total population. By 2035, the Office for Statistical Information (Treasury Board and Finance) estimates the number of Alberta seniors will be more than one million, and make up nearly one in five Albertans (18 per cent).

Seniors and Housing is working to ensure programs and services are in place to support this growing demographic. To address the future needs of Alberta seniors, we have provided funding for research, innovation and initiatives that focus on important issues including caregivers, age-friendly communities and transportation.

We maintained our financial benefit supports for seniors with low income. We provided the Alberta Seniors Benefit to more than 165,000 seniors to meet basic needs and assist with monthly living expenses. Other programs supported seniors to remain in their homes and their communities by helping with repairs or adaptations, or by deferring property taxes.

My ministry continued to make housing affordable and accessible for Albertans. The ministry provides housing options for more than 110,000 Albertans, including families, seniors and individuals with special needs. We are also exploring mixed-income social housing developments in Alberta to create a more financially sustainable system.

We provided 10,800 subsidized rental-housing units for families with low income, seniors and individuals who cannot afford other housing options. Other housing programs include Seniors Lodges or Special Needs Housing for people with physical disabilities, and people fleeing domestic violence. Rental assistance provides private landlord and direct-to-tenant rent supplements to help households find affordable rental accommodation. This year, \$181 million in capital spending was allocated to increase and maintain the supply of affordable housing.

My ministry continues to review programs and services to support a one-third red tape reduction. This will save time, money, resources, and make it easier for Albertans to access seniors and housing services. Seniors, seniors-serving organizations and our affordable housing partners are helping me identify needless red tape in my ministry, and we have made good progress.

In 2019-20, we eased access to seniors financial programs by allowing seniors to submit benefit claims and repayments for loan programs online. We also reduced paperwork for seniors with disabilities by automatically enrolling Assured Income for the Severely Handicapped recipients to seniors financial benefits when they turned 65.

Other red tape reduction initiatives focused on reducing onerous administrative tasks for housing providers to free up time to serve the needs of their tenants. An income verification review was launched to examine how the affordable housing application process can be easier for applicants and housing providers. More red tape reduction initiatives are on the way, designed to save time and money.

My ministry has supported the work of Alberta's Liaison to the Canadian Armed Forces (CAF) – referred to as Military Liaison, providing project leadership and secretariat and communications support. Brad Rutherford, MLA, Leduc-Beaumont, has served as the Military Liaison since June 2019. The Military Liaison continues to support Albertans currently serving in the CAF, as well as veterans and military families, to build relationships with stakeholders and raise awareness of key issues. The Military Liaison has met with stakeholder groups and CAF personnel to discuss a range of issues, including the need to support those suffering post-traumatic stress disorders. The office of the Military Liaison underlines our government's support for military members, veterans, and military families.

Just as the 2019-20 fiscal year wound down in March, the COVID-19 pandemic reached Alberta. My ministry supported and contributed to the government's overall COVID-19 pandemic response. My ministry worked hard to ensure seniors with low income continued to receive their financial benefits, and vulnerable Albertans, including seniors living in lodges across Alberta, were able to maintain their housing. The ministry also mobilized resources for seniors-serving organizations to address the needs of seniors and allow them to remain safely in their community of choice. We will continue responding to the pandemic to support seniors and Albertans in need of affordable housing.

This ministry has accomplished a great deal over the past year. We will continue to work hard and advance our objectives on behalf of all Albertans.

[Original signed by]
Josephine Pon

Minister of Seniors and Housing

July 10, 2020

Management's Responsibility for Reporting

The Ministry of Seniors and Housing includes the Department of Seniors and Housing and the Alberta Social Housing Corporation.

The executives of the individual entities within the ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and strategic plan, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the accompanying ministry financial information and performance results for the ministry rests with the Minister of Seniors and Housing. Under the direction of the Minister, I oversee the preparation of the ministry's annual report, including the financial information and performance results. The financial information and performance results, of necessity, include amounts that are based on estimates and judgments. The financial information is prepared using the government's stated accounting policies, which are based on Canadian public sector accounting standards. The performance measures are prepared in accordance with the following criteria:

- Reliability – Information used in applying performance measure methodologies agrees with the underlying source data for the current and prior years' results.
- Understandability – the performance measure methodologies and results are presented clearly.
- Comparability – the methodologies for performance measure preparation are applied consistently for the current and prior years' results.
- Completeness – outcomes, performance measures and related targets match those included in the ministry's Budget 2019.

As Deputy Minister, in addition to program responsibilities, I am responsible for the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the province under ministry administration;
- provide Executive Council, the President of Treasury Board and Minister of Finance, and the Minister of Seniors and Housing the information needed to fulfill their responsibilities; and
- facilitate preparation of ministry business plans and annual reports required under the Fiscal Planning and Transparency Act.

Introduction

In fulfilling my responsibilities for the ministry, I have relied, as necessary, on the executives of the individual entities within the ministry.

*[Original signed by]
Susan Taylor
Deputy Minister of Seniors and Housing
June 24, 2020*

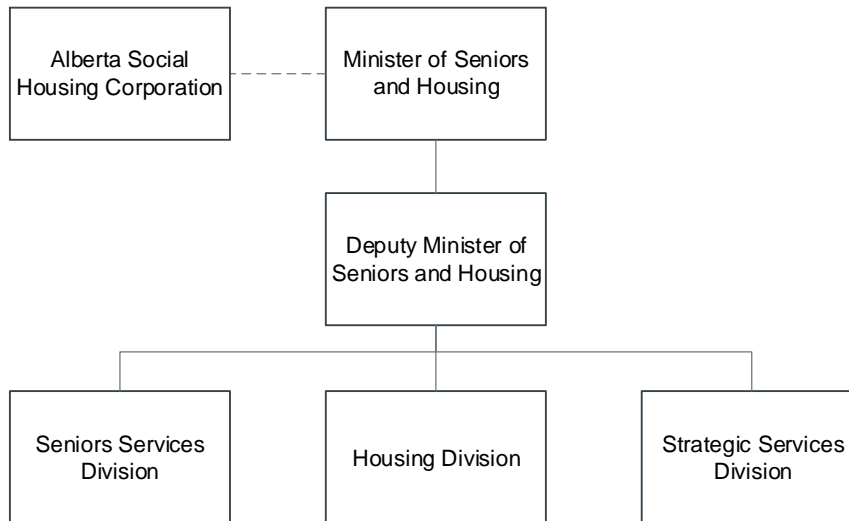
Results Analysis

Table of Contents

Ministry Overview.....	8
Organizational Structure	8
Operational Overview.....	8
Key Highlights in the Past Year	11
Discussion and Analysis of Results.....	12
Red Tape Reduction.....	12
Key Factors Influencing Performance.....	13
Outcome One: Make Life Better for Alberta Seniors and their Caregivers	14
Outcome Two: Make Housing Affordable and Accessible for Albertans.....	19
Performance Measures and Indicators.....	23
Performance Measure and Indicator Methodology.....	31

Ministry Overview

Organizational Structure



Operational Overview

The Ministry of Seniors and Housing is comprised of the department of Seniors and Housing, and the Alberta Social Housing Corporation.

The ministry promotes the well-being and quality of life of Alberta seniors and people in need of affordable housing. It develops and delivers programs and services that assist seniors, and promotes safety and well-being for Alberta’s aging population. The ministry fosters the development of affordable housing and supports access to housing options for Albertans most in need.

In 2019-20, Seniors and Housing strived to achieve two outcomes:

Outcome One: Make life better for Alberta seniors and their caregivers.

Outcome Two: Make housing affordable and accessible for Albertans.

Office of the Deputy Minister

The Deputy Minister oversees the ministry under the direction of the Minister and is the liaison between the elected official and ministry employees. The Deputy Minister provides strategic advice, oversees the ministry’s day-to-day operations, budget and program development.

Seniors Services Division

The Seniors Services Division provides a number of financial assistance programs and services for Albertans aged 65 and over, to support seniors in living independently and to promote their safety and well-being. Programs and initiatives focus on addressing issues of social isolation, elder abuse, ageism and aging in community, as well as financial assistance programs: Alberta Seniors Benefit, Supplementary Accommodation Benefit, Special Needs Assistance for Seniors, the Seniors Home Adaptation and Repair Program, and the Seniors Property Tax Deferral Program. Utilizing a

one-window application approach, the division also administers enrolment into Alberta Health's dental, optical and drug programs for seniors.

Seniors Services' programs are governed by the following acts: *Seniors Benefit Act*, *Seniors' Home Adaptation and Repair Act*, and the *Seniors' Property Tax Deferral Act*. The associated regulations are the *Seniors Benefit Act General Regulation*, the *Seniors' Home Adaptation and Repair Regulation*, and the *Seniors' Property Tax Deferral Regulation*.

Seniors Services also shares responsibility for the *Health Grants Regulation* with the Ministry of Health, which allows for the issuing of grants such as the Aging Well in the Community grant program. The ministry supports the community-based seniors-serving sector through funding and collaboration to build sector capacity, and enhance community coordination in the provision of direct services for seniors in their chosen community.

As of March 31, 2020, more than 640,000 people 65 years and older called Alberta home, which is approximately 14 per cent of Alberta's population. The seniors population is projected to reach one million by 2035, and the proportion of seniors will be approximately 18 per cent of Alberta's population. The ministry also does extensive planning to ensure programs and services are sustainable for an aging demographic, and appropriate preventive supports that promote aging in community are available to seniors throughout the province.

Alberta's seniors are vibrant members of our communities: they are parents, grandparents, mentors, friends, neighbours, employers, employees and volunteers. Alberta's seniors share their knowledge, experience, and time to contribute to the economic well-being and social fabric of the province. Seniors' contributions are recognized through a number of celebratory and recognition initiatives.

Housing Division

The ministry supports the development and maintenance of affordable housing and ensures Albertans in need have access to housing options. Seniors and Housing develops programs that support affordable housing and provides funding to diverse housing providers to deliver housing services to Albertans across the province.

Seniors and Housing collaborates with housing providers to serve Albertans. These include approximately 100 housing management bodies (HMBs), established through Ministerial Order, that operate housing programs for the ministry, as well as 250 other housing providers. Together, approximately 60,000 units provide housing for 110,000 Albertans across the province.

The ministry is accountable for Alberta's seniors' lodges, social and affordable housing. Housing programs are governed by the *Alberta Housing Act* and its regulations: the *Social Housing Accommodation Regulation*, *Rent Supplement Regulation*, *Management Body Operation and Administration Regulation*, *Housing Accommodation Tenancies Regulation*, and the *Lodge Assistance Program Regulation*.

Strategic Services Division

The Strategic Services Division provides policy, planning, legislative, accommodations and financial services for the department. The division is responsible for strategic policy and coordination, legislative services, business planning and reporting, performance measurement, evaluation, and emergency management. The division also forecasts and manages the ministry's budget, monitors the financial activities of the department, provides financial advice, and prepares annual financial statements, ensuring compliance with Government of Alberta financial legislation. The division also provides secretariat support and coordinates cross-ministry efforts to assist Alberta's Liaison to the Canadian Armed Forces to improve the experience of military members, veterans, and military

families in Alberta. This support and coordination helps the Military Liaison build partnerships with military institutions, key stakeholders, Canadian Armed Forces members, and veterans. The division also helps to further enhance the Government of Alberta Military Families web portal to help military members and their families who are new to the province.

Human Resource Services

Human resource services are provided by the Public Service Commission to plan, develop, and deliver the department's strategic human resource programs, as well as day to day human resource services. Responsibilities include promoting strategic human resource planning in alignment with business goals and objectives, supporting the attraction and engagement of high calibre staff, and building employee capacity to achieve business plan goals.

Legal Services

Legal Services are provided to the department by the Ministry of Justice and Solicitor General. Services include participating in special projects, reviewing legislation and regulations, offering legal advice and written opinions, and preparing and reviewing legal documents.

Communications

Communications Branch is a resource provided by Communications and Public Engagement in the Ministry of Treasury Board and Finance that provides strategic communications advice, consulting services, and planning and communications support to the Minister, Deputy Minister, and ministry staff to communicate effectively with stakeholders, the media, and Albertans. The branch also provides issues management, writing and editing, and media relations services.

Agencies, Boards and Commissions

Alberta Social Housing Corporation

The Alberta Social Housing Corporation (ASHC) is a Crown corporation created under the Alberta Housing Act that holds social housing assets and distributes funds for housing capital projects and programs. ASHC owns and administers the province's portfolio of seniors' lodges and social housing (seniors' self-contained, and family and community housing), and manages agreements for its housing assets. ASHC receives funding from the federal and provincial government to support the subsidization of operators for housing affordability. The Corporation is governed by a board of directors, which is chaired by the Minister. The Deputy Minister of Seniors and Housing is President of the Corporation. Government officials from the Ministry of Seniors and Housing and the Ministry of Treasury Board and Finance also serve on the board.

Seniors Advocate

The Office of the Seniors Advocate (OSA) provided resolution support to seniors and identified systemic issues, to forward recommendations to the Minister to improve seniors services and programs. As part of Budget 2019, the OSA was consolidated with the Office of the Alberta Health Advocates under the Ministry of Health, which demonstrates a balance of fiscal discipline while maintaining support to seniors. On January 2, 2020, the Office of the Alberta Health Advocates assumed the OSA's responsibilities.

Key Highlights in the Past Year

Looking back on the 2019-20 fiscal year, Seniors and Housing helped ensure seniors had the resources and care they need, and quality and affordable housing was provided to Albertans. Despite the impacts of the COVID 19 pandemic, ministry services continued with minimal to no effects to seniors financial benefits payments, rental assistance, and housing supports for Albertans.

Outcome One: Make Life Better for Alberta Seniors and their Caregivers.

- The Alberta Seniors Benefit was provided to more than 165,000 seniors with low income to better meet their basic needs and assist with monthly living expenses; \$312.7 million was provided to this benefit program.
- The Supplementary Accommodation Benefit was provided to approximately 13,300 seniors to ensure seniors with low income residing in long-term care or designated supportive living can pay for their accommodation and have monthly disposable income to assist with living expenses; \$86 million was provided to this benefit program.
- Special Needs Assistance for Seniors was provided for approximately 33,000 seniors with low income to help afford the cost of appliances and specific health and personal supports; \$24.5 million was provided to this benefit program.
- The Seniors Home Adaptation and Repair Program provided 514 low-interest loans and 293 grants to help finance home repairs and adaptations that allowed seniors to stay in their homes longer and maintain their independence. Loans totaled \$5.8 million and approximately \$840,000 in grants assisted seniors with low income who are not eligible for a loan.
- The Seniors Property Tax Deferral Program provided more than 2,200 low-interest home equity loans to allow seniors to defer all or part of their residential property taxes; \$7.9 million in loans were provided.
- \$640,000 was provided for strategic investments to address the needs of a growing seniors population by funding research, innovation projects, and other initiatives that focus on priority issues such as caregivers, age-friendly communities, and transportation.

Outcome Two: Make Housing Affordable and Accessible for Albertans.

- Family Community Housing provided 10,800 subsidized rental-housing units for families, seniors, and individuals with low income who cannot afford other housing options due to circumstance; \$47.1 million was provided to this program for operations.
- \$47.2 million was provided for Seniors Community Housing. The Seniors Lodge program provided 10,400 units for independent seniors to access meals, services, and recreational opportunities. The Seniors Self-Contained Housing program provided 14,300 apartment-style units for seniors who are able to live independently with or without assistance of community-based services.
- Rental Assistance provided 8,900 private landlord and direct-to-tenant rent supplements to help households find affordable rental accommodation in eligible rental projects; \$68.6 million was provided to this program.
- Special Needs Housing provided 1,800 units for individuals who have special housing needs, such as seniors, people with physical disabilities, and individuals fleeing family violence; \$16.9 million was provided to this program for operations.
- The Government of Alberta provided \$181 million through capital spending to increase and maintain the supply of affordable housing. This included \$14.7 million of capital grants.
- As part of the ministry's work to understand the needs of Albertans who may have unique challenges accessing housing and support services, the Military Liaison, Brad Rutherford,

MLA, Leduc-Beaumont, built partnerships with Canadian Armed Forces members, military institutions, key stakeholders, veterans, and military families in Alberta.

Discussion and Analysis of Results

Red Tape Reduction

The Ministry of Seniors and Housing is committed to the ongoing review of programs and services to ensure that the best possible outcomes are being achieved for Albertans. As part of this ongoing review, the ministry is committed to reducing red tape to make life easier for hard-working Albertans and businesses. This includes reducing regulatory burden and unnecessary processes to encourage economic growth and job creation; and make Alberta one of the freest and fastest moving economies in the world.

The ministry has advanced a number of red tape reduction initiatives that have had tangible, positive impacts to Alberta seniors.

In 2019-20, the Seniors Services Division implemented three major initiatives to cut red tape and make life better for Alberta seniors. More information on these achievements is found under Key Objective 1.2.

The Housing Division advanced work on two important red tape reduction initiatives. The first was announced on November 19, 2019, to review the income verification process for housing applicants and housing providers. Streamlining this process will make it easier for Albertans to access affordable housing, and allow flexibility and efficiency in the income verification process for housing providers. The second red tape reduction initiative announced on January 22, 2020, is to simplify reporting for HMBs. Several processes have been simplified around required submissions, burdensome operational reviews, and redundant business planning requirements:

- Lengthy operational client profile reports will be submitted semi-annually, instead of quarterly.
- Operational reviews, conducted by Seniors and Housing staff, will move from a three-year to a five-year cycle.
- HMB business plans will have reduced reporting requirements in their second and third years.

By simplifying the job of our housing providers, there are compounding benefits, such as freeing up more time and resources to help applicants and program recipients.

Seniors and Housing will continue to cut red tape to make life better for all Albertans. New initiatives are always being reviewed, and the ministry will implement more cost- and time-saving measures to make life better for Albertans.

Key Factors Influencing Performance

Seniors and Housing identified risks, including public emergencies and natural disasters, changes to funding levels or eligibility requirements, and changes to support by other orders of government that could affect the ministry's ability to deliver on planned outcomes.

Emergencies and Natural Disasters

On March 17, 2020, the Government of Alberta declared a public health emergency to respond to the COVID-19 pandemic. In the final weeks of the 2019-20 fiscal year, Seniors and Housing supported the government's cross-ministry public health emergency response and coordination efforts to protect the health of Albertans and limit the spread of COVID-19.

The Seniors Services Division mobilized resources for seniors-serving organizations to better address the needs of seniors in response to the COVID-19 pandemic, such as home supports, food security, transportation, and mental health and wellness. Processing of seniors financial benefits was also prioritized to ensure seniors most in need received supports without delay.

Working with Alberta Health and Alberta Health Services, the Housing Division provided timely information, direction and guidance to housing providers on public health orders so they could appropriately support tenants, including seniors living in lodges, during the COVID-19 pandemic. The division ensured housing provider operations and critical maintenance did not experience business continuity disruptions in order to maintain tenant housing and tenant safety. The department was approved for up to \$30 million in funding to support seniors' lodges for enhanced staffing, extra cleaning supplies, and help address lost accommodation revenue.

Natural disasters, such as fires and floods, may affect the ministry's ability to focus on planned initiatives as resources are diverted to emergency management and recovery response. In 2019, the northern Alberta fire resulted in the evacuation of ASHC-owned and supported facilities in La Crete, High Level, Manning and surrounding communities. Some residents were temporarily housed in seniors housing facilities in and around Edmonton, including Heartland Housing in Sherwood Park.

The Housing Division has developed a Housing Response Protocol to clearly define the roles and responsibilities in responding to a natural disaster to ensure ongoing operations are not affected, and the division is able to respond appropriately to a disaster event.

Funding Levels and Other Orders of Government

Changes to funding levels or eligibility requirements for housing or support programs provided by other orders of government could result in pressure for the ministry to adjust current and future commitments. Should the impact be significant enough, demand for ministry benefits and supports could increase faster than the ministry's resources over the course of the three-year business cycle. For 2019-20, no changes were instituted by other orders of government that caused an un-resourced demand for Seniors and Housing affordable housing commitments or financial benefit programs.

To address funding risks, the Housing Division will leverage funding from federal, municipal and other partners to extend the provincial contributions. This includes Alberta's continued implementation of a bilateral agreement to access federal funding for housing under the National Housing Strategy. This will ensure Alberta maintains the required flexibility to adapt to changing funding levels or eligibility requirements.

Outcome One: Make Life Better for Alberta Seniors and their Caregivers

Key Objectives

1.1 Provide individual and community-based programs and services that support seniors to participate in their communities, and for their communities to support seniors' independence.

Alberta Seniors Benefit

- More than 165,000 seniors received benefits from this program in 2019-20.
- Alberta Seniors Benefit (ASB) provides financial support to eligible seniors with low income to assist with monthly living expenses. This benefit, costing \$312.7 million in 2019-20, is intended to supplement the Government of Canada's Old Age Security, Guaranteed Income Supplement and Canada Pension Plan programs.

Special Needs Assistance for Seniors

- Approximately 33,000 seniors received benefits from this program in 2019-20.
- Special Needs Assistance for Seniors (SNA), costing \$24.5 million in 2019-20, provided eligible seniors with low income financial assistance for a range of health and personal supports.

Seniors Home Adaptation and Repair Program

- This program provided 514 loans and 293 grants in 2019-20.
- In 2019-20, the Seniors Home Adaptation and Repair Program (SHARP) helped eligible seniors to finance home repairs and adaptations through low-interest home equity loans totaling \$5.8 million. In addition, approximately \$840,000 in grants assisted seniors with low income who are not eligible for a loan to afford basic and essential home repairs.

Seniors Property Tax Deferral Program

- The program provided more than 2,200 low-interest home equity loans in 2019-20.
- In 2019-20, \$7.9 million in loans was provided by the Seniors Property Tax Deferral Program (SPTDP), which allows seniors to defer all or part of their residential property taxes through a low-interest home equity loan. The program frees up money for other expenses and helps seniors maintain independence in their homes and communities.

Supplementary Accommodation Benefit

- This program provided benefits to approximately 13,300 seniors in 2019-20.
- The Supplementary Accommodation Benefit (SAB), costing \$86 million in 2019-20, ensures seniors with low income residing in long-term care or designated supportive living have \$322 in disposable income each month after paying care facility accommodation charges.

Aging Well in Community grant program

- The Aging Well in Community (AWIC) grant program provided more than \$1.6 million to 28 community organizations throughout Alberta in 2018-19. A further \$350,884 in year-two funding was provided to organizations in 2019-20.
- To respond to the COVID-19 pandemic, the ministry redirected a significant amount of AWIC funding to enable grant recipients to better support seniors through this crisis.

- AWIC projects made modifications to refocus funding to address issues related to COVID 19, and continue to support seniors in community throughout the pandemic. Projects continued to focus on the same sub population (e.g., immigrant/refugee seniors) and the same overall project intent (e.g., address social isolation), but in many cases shifted the mode of service delivery (e.g., from in person to virtual services) and redirected funds to support emerging needs in community. For example, some AWIC grant recipients were able to repurpose second-year funding to provide virtual connections for vulnerable seniors by using tablets, and distributing individual care packages to seniors that included supplies, food, and information on local resources and supports.

Keeping seniors and service providers informed

To ensure Alberta's seniors are aware of benefits for which they may be eligible, the Government of Alberta sends the Seniors Financial Assistance programs information booklet and application package six months before Albertans turn 65 years of age.

The ministry supported the Vision 2030 for Seniors Services Symposium, which brought together more than 300 health, social service, community-based seniors-serving sector and other professionals to discuss the future vision for seniors services. Experts and innovators included speakers such as Dr. Carole Estabrooks, Professor and Canada Research Chair, Faculty of Nursing and School of Public Health, University of Alberta; Dr. Norah Keating, Professor and Co-director of Research on Ageing, Policies and Practice, University of Alberta; Monica Morrison, President of the Alberta Association of Seniors Centres; and Dr. Bonnie Dobbs, Professor, Department of Family Medicine; Director, Medically At-Risk Driver Centre; Director of Research, Division of Care of the Elderly, University of Alberta.

The Seniors Services Division's Age-Friendly Alberta Newsletter is forwarded to over 1,400 stakeholders across the province to provide consistent, relevant and timely information on ministry programs and other supports for seniors.

Enabling civil society to better support seniors

Funding was provided to support the development of a more coordinated community-based seniors-serving sector to better meet the needs of seniors in Alberta. Funding supported engagement with over 160 community organizations and individuals to identify ways to better coordinate community supports, and enhance best practices. The ministry is investing in the development of a new online hub called CORE – Collaborative Online Resources and Education – which provides a platform for seniors-serving organizations to share resources and coordinate services, with an initial focus on key COVID-19 issues, including transportation, food security, social isolation and home supports.

Preventing and addressing elder abuse

Preventing and addressing elder abuse is an ongoing priority for the ministry. With the understanding that all sectors and citizens have roles in preventing and addressing elder abuse, Seniors and Housing works with a variety of stakeholders to help Albertans recognize, refer to, respond to, and reconnect with those impacted by elder abuse. To coincide with World Elder Abuse Awareness Day on June 15, 2019, the ministry released *Addressing Elder Abuse: a Toolkit for Developing a Coordinated Community Response* to help communities, organizations and individuals develop a local approach to addressing elder abuse.

Transportation options

Access to transportation helps seniors stay engaged and connected in their communities. SNA provides assistance with the cost of medical-related transportation. The Government of Alberta continues to collaborate with many partners, including the University of Alberta's Medically At-Risk Driver Centre, to allocate resources to improve transportation options available to seniors. In addition, grant funding was provided to Drive Happiness Seniors Association to expand transportation options for seniors in the province.

Facilitating aging at home and in community

Seniors and Housing is the current co-chair and a member of the Federal, Provincial and Territorial (FPT) Ministers Responsible for Seniors Forum. The current forum priorities include exploring the role of accessible and affordable housing and community supports in facilitating aging at home and in community. The department also supports the Alberta Age-Friendly Community of Practice, a forum for government and communities to support development of age-friendly initiatives across the province.

Enabling technology and private sector solutions for seniors

In November 2019, the ministry co-hosted Vision 2030 with the Alberta Association on Gerontology, bringing together more than 300 experts and innovators across sectors to share findings and new solutions for Alberta's aging population. A pre-symposium event, *Care Hacks: Future Technology for Seniors Reverse Trade Fair*, brought together over 150 individuals and organizations to identify ways for technology and business solutions to support caregivers in meeting the needs of seniors. Participants included the Glenrose Rehabilitation Research, Innovation & Technology Hub, W21C, Campus Alberta Neuroscience, BioAlberta and Caregivers Alberta.

Support Independence

In 2019-20, \$640,000 was provided for strategic investments to address the needs of a growing seniors population by funding research, innovation projects, and other initiatives that focus on priority issues such as caregivers, age- friendly communities, elder abuse prevention and transportation.

1.2 Identify opportunities for red tape reduction and cost effectiveness across senior service programs and within seniors' financial assistance programs.

Seniors and Housing has advanced a number of red tape reduction initiatives that have had tangible, positive impacts on Alberta seniors' lives. 2019-20 saw three major initiatives cut red tape and make life better for Alberta seniors.

Transition of Assured Income for the Severely Handicapped recipients to seniors financial programs

On June 28, 2019, it was announced that recipients of the Assured Income for the Severely Handicapped (AISH) program would be automatically enrolled into seniors financial assistance programs upon turning 65 years old. By eliminating the need to submit an application form, these Albertans are ensured uninterrupted supports without further paperwork. Processes to enable this initiative were implemented in July 2019, and AISH recipients are now notified that no action is required on their part to enroll into seniors financial assistance programs. This change has cascading benefits, as it reduces the burden on AISH recipients and their caregivers, as well as seniors-serving organizations and community partners who assist seniors.

Online document submission and streamlined applications

Financial assistance programs for seniors with low income are more accessible due to decreased restrictions on application, claim and supporting document submissions. As of November 1, 2019, a new online tool allows seniors to safely and securely upload and electronically submit scanned documents such as application forms, banking information, and any other documents relevant to obtaining seniors financial assistance. Previously, these documents had to be mailed, faxed or dropped off in person. Civil society organizations will now have an easier time assisting seniors with applications, as well as attending to other important matters for Alberta's seniors. Streamlined applications are just one way we have improved Alberta seniors' lives. For the 2019-20 fiscal year, 7,500 documents were uploaded through the online uploader.

SNA program claims can now be made using a MyAlberta Digital ID account and connecting with new Seniors Financial Assistance Online Services. Not only can SNA claims now be made online, but benefits can also be determined and provided much faster as a result of this change.

Online loan repayment

November 1, 2019 also brought changes to how seniors can repay their low-interest home equity loans provided through SHARP and SPTDP. By partnering with financial institutions, the Alberta Government has enabled online loan repayments through seniors' banks. Before this change, repayment via cheque was the only method of repaying a loan; now recipients can simply transfer the funds through their online bank account. For the 2019-20 fiscal year, 250 loan repayments (partial or full) were made through the online banking tool for SHARP and SPTDP.

1.3 Explore approaches to respond to needs of the diverse population of seniors, such as Indigenous, immigrant, refugee and newcomer, and LGBTQ2S+ seniors.

- The AWIC grant program supported nine community organizations to develop and expand supports for diverse populations of seniors, including immigrant and refugee seniors, Indigenous seniors, and LGBTQ2S+ seniors.
- Mental Health First Aid Seniors training helps Albertans recognize and respond to the mental health issues of neighbours, loved ones, and care recipients, making it easier for seniors to get the supports they need sooner. Training has been provided to over 1,300 individuals and 21 new trainers.

1.4 Explore innovative approaches to partner with civil society organizations to improve cross-sector collaboration in the planning and delivery of programs and services.

- The Minister's Advisory Committee on Seniors was established in August 2019 to provide advice and guidance on how to collectively address the needs of an aging population, and help ensure seniors can live safely and independently in their chosen communities. Committee members are appointed by the Minister of Seniors and Housing and comprise community leaders within civil society organizations.
- Two sub-committees were established to focus on specific issues related to seniors: the Healthy Aging and Enhancing Care in the Community sub-committee, which focused on issues including elder abuse, addiction and mental health, and transportation; and the System Coordination and Navigation sub-committee.
- Seniors and Housing supported four civil society organizations to begin developing a provincially coordinated seniors-serving sector. Community-based seniors-serving organizations play an important role in proactively meeting the needs of an increasingly

complex, diverse and growing seniors' population in the province. Seniors and Housing, along with Community and Social Services, Health and other departments continue to collaborate and identify ways to support civil society with this work, to enhance coordination and reduce duplication and gaps in services.

1.5 Support the needs of diverse populations of seniors who reside and contribute to the province by implementing initiatives to address ageism, elder abuse, social inclusion, transportation, caregiver supports, and aging in communities.

- Seniors and Housing is the current co-chair and a member of the FPT Ministers Responsible for Seniors Forum. The current forum priorities include aging in community, labour market participation of an aging workforce, and addressing the socio-economic impacts of ageism. Reports and recommendations will be identified for governments in the upcoming year.
- The department continues to support the Medically At-Risk Driver Centre to provide transportation options for seniors, and is exploring opportunities to facilitate collaboration with alternate transportation and other seniors' service providers in local communities.
- The AWIC grant program supported projects in 28 community organizations, focused on aging in communities, addressing ageism, social inclusion and engagement of diverse populations, and elder abuse prevention. The grant program provided over \$1.6 million in funding in 2018-19. A further \$350,884 was provided in year-two funding in 2019-20 and was re-focused to support response to the COVID-19 pandemic.
- Seniors and Housing partnered with civil society organizations, such as the Seniors Outreach Program Society in Three Hills, to celebrate and recognize seniors, reflect positive images of aging, and address ageism through initiatives such as annual Seniors' Week celebrations held during the first week in June. In 2019, Seniors and Housing partnered with the City of Medicine Hat to co-host the Provincial Launch of Seniors' Week. In addition, the Minister's Seniors Service Awards recognized Albertans who volunteer to support seniors and their communities.
- In the summer of 2019, government hosted community celebrations in Edmonton, Calgary and Clairmont to recognize all individuals and organizations nominated for a Minister's Seniors Service Award, and a ceremony to recognize award recipients was held October 1, 2019. A banner raising ceremony was held on October 1, 2019 to celebrate Day of Older Persons in Alberta.
- Seniors and Housing and Health co-lead a Caregiver Supports Working Group to develop recommendations and actions to address and support the needs of caregivers over the next several years. Health provided a \$3-million grant over three years to Caregivers Alberta to expand supports across the province.
- The Age-Friendly Community of Practice is a forum for government and communities to share best practices and support development of age-friendly initiatives across the province. Participating communities and organizations are Calgary, Edmonton, Red Deer, Chestermere, Cochrane, Cold Lake, Innisfail, Lacombe, Lethbridge, Olds, Wood Buffalo, Rocky Mountain House, Strathcona County, and the Alberta Council on Aging,

Outcome Two: Make Housing Affordable and Accessible for Albertans

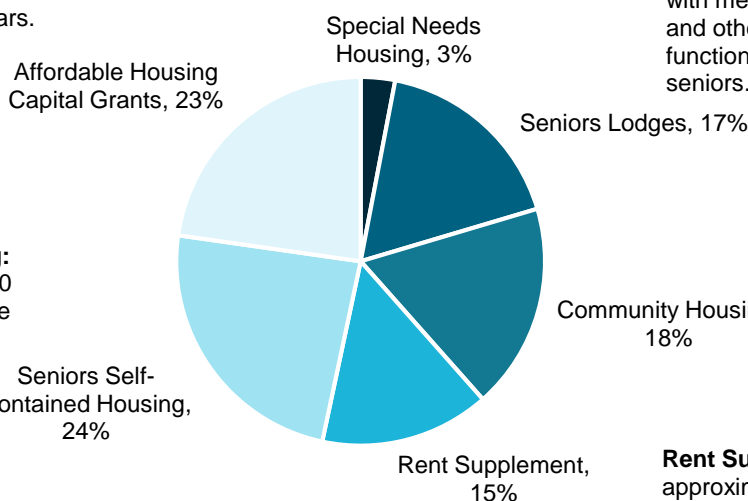
Seniors and Housing supports the development of affordable housing and ensures Albertans in need have access to housing options. Approximately 60,000 housing units serve over 110,000 Albertans. Almost 19,000 households are on waitlists across the province for non-market housing and supports (rent supplements).

Affordable Housing Capital Grants: approximately 13,600 units. Provincial funding for the capital development of housing units where the owner (private landlord, HMB, etc.) guarantees to rent at least 10 per cent lower than market rates for up to 20 years.

Special Needs Housing: about 1,800 units. Housing for individuals and families with special housing needs such as seniors, those with physical disabilities, and victims of family violence.

Seniors Lodges: approximately 10,400 units. Single- and double-occupancy bed/sitting rooms, with meals, housekeeping and other services for functionally independent seniors.

Seniors Self-Contained Housing: approximately 14,300 units. Apartment-type dwelling for low- and moderate-income seniors who are functionally independent.



Community Housing: approximately 10,800 units. Subsidized rental housing for low-income families, seniors and individuals with special needs.

Rent Supplement: approximately 8,900 units. Assistance to households in need to obtain and maintain affordable and suitable rental

The ministry provided \$179.8 million in the following operational funding in 2019-20 to make housing affordable and accessible for Albertans:

- \$47.1 million was provided to Family Community Housing;
- \$47.2 million was provided for Seniors Community Housing, including the Seniors Lodge program and the Seniors Self-Contained Housing program;
- \$68.6 million for Rent Supplements; and
- \$16.9 million for Special Needs Housing.

This includes assistance provided to seniors' lodge operators through the Lodge Assistance Program (LAP) per diem grant to supplement lost revenue for residents below an income threshold. For 2019-20, the ministry provided 7,930 LAP allocations to seniors' lodge operators, totaling \$37.7 million.

The ministry closed applications to the Rent Supplement Program in October 2019 to prepare for implementation of a redesigned rental assistance program in the spring of 2020. The redesign was suspended in March 2020 in response to the provincial public health emergency (COVID-19 pandemic), to allow department resources to support housing operators during the pandemic. Prior to the closing of applications, the Rent Supplement Program provided rental assistance to

approximately 10,000 households. As of March 2020, the total households receiving rental assistance is approximately 8,900. The decrease in household count is due to natural attrition as tenants leave or become no longer eligible for the program.

The ministry reduced future debt servicing costs by approximately \$2 million per year, by using \$53 million held by the ASHC to repay all outstanding Canada Mortgage and Housing Corporation debentures. Since its launch in June 2018, the Indigenous Housing Capital Program received 46 applications for planning and construction grants. The department committed \$10 million toward the construction of 33 housing units for Indigenous families in need, \$2.7 million of which was provided in 2019-20; an additional \$702,147 was provided for nine planning grants. The program was paused in March 2020 to be redesigned to better serve the housing needs of Indigenous organizations. The redesigned program will be introduced in 2020.

Key Objectives

2.1 Develop new capital programs that require partnership between the orders of government, community operators, and private sector to deliver new mixed-income affordable housing.

Seniors and Housing worked with stakeholders to explore opportunities for more mixed-income housing developments in Alberta. These developments have units dedicated to households at different income levels, with rent ranging from market to deep subsidy rent-geared-to-income. The goal of shifting to mixed-income housing is to create a more financially sustainable social housing system, lowering the need for government operating subsidies to operators.

2.2 Review with community operators the best use of properties owned by the Alberta Social Housing Corporation for redevelopment, maintenance, and disposition.

Seniors and Housing leads a Collaborative Table on Affordable Housing with the cities of Edmonton and Calgary, and the ministries of Community and Social Services, Health, and Municipal Affairs to collaborate on and inform affordable housing matters of common interest, including homelessness.

Seniors and Housing established the Minister's Advisory Committee (MAC) on Housing, to meet with key stakeholders and lead active discussions to identify areas to develop processes, build sector knowledge, and facilitate collaboration among our stakeholders. The outcome will be better decision-making, informed planning, and defining where change is needed to improve affordable housing for Albertans who need it most.

2.3 Partner with community operators to redevelop the social housing portfolio with a mixed-income portfolio.

In 2019-20, the Government of Alberta provided \$181 million through capital spending to increase and maintain the supply of affordable housing. Capital programs focused investments in both existing and new affordable housing. These investments included support for families, seniors and individuals with low income who cannot afford private sector accommodation; seniors' lodges; seniors' self-contained living; and housing projects that provide supportive social or health services for Albertans, with a focus on reducing homelessness and ensuring that affordable/suitable housing is available for populations with specialized needs. In 2019-20, construction began on a new mixed-income family and community housing development in Edmonton's Londonderry community. The 240-unit project replaces aging social housing units and is modelled after the successful Parkdale ONE redevelopment. A Minister's Advisory Committee on Housing was established to provide the Minister with advice and recommendations, perspectives on platform

commitments, desired outcomes and opportunities, as well as respond to emerging issues/priorities. A Mixed-income Sub-committee explored opportunities for the expansion of mixed-income housing and helped identify the desired outcomes of mixed-income housing, which include improved operational efficiencies, lower operational commitments and simplified administration.

2.4 Maximize federal funding for Alberta under the National Housing Strategy to support housing affordability for Albertans, and protect and redevelop Alberta's affordable housing portfolio.

Seniors and Housing coordinated the implementation of the bilateral agreement for federal funding provided under the National Housing Strategy. The ministry continued working with the federal government on Alberta's utilization of \$25.4 million in 2019-20 in federal funding for provincial housing programs to ensure Alberta meets its cost-match obligations and maximizes its share of available federal funding.

Alberta and the federal government continued efforts to align the new Canada Housing Benefit with Alberta's rental assistance review and redesign, scheduled to begin in 2020-21. Program alignment is designed to maximize federal funding available to the province under the Canada Housing Benefit.

2.5 Through the Military Liaison, develop, promote, and sustain government's relationship with the Canadian Armed Forces. Help veterans and their families integrate into civilian life following their term of military service, ensure the ongoing maintenance and development of the Government of Alberta Military Families Web Portal, and provide seamless access to provincial services, including housing supports.

Alberta's Liaison to the Canadian Armed Forces (referred to as Military Liaison), Brad Rutherford, MLA, Leduc-Beaumont, has served in this role since June 2019. The position includes building partnerships with military institutions, key stakeholders, and Canadian Armed Forces members, veterans, and military families in Alberta. As part of the ministry's work to understand the needs of Albertans who may have unique challenges to accessing housing and support services, the Military Liaison provides leadership and direction on cross-ministry initiatives; and participates in military-related events to raise awareness about issues facing Canadian Armed Forces members, veterans, and military families. The Military Liaison has developed relationships with stakeholders including VETS Canada, Forces@WORK, Homes for Heroes, the University of Alberta's Heroes in Mind, Advocacy and Research Consortium (HiMARC), the Veterans Food Bank Association, and the Military Families Resource Centres (MFRC) across the province.

The Military Liaison has worked closely with the Canadian Armed Forces and civil society organizations on the Seamless Canada initiative, which supports military families relocating across Canada as part of their service. He attended the annual Seamless Canada meeting in 2019 and looks forward to future meetings and opportunities to advance this shared work. The Military Liaison advanced Seamless Canada work in Alberta by hosting a meeting in August 2019 with members of the Canadian Armed Forces, military-serving organizations, and veteran-serving organization in Alberta to discuss the issues facing these groups and ways government can support them.

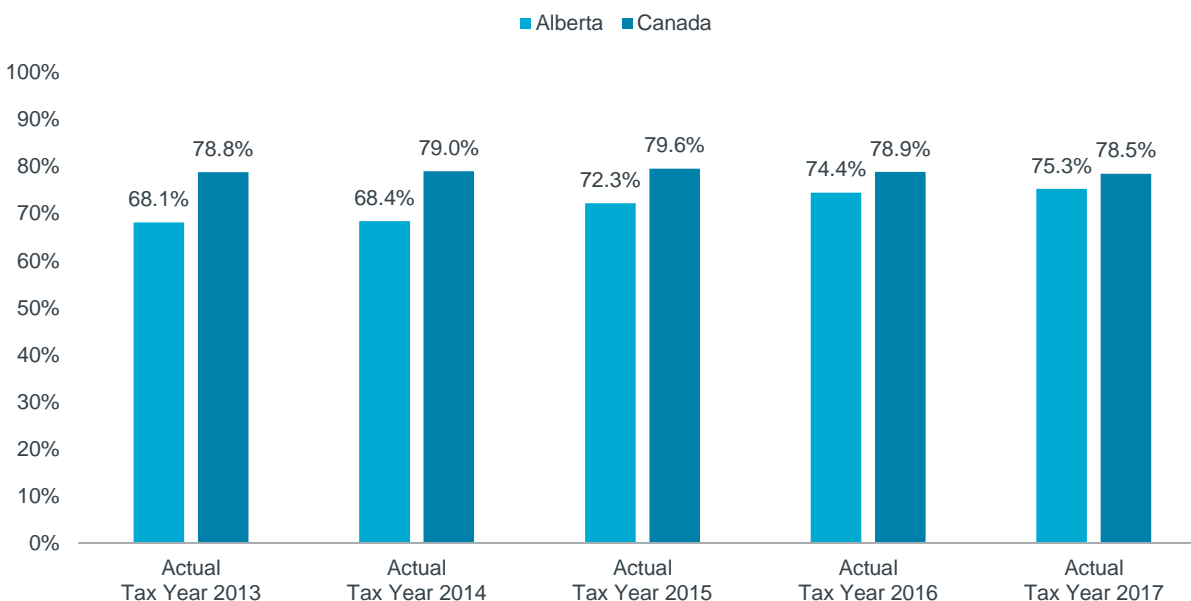
The Government of Alberta Military Families web portal was updated in January 2020 to support ongoing maintenance and enhancement of the site. The web portal will be updated as needed to include relevant information for Canadian Armed Forces members and their families as they arrive and settle in Alberta. During its first year in operation (2019-20), the web portal was visited 2,077 times.

The Veterans Service Centre continues to operate and provides supports for veterans under five pillars:

- Financial programs and supports through several agencies including VETS Canada and the Royal Canadian Legion;
- 174 veterans were referred for employment and training services through Forces@WORK in 2019-20;
- Housing supports for veterans at risk of homelessness, with 23 direct housing units available as required;
- Crisis supports; and
- Community services and opportunities.

Performance Measures and Indicators

Performance Indicator 1.a: Seniors' Income Relative to Population *Seniors' median income as a proportion of population median income*

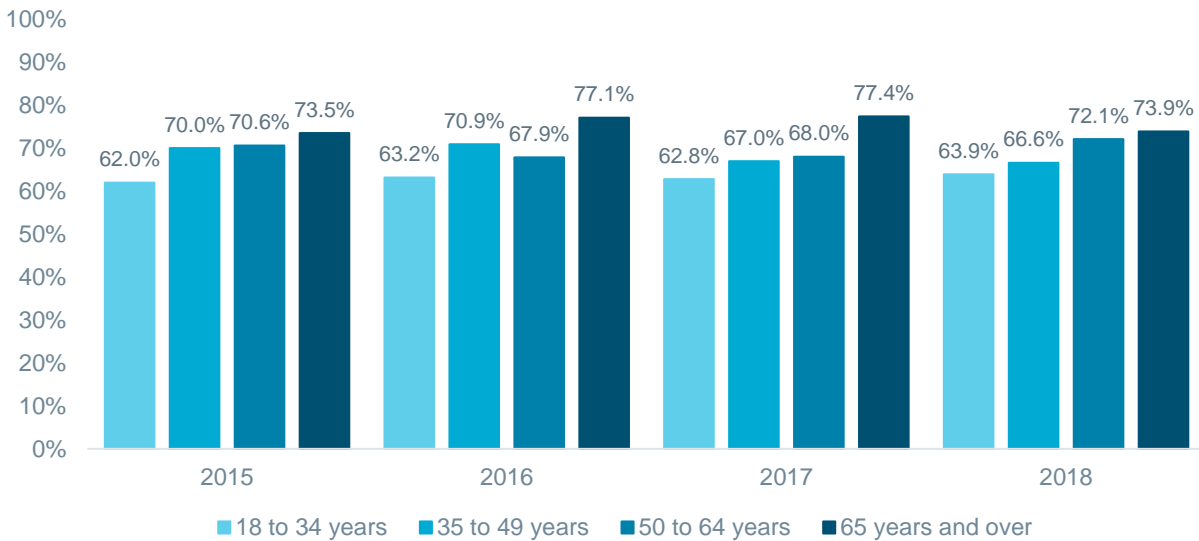


This indicator refers to the median income of seniors as a proportion of the median income of the general population, and looks at how Albertans and Canadians compare in this regard. Median income is the amount that divides the income distribution into two equal groups, half having income above that amount, and half having income below that amount.

Compared to their Canadian peers, Alberta's seniors are observed to have lower income parity with the general population. However, the trend over the last five reporting periods shows the gap between Alberta seniors' income parity and Canadian seniors' income parity is decreasing. This has resulted from the increases in Alberta seniors' median income while the median income of the general population in Alberta has remained stable or decreased.

Alberta's seniors were at 75.3 per cent of Alberta's median income in 2017, compared to Canada's seniors at 78.5 per cent of Canada's median income. However, as Alberta's median income is higher than Canada's, Alberta seniors continue to have higher income than seniors in other provinces. Seniors' median income increased by approximately 9 per cent between 2014 and 2017, while Albertans' median income decreased by 1 per cent. A large proportion of seniors' income is from federal income sources (Canada Pension Plan, Old Age Security and Guaranteed Income Supplement), and if applicable, private pensions and employment income. Seniors and Housing's ASB supplements federal income sources by providing an additional benefit to seniors with low income. SAB ensures seniors residing in long-term care or designated supportive living have \$322 in monthly disposable income after paying care facility accommodation charges. The 2017 data is the most recent, as 2018 data is anticipated to be released in July 2020.

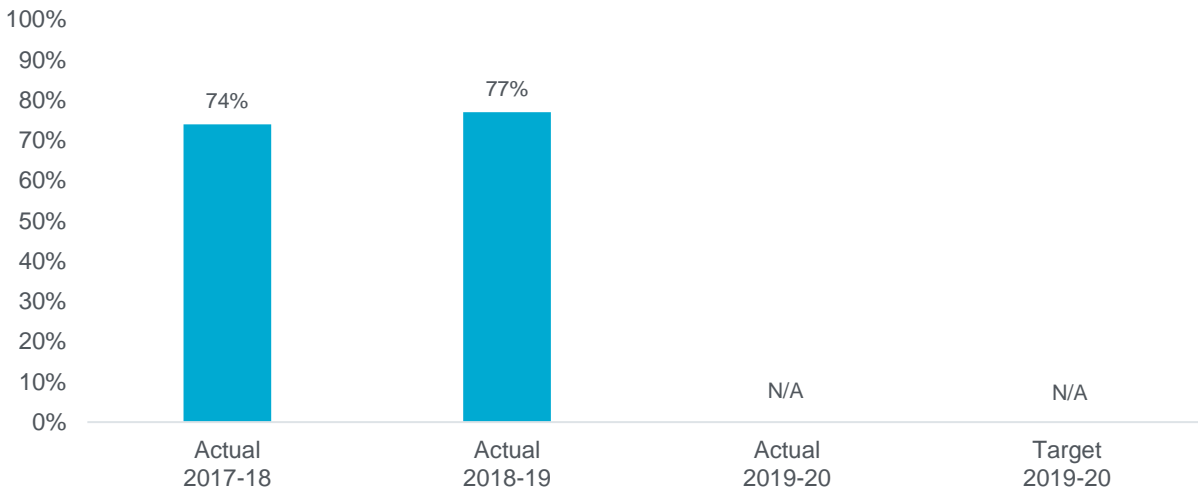
Performance Indicator 1.b: Sense of Belonging to Local Community



The sense of belonging indicator is a proxy for social inclusion and community connectedness, and ties directly to the department’s work related to social isolation, age-friendly communities, ageism, and aging in community. In 2018, 73.9 per cent of seniors in Alberta reported a strong or somewhat strong sense of belonging to local community. This percentage is consistent with recent years’ data from Statistics Canada’s *Canadian Community Health Survey*. Seniors have had the highest sense of belonging to local community among the age cohorts of Albertans aged 18 and older since 2015.

When comparing changes in the proportion of Albertans who feel a strong or very strong connection to their local community from 2015 to 2018, the results suggest the proportion of seniors who feel a strong or very strong connection is staying above the proportion in age groups 18 and older. The data for this performance indicator is collected annually, with 2019 data expected to be released in fall 2020.

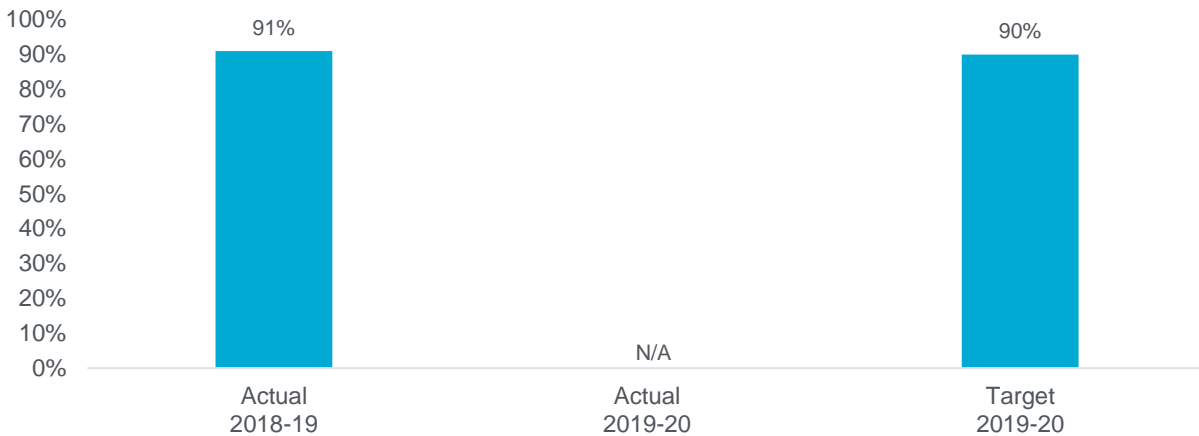
Performance Measure 1.c: Alberta Seniors Benefit



Alberta Seniors Benefit (ASB) provides financial support to seniors with low income, and supplements the federal Old Age Security, Guaranteed Income Supplement, and Canada Pension Plan programs. This benefit is intended to help with monthly living expenses and support seniors with low income.

ASB did not have a survey scheduled for 2019-20, so no results are available. The ASB recipient survey was completed in 2017-18 and 2018-19. In 2018-19, 77 per cent of recipients reported ASB assisted them in meeting their basic needs. This value did not meet the performance measure target of 80 per cent, but was three percentage points higher than the results in 2017-18. Data for this measure will no longer be collected and a new performance measure will be developed for the Seniors and Housing 2020-21 Annual Report.

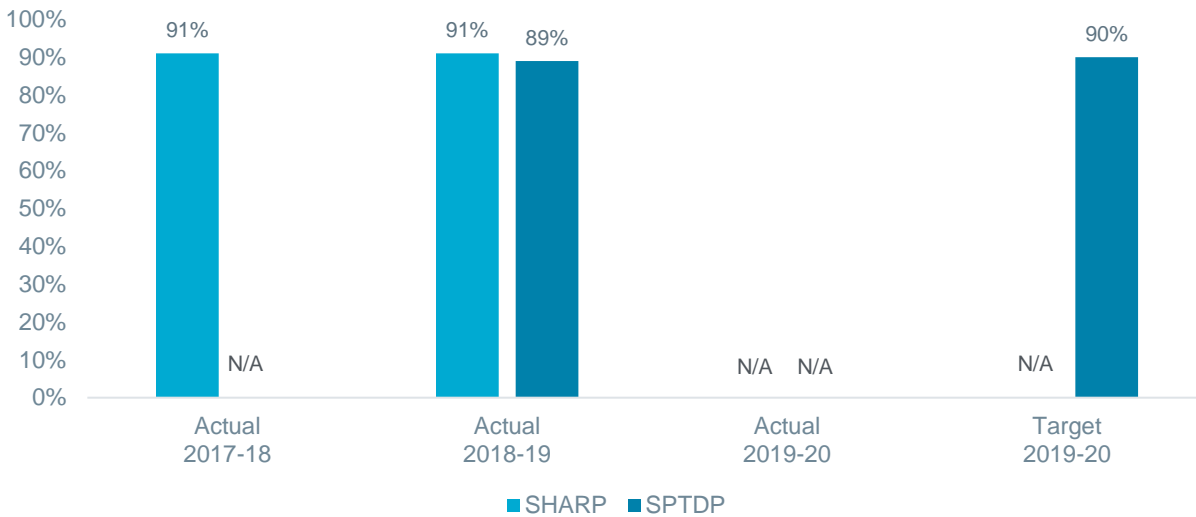
Performance Measure 1.d: Special Needs Assistance for Seniors



The Special Needs Assistance for Seniors (SNA) program provides financial assistance for eligible seniors with low income for health and personal supports, and necessary furniture and appliances. A lump-sum payment is provided for eligible expenses. Funded items are essential supports required outside of general, everyday living expenses, and may represent significant extra cost to a senior with low income.

The 2019-20 reporting cycle did not see the SNA survey go forward, so no results are available. The last results available are from 2018-19, where 91 per cent of survey respondents agreed or strongly agreed the SNA helped them meet their individualized needs. Data for this measure will no longer be collected and a new performance measure will be developed for the Seniors and Housing 2020-21 Annual Report.

Performance Measure 1.e: Seniors Loan Programs



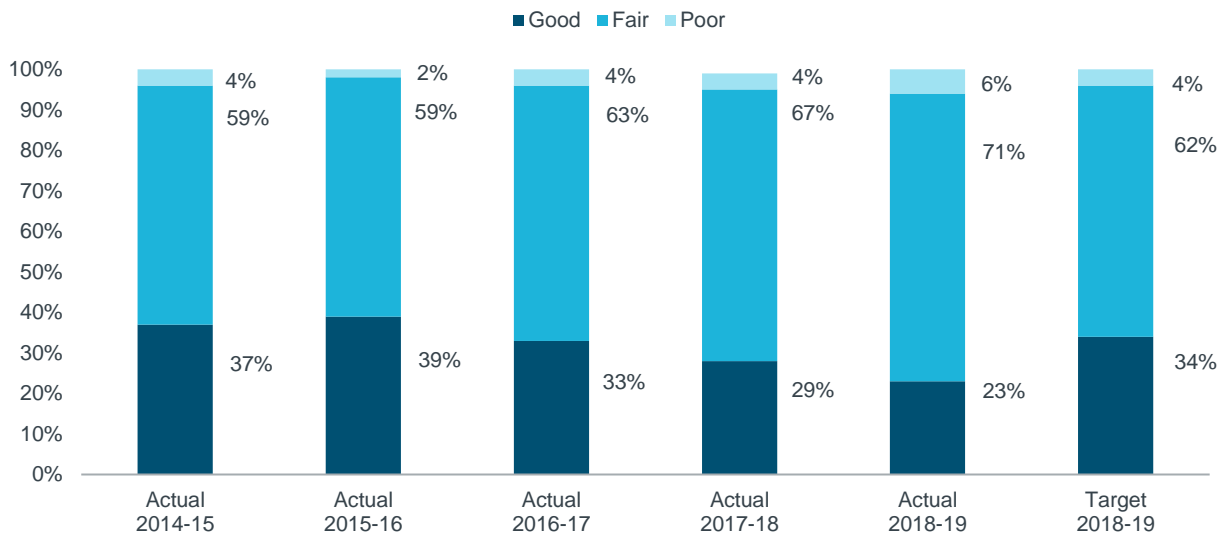
The Seniors Loan Programs measure refers to client satisfaction in both the Seniors Home Adaptation and Repair Program (SHARP) and the Seniors Property Tax Deferral Program (SPTDP). A survey of loan recipients in each program determines if the recipient agrees the program will help them remain in their home longer.

SHARP provides low-interest loans to help eligible seniors remain independent and safe in their homes, to adapt or modify their homes to meet accessibility and mobility needs, or to improve the energy efficiency of their homes. The most common loans funded under SHARP include essential home repairs and adaptations such as roof repairs, windows, furnaces, and bathrooms. SPTDP, similarly, provides low-interest home equity loans to eligible seniors to voluntarily defer all or part of their property tax costs.

SHARP did not have a survey scheduled for 2019-20. The SHARP survey was completed in 2017-18 and in 2018-19. In 2018-19, 91 per cent of survey respondents agreed or strongly agreed SHARP will help them remain in their home longer. This value met the performance measure target of 90 per cent or greater.

The 2019-20 reporting cycle did not see the SPTDP survey go forward, so no results are available. The last available results are from 2018-19, where 89 per cent of survey respondents agreed or strongly agreed that the SPTDP will help them remain in their home longer. Data for these measures will no longer be collected and a new performance measure will be developed for the Seniors and Housing 2020-21 Annual Report.

Performance Measure 2.a: Facility Condition
Housing facilities - physical condition

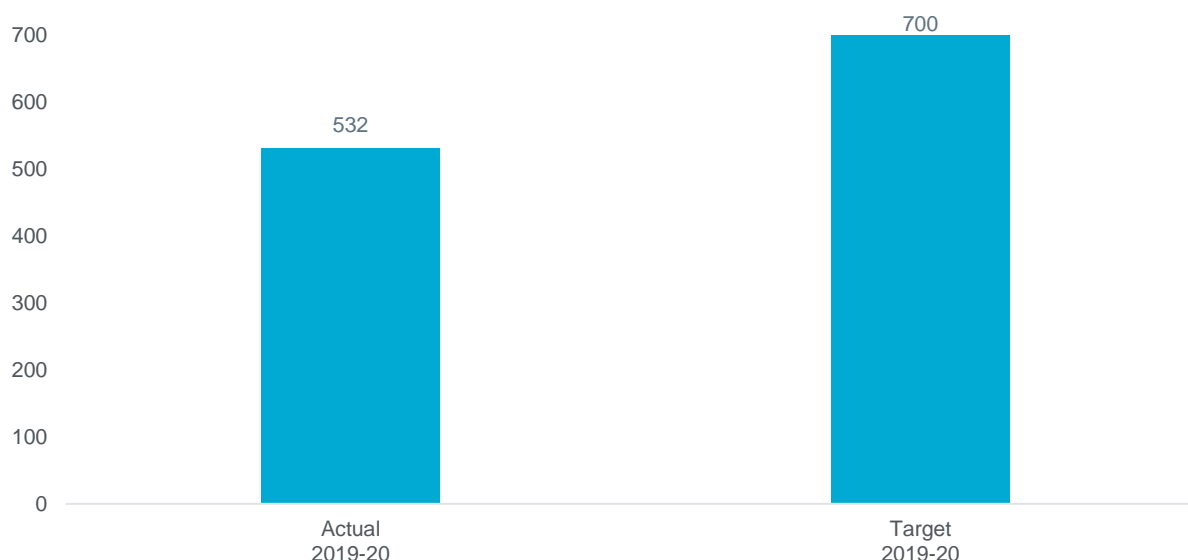


The Facility Condition Index (FCI) is a common measure across the Government of Alberta for reporting and comparing the physical condition of facilities. The FCI assists Seniors and Housing in rating and prioritizing facility maintenance, regeneration, or renewal needs. The measure is most useful when looked at over a period of time. Facility Condition Assessments, which inform the FCI, run on a multi-year cycle, which means that investments made during the current assessment cycle may not affect the FCI until the next cycle.

In previous years, the number of buildings was used for reporting. For the 2019-23 Business Plan, the methodology was changed to better describe the housing portfolio condition by reflecting percentage of building area, rather than percentage of buildings in that category. The results for the current fiscal year do not become available until the following year.

The most recent results are for the 2018-19 fiscal year, and show facilities in the Good category accounted for 23 per cent of the housing portfolio (by area). Fair facilities are reported to be 71 per cent, while facilities ranked as Poor make up 6 per cent. Since 2014, Good facility rankings have declined, while the majority remain in Fair condition. The growing number of Fair-ranked facilities will need to be addressed to ensure Albertans living in affordable housing continue to have quality accommodation.

Performance Measure 2.b: Number of New and Regenerated Units



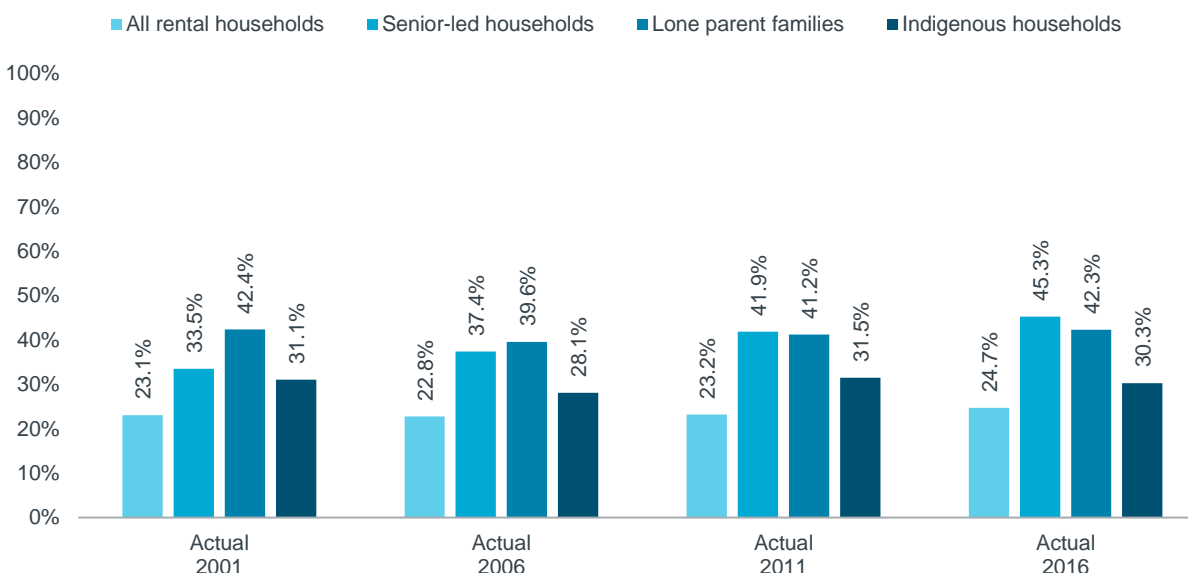
The provision and maintenance of affordable housing are priorities for Seniors and Housing. This measure helps to report on the ability of the ministry to build and regenerate units for Albertans in need of affordable housing.

In 2019-20, \$181 million was provided:

- \$45 million for Family and Community Housing;
- \$87 million for Seniors Housing;
- \$4 million for Affordable and Specialized Housing;
- \$3 million for Indigenous Housing;
- \$39 million for capital maintenance and renewal;
- \$2 million for energy efficiency upgrades; and
- \$1 million for Planning of Affordable Housing.

There were 44 active capital development projects committed or under implementation in 2019-20, of which nine projects were completed and two projects were partially completed through the year, for a total of 532 new units completed. The completed units include 125 senior housing units, 37 family and community housing units, and 370 affordable and specialized housing units. The number of units completed is less than originally planned as a program/project review for Capital Plan 2020 was underway. Some construction activities were impacted by poor weather conditions and contractor management.

Performance Indicator 2.c: Core Housing Need



This indicator provides information on the proportion of Albertans in rental households who are in core housing need. A household is in core housing need if its housing is unsuitable, inadequate or unaffordable, and if it cannot pay the median rent of alternative local housing that meets all three criteria. Housing is defined as adequate when it does not require major repairs according to its residents; suitable when it has enough bedrooms for the size and make-up of resident households, according to the National Occupancy Standard (NOS); and affordable when its shelter costs represent less than 30 per cent of before-tax household income. This indicator is based on self-reporting through the Canadian Income Survey-based housing indicators and data developed by the Canada Mortgage and Housing Corporation (CMHC). It is updated every five years with data from the National Census and the National Household Survey.

Within Alberta, there is considerable variation across demographic groups. Specifically, among all households, approximately 11 per cent are considered to be in core housing need, but this number rises to nearly 25 per cent when only considering renter households. Within lone-parent renter families, 42.3 per cent are in core housing need, a number that has remained stable since 2001. Senior-led renter households in core housing need have increased from 33.5 per cent in 2001 to 45.3 per cent in 2016, the most recent year that data is available. As the seniors population is expected to nearly double by 2035, the government of Alberta is working to address seniors' housing needs by allocating more than a third of government-supported affordable housing to this demographic.

Among Indigenous renter households living off-reserve, 30.3 per cent are considered in core housing need. The Government of Alberta is assisting these households through the Indigenous Housing Capital Program, which supports the provision of culturally-appropriate housing by Indigenous housing operators and partners.

The Government of Alberta is working to reduce core housing need by providing supports for those in need of safe, suitable and affordable housing. Additionally, amendments were made to the [Social Housing Accommodation Regulation](#) to better prioritize Albertans with the greatest core housing need and help ensure they are able to access the housing they require.

Performance Measure and Indicator Methodology

Performance Indicator 1.a: Seniors' Income Relative to Population

Methodology

This indicator's value is calculated by taking the median income of those 65 years and over and dividing by the median income of all ages. Since 2000, this data has been available annually, with a one and a half-year lag. The data is collected annually, with 2018 data expected to be released in Summer 2020.

The 2017 data is the most recent data as 2018 data should be released in July 2020, however, there may be a delay as Statistics Canada releases will be limited during the COVID-19 pandemic.

Source

Data for this indicator comes from Statistics Canada's Annual Income Estimates for Census Families and Individuals, which uses tax filer data (the T1 Family File) to produce *Table 11-10-0039-01 Tax filers and dependents, seniors with income by source of income and age*.

Performance Indicator 1.b: Sense of Belonging

Methodology

The results value is the percentage of those aged 65 years and older who reported their sense of belonging to their local community as being very strong or somewhat strong. Sense of belonging to local community is rated on a four-point scale, with responses including very weak, somewhat weak, somewhat strong, and very strong. The data is collected annually, with 2019 data expected to be released in Fall 2020.

Source

This indicator's data is from Statistics Canada's Canadian Community Health Survey. The survey data is used to produce *Table 13-10-0096-01 Health characteristics, annual estimates*.

Performance Measure 1.c: Alberta Seniors Benefit (ASB)

Methodology

The survey question on which the measure is based is: “You may have multiple sources of retirement income, but thinking specifically about the Alberta Seniors Benefit, to what extent do you agree with the following statement?: *As a supplement to my retirement income, the Alberta Seniors Benefit helps me to meet my basic needs for food, housing, clothing, personal care and transportation.*”, and includes a five-point response range of strongly agree to strongly disagree. The result reflects those respondents who strongly agree, and somewhat agree. Data for this measure will no longer be collected and a new performance measure will be developed for the Seniors and Housing 2020-21 Annual Report.

Numerator: Total number of respondents who strongly agree, and somewhat agree

Denominator: Total number of respondents who answered the question

The number of respondents for the denominator excludes “Don’t know/Don’t remember” responses to ensure that results only reflect those who have an opinion.

Source

Data for this measure was collected through a telephone survey with a sample of active ASB recipients who received at least one benefit payment prior to the survey time period. The telephone surveys are conducted by a third-party vendor hired through the Request for Research procurement process.

Performance Measure 1.d: Special Needs Assistance (SNA)

Methodology

The survey question on which the measure is based is: “To what extent do you agree that the Special Needs Assistance for Seniors program helped you meet your individual needs?”, and includes a five-point response range of strongly agree to strongly disagree. The result reflects those respondents who strongly agree, and somewhat agree. Data for this measure will no longer be collected and a new performance measure will be developed for the Seniors and Housing 2020-21 Annual Report.

Numerator: Total number of respondents who strongly agree, and somewhat agree

Denominator: Total number of respondents who answered the question

The number of respondents for the denominator excludes “Don’t know/Don’t remember” responses to ensure that results only reflect those who have an opinion.

Source

Data for this measure was collected through a telephone survey of SNA clients who received assistance in the July 1, 2017 to June 30, 2018 benefit year. The telephone surveys are conducted by a third-party vendor hired through the Request for Research procurement process.

Performance Measure 1.e: Seniors Loan Programs

Methodology

Seniors Home Adaptation and Repair Program (SHARP): The survey question the measure is based on is: “To what extent do you agree with the following statement? *The SHARP program will help me remain in my home longer.*”, and includes a five-point response range of strongly agree to strongly disagree. The result reflects those respondents who strongly agree, and somewhat agree. Data for this measure will no longer be collected and a new performance measure will be developed for the Seniors and Housing 2020-21 Annual Report.

Numerator: Total number of respondents who strongly agree, and somewhat agree

Denominator: Total number of respondents who answered the question

The number of respondents for the denominator excludes “Don’t know/Don’t remember” responses to ensure that results only reflect those who have an opinion.

Seniors Property Tax Deferral Program (SPTDP): The survey question on which the measure is based is: “To what extent do you agree with the following statement?: *The Seniors Property Tax Deferral Program will help me remain in my home longer*”, and includes a five-point response range of strongly agree to strongly disagree. The result reflects those respondents who strongly agree, and somewhat agree. Data for this measure will no longer be collected and a new performance measure will be developed for the Seniors and Housing 2020-21 Annual Report.

Numerator: Total number of respondents who strongly agree, and somewhat agree

Denominator: Total number of respondents who answered the question

The number of respondents for the denominator excludes “Don’t know/Don’t remember” responses to ensure that results only reflect those who have an opinion.

Source

Seniors Home Adaptation and Repair Program (SHARP): Data for this measure was collected through a telephone survey of SHARP clients who received a loan in the benefit year (July 1 to June 30) prior to the survey time period. Grant recipients of the program are not included in the sample. The telephone surveys are conducted by a third-party vendor hired through the Request for Research procurement process.

Seniors Property Tax Deferral Program (SPTDP): Data for this measure is collected through a telephone survey of SPTDP clients who received a loan in the most recent property tax year (for 2018, the participants received a loan in the 2018 property tax year as of September 2018). The interviews are conducted by a third-party vendor hired through the Request for Research procurement process. No survey was conducted in 2019-20.

Performance Measure 2.a: Facility Condition

Methodology

The Facility Condition Index (FCI) is the ratio of current and future repair to replacement costs. The FCI is calculated using deferred and projected five-year maintenance costs as the numerator, and the current replacement value as the denominator. Facility Condition Assessments are performed in a multi-year cycle, capturing the physical condition of the facility and its projected maintenance costs. Deferred maintenance is added throughout the cycle automatically. Improvements to repair and maintenance are not captured immediately, but on the next assessment cycle.

The FCI categories are Good, Fair, and Poor. Good includes facilities with FCI ratios of 0.15 or less, Fair includes FCI ratios from over 0.15 to 0.40, and Poor represents FCI ratios of greater than 0.40. The percentages for each category in the measure are calculated by taking the total area of facilities in each FCI category (Good, Fair or Poor) and dividing by the total area of all audited facilities.

Source

Seniors and Housing works collaboratively with the Ministry of Infrastructure to develop an inventory listing of all affordable housing facilities' condition evaluations. Infrastructure completes the assessments for each housing asset, assigns the rating, and provides the results to Seniors and Housing after review and approval of the data. Calculations, data administration, and quality control are also within the purview of Infrastructure.

Performance Measure 2.b: Number Of New And Regenerated Units

Methodology

Number of completed units refers to the total regenerated or new affordable housing units that are added into supply after development. The units are recognized as completed on the Actual Occupancy Date (when the first tenant moves in).

Number of targeted units refers to the total regenerated or new affordable housing units that are expected to be completed in future fiscal years. The expected year of completion is determined by the Estimated Occupancy Date for the projects.

Source

The data is collected and held by the Housing Division. The unit count is obtained from the Monthly Unit Count Report. The completed units are based on the Actual Occupancy Date from the HOME system and the targeted units are based on the Estimated Occupancy Date from the HOME system.

Performance Indicator 2.c: Core Housing Need

Methodology

Data for this indicator is based on the National Census (2006, 2016) and the National Household Survey (2011). The long-form census helped provide information on housing suitability, dwelling condition, and shelter cost-to-income ratio.

Source

CMHC Table: Characteristics of Households in Core Housing Need: Canada, Provinces, Territories, Census Metropolitan Areas (2001, 2006, 2011). Core housing need data for 2016 was obtained directly from CMHC.

Financial Information

Table of Contents

Reporting Entity and Method Consolidation.....	37
Ministry Financial Highlights.....	38
Statement of Revenues and Expenses (unaudited).....	38
Revenue and Expense Highlights.....	39
Breakdown of Revenues (unaudited).....	40
Expenses – Directly Incurred Detailed by Object (unaudited).....	42
Supplemental Financial Information.....	44
Tangible Capital Assets (unaudited).....	44
Financial Statements of Other Reporting Entities.....	46
Alberta Social Housing Corporation.....	47
Other Financial Information.....	73
Lapse/Encumbrance (unaudited).....	74

Reporting Entity and Method Consolidation

The financial information is prepared in accordance with government's stated accounting policies, which are based on Canadian Public Sector Accounting Standards.

The reporting entity is the ministry of Seniors and Housing for which the Minister of Seniors and Housing is accountable. The accounts of the ministry of Seniors and Housing, which includes the department of Seniors and Housing and the Alberta Social Housing Corporation making up the ministry, are fully consolidated using the line-by-line method.

Under this method, accounting policies of the consolidated entities are adjusted to conform to government accounting policies and the results of each line item in their financial statements (revenue, expense, assets, and liabilities) are included in government's results. Revenue and expense, capital, investing and financing transactions and related asset and liability balances between the consolidated entities have been eliminated.

A list of the individual entity making up the ministry of Seniors and Housing is shown on the "Management's responsibility for Reporting" statement included in this annual report.

Ministry Financial Highlights

Statement of Revenues and Expenses (unaudited)

End of the year March 31, 2020

	2020		2019	Change from	
	Budget	Actual	Actual	Budget	2019 Actual
	<i>In thousands</i>				
Revenues					
Government transfers					
Federal government grants	\$ 110,230	\$ 102,718	\$ 91,078	(7,512)	11,640
Investment income	9,156	7,254	9,415	(1,902)	(2,161)
Other revenue	16,444	14,456	30,569	(1,988)	(16,113)
Ministry total	135,830	124,428	131,062	(11,402)	(6,634)
Inter-ministry consolidation adjustments	(4,700)	-	(8,066)	4,700	8,066
Adjusted ministry total	131,130	124,428	122,996	(6,702)	1,432
Expenses - directly incurred					
Programs					
Ministry Support Services	5,319	5,484	5,600	165	(116)
Seniors Services	35,477	31,948	34,148	(3,529)	(2,200)
Alberta Seniors Benefit	403,422	404,802	390,551	1,380	14,251
Housing	11,573	12,286	12,183	713	103
Alberta Social Housing Corporation	248,934	235,272	284,365	(13,662)	(49,093)
	704,725	689,792	726,847	(14,933)	(37,055)
Debt Servicing					
Alberta Social Housing Corporation	4,761	2,499	5,026	(2,262)	(2,527)
Ministry total	709,486	692,291	731,873	(17,195)	(39,582)
Inter-ministry consolidation adjustments	(300)	(165)	(330)	135	165
Adjusted ministry total	709,186	692,126	731,543	(17,060)	(39,417)
Annual Deficit	\$ (578,056)	\$ (567,698)	\$ (608,547)	\$ 10,358	\$ 40,849

Revenue and Expense Highlights

Revenues

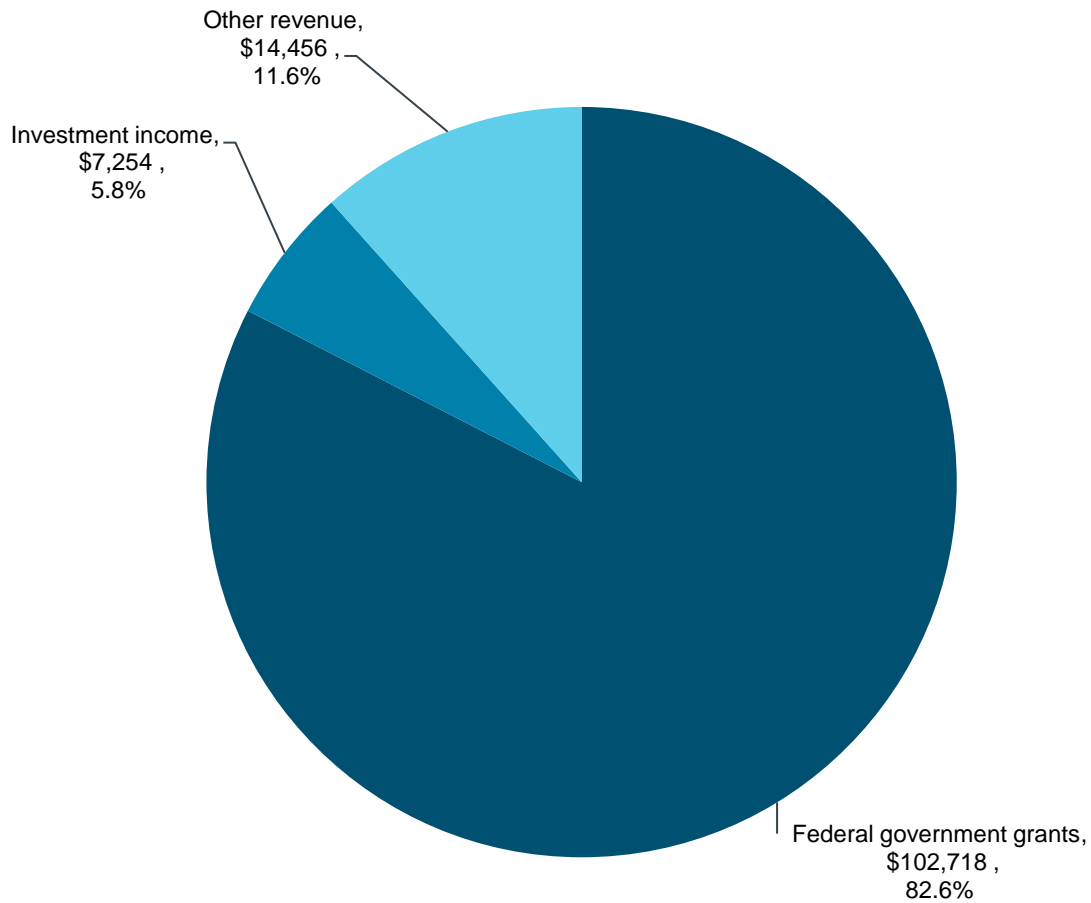
- Total revenue for the ministry in 2019-20 was \$124.4 million, a decrease of \$6.7 million from the budget.
- Transfers from the Government of Canada decreased by \$7.5 million from the budget due to a re-purposing of funding from the Canada Mortgage and Housing Corporation (CMHC) to capital investment requiring these revenue to be recognized over 50 years.
- Investment income decreased by \$1.9 million from the budget due to reduced cash balance in the Alberta Social Housing Corporation (ASHC).
- Other revenue decreased by \$2.0 million from the budget, which was primarily due to \$4.7 million income deferral of the Affordable Supportive Living Initiative (ASLI) from Health that was offset by \$2.5 million increase in recoveries from Housing Management Bodies (HMBs).
- The inter-ministry consolidation adjustment relating to the internal government transfer of \$4.7 million from Alberta Health for the ASLI program was deferred and not recognized in 2019-20

Expenses

- Total expenses for the ministry totaled \$692.1 million, reflecting a decrease of \$17.1 million from the budget and \$39.4 million from 2018-19 actuals.
- Programs such as the Alberta Seniors Benefit and Special Needs Assistance for Seniors assist seniors with low income by providing supplemental income and other financial supports. An increased number of seniors have benefited from these programs, resulting in a net increase of \$1.0 million over budget. A \$2.1 million decrease was primarily due to the surplus in Supplementary Accommodation Benefit. The remaining \$2.3 million decrease in debt-servicing costs was related to the early repayment of CMHC debentures to reduce the interest expense.
- ASHC's \$13.7 million decrease in expenses from the budget was mainly due to a one-time capital grant funding of \$10.2 million deferred to future years. In addition, there was a decrease of \$2.0 million due to a reduction in amortization and \$2.9 million decrease in operating expense, offset by an unbudgeted \$1.5 million gain from nominal sum disposal of properties.
- The \$39.4 million decrease in operating spending from the prior year was due to \$42.8 million reduction in housing capital grants, \$2.3 million from reduced debt servicing costs, \$9.2 million funding decrease to housing providers, and \$1.3 million net decrease from nominal sum disposals of properties, offset by \$12.1 million increase in the seniors financial assistance program and additional \$4.1 million increase in amortization expense.

Breakdown of Revenues (unaudited)

	2020		2019
	Budget	Actual	Actual
	<i>In thousands</i>		
Federal and Other Government Grants			
Canada Mortgage and Housing Corporation Social Housing Agreement & Investment in Affordable Housing	\$ 110,230	\$ 102,718	\$ 91,078
Investment income	9,156	7,254	9,415
Other revenue			
Recoveries from housing providers		7,877	7,794
Transfer from Alberta Health	4,700	-	8,066
Refunds of expenditure	897	3,126	8,945
Contribution from housing providers and third parties		2,484	2,509
Gain on disposal of tangible capital assets	1,200	462	1,555
Rental revenue		505	362
Miscellaneous	9,647	2	1,338
	16,444	14,456	30,569
Total ministry revenues	\$ 135,830	\$ 124,428	\$ 131,062

2020 Actual
In thousands

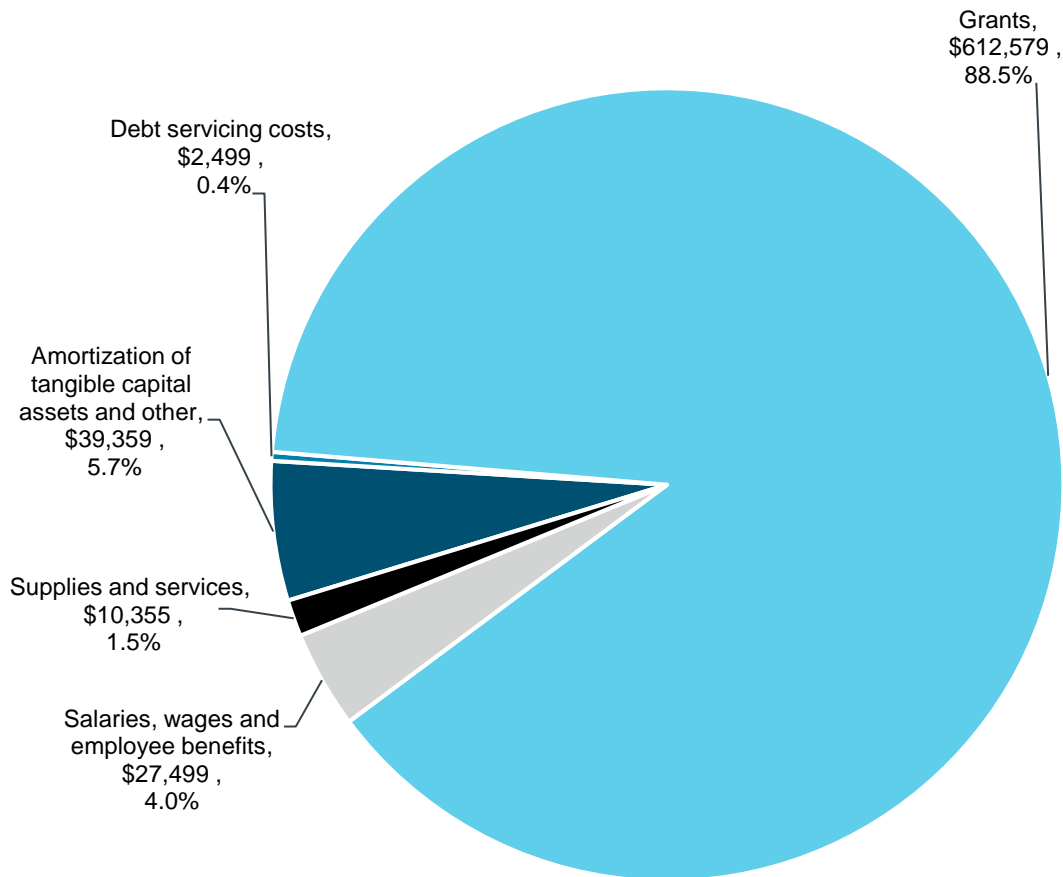
- CMHC funding, the largest contribution to revenue for the ministry, accounted for 82 per cent of total revenue received. Federal government grants for 2019-20 totaled \$102.7 million.
- 2019-20 investment income was \$7.3 million, which accounted for 6 per cent of total revenue for the ministry. Investment income decreased by \$1.9 million from the budget, primarily due to a lower cash balance in ASHC.
- Other revenue includes prior year recoveries of expenses from housing providers and internal transfers from other government departments. This totaled \$14.5 million for 2019-20, accounting for 12 per cent of the revenue recorded for the year.

Expenses – Directly Incurred Detailed by Object (unaudited)

	2020		2019
	Budget	Actual	Actual
	<i>In thousands</i>		
Salaries, wages and employee benefits	\$ 27,055	\$ 27,499	\$ 27,585
Grants	626,328	612,579	652,937
Supplies and services	9,513	10,355	10,791
Amortization of tangible capital assets and other	41,829	39,359	35,534
Debt servicing costs	4,761	2,499	5,026
Total ministry expenses	\$ 709,486	\$ 692,291	\$ 731,873

2020 Actual

In thousands



- The ministry's largest expense was grants, which made up 88 per cent of total expenses. In 2019-20, \$612.6 million was provided to support individuals, organizations and the ASHC through grant programs. The largest component of this allocation was \$424.0 million for the four seniors benefit programs for seniors with low income. A total of \$14.7 million in grants was expensed as capital grants in housing programs.
- Amortization expenses totaled \$39.4 million and were primarily for the tangible capital assets in the ASHC. It is \$2.2 million lower than the budgeted amount due to the timing of capital projects.
- Salaries, wages and benefits totaled \$27.5 million, which accounts for 4 per cent of the total operating expenses, primarily used to manage the grants provided to seniors and for housing providers.
- Supplies and services of \$10.4 million consisted primarily of insurance premiums for housing assets, and printing and postage charges related to grants for seniors assistance. This section also includes support for information management systems and daily departmental operations.

Supplemental Financial Information

Tangible Capital Assets (unaudited)

Estimated useful life	Land	Buildings ⁽¹⁾	Equipment	Computer Hardware & Software	Other ⁽²⁾	2020 Total	2019 Total
	Indefinite	10-50 years	3-40 years	3-10 years	3-50 years		
<i>In thousands</i>							
Historical Cost⁽³⁾							
Beginning of year	\$ 169,521	\$ 1,698,906	\$ 99	\$ 6,243	\$ 558	\$ 1,875,327	\$ 1,769,635
Additions ⁽⁴⁾	2,617	162,472	-	1,069	-	166,158	114,421
Disposals, including write-downs ⁽⁵⁾	(392)	(2,342)	-	-	-	(2,734)	(8,729)
	\$ 171,746	\$ 1,859,036	\$ 99	\$ 7,312	\$ 558	\$ 2,038,751	\$ 1,875,327
Accumulated Amortization							
Beginning of year	-	833,727	99	3,551	311	837,688	807,739
Amortization expense	-	39,349	-	41	33	39,423	35,245
Effect of disposals including write-downs	-	(1,178)	-	-	-	(1,178)	(5,296)
	-	871,898	99	3,592	344	875,933	837,688
Net book value at March 31, 2020							
	\$ 171,746	\$ 987,138	\$ -	\$ 3,720	\$ 214	\$ 1,162,818	
Net book value at March 31, 2019							
	\$ 169,521	\$ 865,179	\$ 1	\$ 2,692	\$ 246		\$ 1,037,639

(1) Seniors and special needs buildings are amortized over 50 years, community housing buildings over 40 to 50 years, and all other buildings over 10 to 25 years.

(2) Other tangible capital assets include leasehold improvements (amortized over the life of the lease), manufactured housing units and trailers.

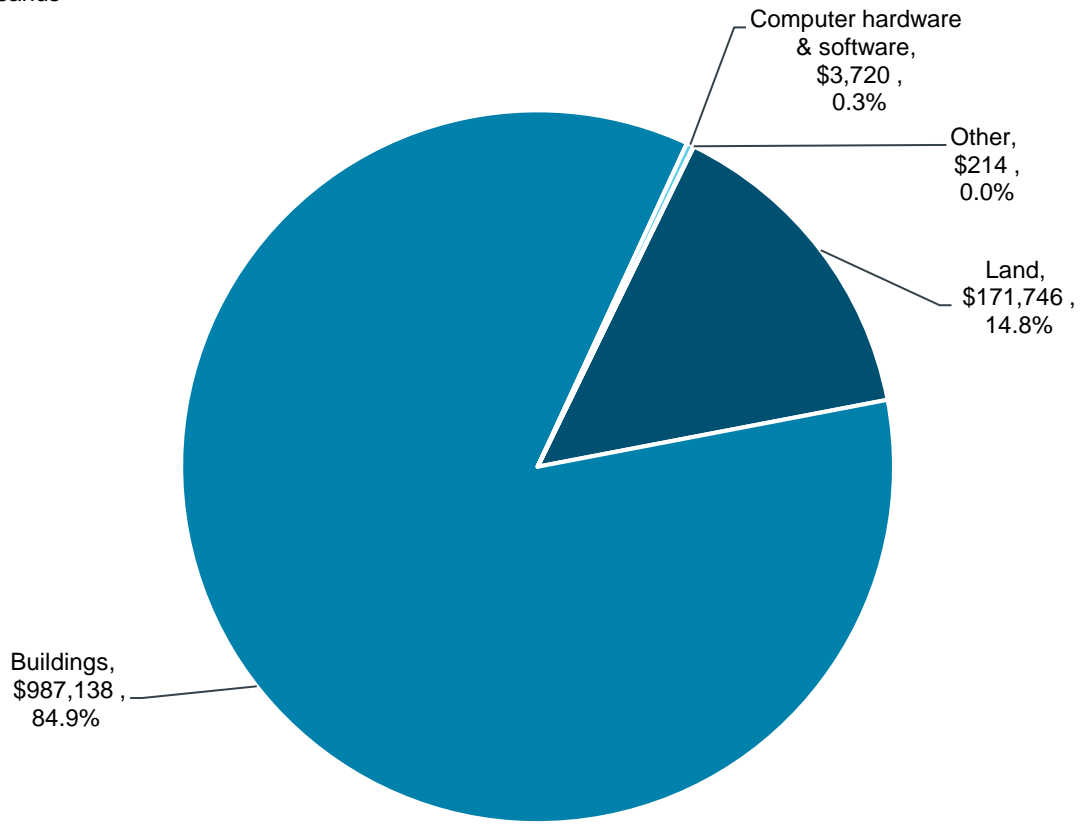
(3) Historical cost includes work-in-progress at March 31, 2020 totaling \$286,128 comprised of buildings \$282,606 (2019 - \$236,556) and computer hardware and software \$3,522 (2019 - \$2,454).

(4) Additions include non-cash acquisitions for donated tangible capital assets totaling \$0 (2019 - \$25). Additions include costs incurred this year totaling \$37,775 (2019 - \$56,618) for the Corporation's proportionate share of co-owned tangible capital assets with various third parties.

(5) Disposals include non-cash disposals totaling \$1,506 comprised of transfers of tangible capital assets to other entities \$0 (2019 - \$0) and grant-in-kind \$1,506 (2019 - \$2,806).

Net Book Value as of March 31, 2020

In thousands



- Net book value of buildings providing housing as of March 31, 2020, was \$987.1 million, which accounts for 85 per cent of the total tangible capital assets balance. The total book value of the buildings increased by \$162.5 million from the prior year, which is attributed to the addition of various housing projects.
- Net book value of land providing housing as of March 31, 2020, was \$171.7 million which accounts for 15 per cent of the total tangible capital assets value. Land increased by \$2.6 million from the prior year, which is attributed to the purchase of several pieces of land for capital development housing projects.
- \$1.1 million was added to computer hardware and software for system development.
- Disposal of \$0.4 million in land and \$ 2.3 million in buildings were mainly related to the nominal sum disposal of housing units to a few Housing Management Bodies. These properties were given as grants-in-kind of total net book value of \$1.6 million.

Financial Statements of Other Reporting Entities

Table of Contents

Index of Audited Financial Statements

Alberta Social Housing Corporation 47

Alberta Social Housing Corporation**Financial Statements****Table of Contents**

Independent Auditor’s Report	48
Statement of Operations	51
Statement of Financial Position	52
Statement of Change in Net Financial Assets	53
Statement of Cash Flows.....	54
Notes to the Financial Statements	55
Schedule 1: Expenses - Detailed By Object.....	71
Schedule 2: Related Party Transactions.....	72

Independent Auditor's Report



To the Minister of Seniors and Housing

Report on the Financial Statements

Opinion

I have audited the financial statements of the Alberta Social Housing Corporation (the Corporation), which comprise the statement of financial position as at March 31, 2020, and the statements of operations, change in net financial assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2020, and the results of its operations, its changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for opinion

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

Other information

Management is responsible for the other information. The other information comprises the information included in the *Annual Report*, but does not include the financial statements and my auditor's report thereon. The *Annual Report* is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I will perform on this other information, I conclude that there is a material misstatement of this other information, I am required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

[Original signed by W. Doug Wylie FCPA, FCMA, ICD.D]
Auditor General

June 24, 2020
Edmonton, Alberta

Statement of Operations

ALBERTA SOCIAL HOUSING CORPORATION Year ended March 31, 2020

(in thousands)

	2020		2019
	Budget	Actual	Actual
Revenues			
Government transfers			
Government of Alberta grants	\$ 4,700	\$ -	\$ 313,182
Federal government grants	110,230	102,718	91,078
Donations and other contributions	-	2,484	2,509
Investment income	7,221	5,250	7,956
Other revenue	10,847	11,133	15,181
	<u>132,998</u>	<u>121,585</u>	<u>429,906</u>
Expenses (Note 2(b) and Schedule 1)			
Family Community Housing	77,028	70,515	106,152
Seniors Community Housing	81,818	75,438	86,953
Specialized Housing	22,039	20,416	22,834
Rental Assistance	67,549	68,607	68,034
Emergency Housing (Note 4)	500	295	392
Interest on Debt for Social Housing	4,761	2,499	5,026
	<u>253,695</u>	<u>237,770</u>	<u>289,391</u>
Annual (deficit) surplus	(120,697)	(116,185)	140,515
Accumulated surplus at beginning of year		1,300,965	1,160,450
Accumulated surplus at end of year		<u>\$ 1,184,780</u>	<u>\$ 1,300,965</u>

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

Statement of Financial Position

ALBERTA SOCIAL HOUSING CORPORATION

Year ended March 31, 2020

(in thousands)

	<u>2020</u>	<u>2019</u>
Financial assets		
Cash and cash equivalents (Note 5)	\$ 139,427	\$ 425,591
Accounts receivable (Note 6)	137,045	138,420
Loans and advances (Note 7)	21,236	21,777
	<u>297,708</u>	<u>585,788</u>
Liabilities		
Accounts payable and accrued liabilities (Note 10)	34,737	41,030
Debt (Note 11)	1,177	50,694
Unspent deferred contributions (Note 12)	111,394	146,298
	<u>147,308</u>	<u>238,022</u>
Net financial assets	<u>150,400</u>	<u>347,766</u>
Non-financial assets		
Tangible capital assets (Note 13)	<u>1,162,818</u>	<u>1,037,638</u>
Net assets before spent deferred capital contributions	<u>1,313,218</u>	<u>1,385,404</u>
Spent deferred capital contributions (Note 12)	128,438	84,439
Net assets	<u>\$ 1,184,780</u>	<u>\$ 1,300,965</u>

Contingent assets (Note 8)

Contractual rights (Note 9)

Contingent liabilities (Note 14)

Contractual obligations (Note 15)

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

Statement of Change in Net Financial Assets

ALBERTA SOCIAL HOUSING CORPORATION Year ended March 31, 2020

(in thousands)

	2020		2019
	Budget	Actual	Actual
Annual (deficit) surplus	\$ (120,697)	\$ (116,185)	\$ 140,515
Acquisition of tangible capital assets (Note 13)	(126,111)	(166,158)	(114,396)
Amortization of tangible capital assets (Note 13)	41,404	39,422	35,245
Net gain on disposal of tangible capital assets	-	(462)	(1,553)
Proceeds on sale/disposal of tangible capital assets		512	2,230
Writedowns of tangible capital assets		-	-
Transfer in of tangible capital assets		-	(25)
Transfer out of tangible capital assets		1,506	2,756
Net increase in spent deferred capital contributions (Note 12)		43,999	17,787
(Decrease)/Increase in net financial assets		(197,366)	82,559
Net financial assets at beginning of year		347,766	265,207
Net financial assets at end of year	\$	150,400	\$ 347,766

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

Statement of Cash Flows

ALBERTA SOCIAL HOUSING CORPORATION

Year ended March 31, 2020

(in thousands)

	2020	2019
Operating transactions		
Annual (deficit) surplus	\$ (116,185)	\$ 140,515
Non-cash items included in annual (deficit) surplus:		
Amortization of tangible capital assets (Note 13)	39,422	35,245
Net gain on disposal of tangible capital assets	(462)	(1,553)
Writedowns of tangible capital assets	-	-
Transfer of tangible capital assets from other entities	-	(25)
Transfer of tangible capital assets to other entities	1,506	2,756
Deferred contributions recognized as revenue (Note 12)	(20,740)	(8,192)
	(96,459)	168,746
Contributions restricted for operating (Note 12)	5,948	-
Decrease/(Increase) in accounts receivable	1,375	(48,974)
Decrease in loans and advances	541	207
Decrease in accounts payable and accrued liabilities	(6,293)	(17,612)
Cash (applied to) provided by operating transactions	(94,888)	102,367
Capital transactions		
Acquisition of tangible capital assets (Note 13)	(166,158)	(114,396)
Proceeds on sale/disposal of tangible capital assets	512	2,230
Cash applied to capital transactions	(165,646)	(112,166)
Financing transactions		
Contributions restricted for capital (Note 12)	23,887	20,190
Debt retirement	(49,517)	(4,221)
Cash (applied to) provided by financing transactions	(25,630)	15,969
(Decrease)/Increase in cash and cash equivalents	(286,164)	6,170
Cash and cash equivalents at beginning of year	425,591	419,421
Cash and cash equivalents at end of year	\$ 139,427	\$ 425,591

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

Notes to the Financial Statements

ALBERTA SOCIAL HOUSING CORPORATION Year ended March 31, 2020

Note 1 AUTHORITY AND PURPOSE

The Alberta Social Housing Corporation (the Corporation) is an agent of the Crown in right of Alberta established in 1995 by the Alberta Housing Act and operates under the authority of the Alberta Housing Act, Chapter A-25, Revised Statutes of Alberta 2000. The Act is administered by the Department of Seniors and Housing.

The mandate of the Corporation is to provide services that facilitate the provision of affordable housing options through community based housing organizations to low-income seniors, families, individuals and those with special needs. The Corporation owns and administers the Crown's portfolio of housing assets and manages provincial debts and intergovernmental agreements associated with those assets. This includes administering the sale of provincially owned properties that are no longer efficient or effective for social housing programs. The Corporation also oversees the provincial commitments and entitlements remaining from discontinued business activities such as mortgages and loan guarantees.

The Corporation is a crown agent of the Government of Alberta and as such has a tax exempt status.

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Reporting Entity

The financial statements reflect the assets, liabilities, revenues, and expenses of the Corporation.

The reporting entity is the Corporation, which is part of the Ministry of Seniors and Housing and for which the Minister of Seniors and Housing is accountable. The other entity reporting to the Minister is the Department of Seniors and Housing. The activities of the department are not included in these financial statements. The ministry annual report provides a more comprehensive accounting of the financial position and results of the ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting.

Government transfers

Transfers from all governments are referred to as government transfers.

ALBERTA SOCIAL HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
Year ended March 31, 2020

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Revenues (Cont'd)

Government Transfers (Cont'd)

Government transfers are recognized as deferred contributions if the eligibility criteria for use of the transfer, or the stipulations together with the Corporation's actions and communications as to the use of transfer, create a liability. These transfers are recognized as revenue as the stipulations are met and, when applicable, the Corporation complies with its communicated use of these transfers.

All other government transfers, without stipulations for the use of the transfer, are recognized as revenue when the transfer is authorized and the Corporation meets the eligibility criteria (if any).

Donations and non-Government contributions

Donations and non-government contributions are received from individuals, corporations, and private sector not-for-profit organizations. Donations and non-government contributions may be unrestricted or externally restricted for operating or capital purposes.

Unrestricted donations and non-government contributions are recognized as revenue in the year received or in the year the funds are committed to the Corporation if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted donations and non-government contributions are recognized as deferred contributions if the terms for their use, or the terms along with the Corporation's actions and communications as to the use, create a liability. These resources are recognized as revenue as the terms are met and, when applicable, the Corporation complies with its communicated use.

In-kind donations of materials are recognized at fair value when such value can reasonably be determined.

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed. Interest expense includes debt servicing costs.

Transfers include entitlements, grants and transfers under shared cost agreements. Grants and transfers are recognized as expenses when the transfer is authorized, eligibility criteria have been met by the recipient, and a reasonable estimate of the amounts can be made.

ALBERTA SOCIAL HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
 Year ended March 31, 2020

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Valuation of Financial Assets and Liabilities

The organization's financial assets and liabilities are generally measured as follows:

<u>Financial Statement Component</u>	<u>Measurement</u>
Cash and cash equivalents	Cost
Accounts receivable	Lower of cost or net recoverable value
Loans and advances	Lower of cost or net recoverable value
Accounts payable and accrued liabilities	Cost
Debt	Amortized cost

Financial Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets are the Corporation's financial claims on external organizations and individuals, at the year end.

Cash and cash equivalents

Cash comprises of cash on hand. Cash equivalents are short-term, highly liquid, investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. Cash equivalents are held for the purpose of meeting short-term commitments rather than for investment purposes.

Accounts receivable

Accounts receivable are recognized at the lower of cost or net recoverable value. A valuation allowance is recognized when recovery is uncertain.

Loans and advances

Loans and advances are recognized at the lower of cost or net recoverable value. Cost includes amounts advanced, accrued interest and other charges, less repayments and subsidies. Loans and advances include mortgages and advances to housing providers to address short-term cash flow needs for specified projects and operating pressures.

ALBERTA SOCIAL HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
Year ended March 31, 2020

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Liabilities

Liabilities are present obligations of the Corporation to external organizations and individuals arising from past transactions or events occurring before the year end, the settlement of which is expected to result in the future sacrifice of economic benefits. They are recognized when there is an appropriate basis of measurement and management can reasonably estimate the amounts.

Non-Financial Assets

Non-financial assets are acquired, constructed, or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

- (a) are normally employed to deliver government services;
- (b) may be consumed in the normal course of operations; and
- (c) are not for sale in the normal course of operations.

Non-financial assets are limited to tangible capital assets.

Tangible capital assets

Tangible capital assets are recognized at cost less accumulated amortization, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets.

Work in progress, which includes facilities and improvements projects and development of information systems is not amortized until after a project is complete (or substantially complete) and the asset is put into service.

Leases of tangible capital assets which transfer substantially all the benefits and risks of ownership are accounted for as leased tangible capital assets. Note 15 provides a schedule of repayments on the leases.

The cost of the tangible capital assets, excluding land, is amortized on a straight-line basis over their estimated useful lives as follows:

Buildings	10-50 Years
Computer hardware and software	3-10 Years
Other	5-10 Years

ALBERTA SOCIAL HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
 Year ended March 31, 2020

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Non-Financial Assets (Cont'd)

Tangible capital assets (Cont'd)

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Corporation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the Statement of Operations.

The threshold for capitalizing new systems development is \$250,000 and the threshold for major systems enhancements is \$100,000. The threshold for all other tangible capital assets is \$5,000.

Contributed tangible capital assets from non-related entities are recognized at their fair value at the time of contribution.

When physical assets (tangible capital assets) are gifted or are sold for a nominal sum, the net book value of these physical assets, less any nominal proceeds, are recognized as grants in kind.

Measurement Uncertainty

(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount, whenever estimates are used. Estimates relating to the determination of the Housing Management Bodies accounts receivable recognized/disclosed as \$9,599 (2019 - \$14,169) in these financial statements, is subject to measurement uncertainty. This balance is based on budgeted figures which may not reflect actual audited amounts. It is possible that the actual Housing Management Bodies accounts receivable could vary by as much as two per cent at March 31, 2020, resulting in a difference in the Housing Management Bodies accounts receivable as high as \$200.

Financial Instruments

Financial instruments consist of cash and cash equivalents, accounts receivable, loans and advances, accounts payable and accrued liabilities, and debt. They are initially recognized at cost and subsequently carried at amortized cost. Write-downs on financial assets are recognized when the amount of a loss is known with sufficient precision and there is no reasonable expectation of recovery. The Corporation does not own any derivatives, portfolio investments or other financial instruments designated in the fair value category and as such has not included a Statement of Remeasurement Gains and Losses.

ALBERTA SOCIAL HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
Year ended March 31, 2020

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Risk Management

The Corporation has minimal exposure to credit risk, liquidity risk and interest rate risk due to the nature of its operations. The primary creditors of the Corporation are the Government of Alberta and the federal government. Both governments provide operational support to the Corporation, thus reducing exposure to credit risk. Liquidity risk is minimized given the cash and cash equivalents balance within the Corporation and the annual operational funding provided by the Department of Seniors and Housing for debt repayment. As interest rates on debt are fixed, the Corporation is not exposed to interest rate fluctuation risk because the future cash flows of the debt will not fluctuate with future market interest rate changes.

Note 3 FUTURE ACCOUNTING CHANGES

The Public Sector Accounting Board has approved the following accounting standards:

- **PS 3280 Asset Retirement Obligations (effective April 1, 2021)**

Effective April 1, 2021, this standard provides guidance on how to account for and report liabilities for retirement of tangible capital assets.

- **PS 3400 Revenue (effective April 1, 2022)**

This standard provides guidance on how to account for and report on revenue, and specifically, it addresses revenue arising from exchange transactions and unilateral transactions.

Management is currently assessing the impact of these standards on the financial statements.

Note 4 PROVINCIAL DISASTER RECOVERY

2013 Southern Alberta Flood

The 2013 Southern Alberta Flood was the largest and most complex natural disaster that Alberta had experienced that led to significant recovery and stabilization efforts by the Government of Alberta. The disaster caused major damage to housing and infrastructure in 30 communities, with over 14,000 homes impacted that housed over 30,000 Albertans. The flooding also caused major damage to homes in the Siksika and Stoney Nakoda First Nations communities affecting over 650 homes that housed over 4,100 people.

ALBERTA SOCIAL HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
Year ended March 31, 2020

Note 4 PROVINCIAL DISASTER RECOVERY (Cont'd)

During 2013-14, the Corporation was assigned responsibility to provide emergency and interim housing for displaced Albertans as well as direct support to Housing Management Bodies that were impacted by the flood. In addition, the Corporation was asked by the Ministry of Indigenous Relations to assist with the provision of emergency and interim housing, as well as inspections, repairs and rebuilds of homes on both First Nations communities. The approved budget to repair and rebuild flood affected homes to provincial health and housing standards on both First Nations totaled \$345 million.

Costs incurred
(in thousands)

The costs incurred by the Corporation in response to the flood have been fully offset by the Government of Alberta through the ministries of Municipal Affairs and Indigenous Relations and the Department of Seniors and Housing which will reflect the costs. Neither the costs incurred by the Corporation during the year or the reimbursement are reflected in these financial statements. The amount incurred related to the flood total \$3,925 (2019 - \$7,576). Funds due to or payable from the Corporation reflecting flood related amounts are included in these statements.

Note 5 CASH AND CASH EQUIVALENTS
(in thousands)

Cash and cash equivalents consist of:

	<u>2020</u>	<u>2019</u>
Cash	\$ 138,823	\$ 424,891
Cash equivalents	604	700
	<u>\$ 139,427</u>	<u>\$ 425,591</u>

Cash includes deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high quality short term securities with a maximum term to maturity of three years. As at March 31, 2020, securities held by the fund have a time-weighted return of 1.9% per annum (2019: 1.8% per annum). Due to the short term nature of CCITF investments, the carrying value approximates fair value.

ALBERTA SOCIAL HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
Year ended March 31, 2020

Note 6 ACCOUNTS RECEIVABLE
(in thousands)

Accounts receivable are unsecured and non-interest bearing.

	2020		2019	
	Gross amount	Allowance for doubtful accounts	Net recoverable value	Net recoverable value
Alberta Indigenous Relations ^(a)	\$ 2,723	\$ -	\$ 2,723	\$ 2,394
Alberta Municipal Affairs	66	-	66	-
Alberta Risk Management Fund ^(a)	-	-	-	4,168
Canada Mortgage and Housing Corporation	27,856	-	27,856	22,731
Department of Seniors and Housing	91,474	-	91,474	91,474
Government of Canada	2,626	-	2,626	-
Housing Providers	9,599	-	9,599	14,169
Other	2,701	-	2,701	3,484
	<u>\$ 137,045</u>	<u>\$ -</u>	<u>\$ 137,045</u>	<u>\$ 138,420</u>

(a) Costs incurred by the Corporation in response to the 2013 Southern Alberta Flood, have been fully offset through the ministries of Municipal Affairs and Indigenous Relations, Department of Seniors and Housing, as well as the Alberta Risk Management Fund. All flood related funds due to the Corporation totaling \$2,723 (2019 - \$2,394) is from Alberta Indigenous Relations.

ALBERTA SOCIAL HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
Year ended March 31, 2020

Note 7 LOANS AND ADVANCES
(in thousands)

	2020		2019	
	Gross amount	Allowance for doubtful accounts	Net recoverable value	Net recoverable value
Housing Providers' Reserves ^(a)	\$ 5,135	\$ -	\$ 5,135	\$ 5,135
Rental Assistance ^(b)	13,765	-	13,765	14,207
Other Loans and Advances ^(c)	2,336	-	2,336	2,435
	<u>\$ 21,236</u>	<u>\$ -</u>	<u>\$ 21,236</u>	<u>\$ 21,777</u>

- (a) Housing Providers are provided an advance based on the number of housing units under management in order to address short term operating cash flow requirements during the year. These cash advances can be collected at any time at the discretion of the Minister. These funds are required to be replenished by the Housing Providers.
- (b) Housing Management Bodies are provided an advance for approximately two months of anticipated annual operational funding requirements to administer the Rental Assistance Program. These cash advances can be collected at any time at the discretion of the Minister. These cash advances are replenished as monthly claims are processed.
- (c) Other Loans and Advances includes work-out loans totaling \$589 (2019 - \$688) with repayment terms as follows:

	Principal	Interest	Total payments
2020-21	\$ 102	\$ 21	\$ 123
2021-22	106	17	123
2022-23	109	14	123
2023-24	113	10	123
2024-25	56	6	62
Thereafter	103	5	108
	<u>\$ 589</u>	<u>\$ 73</u>	<u>\$ 662</u>

Note 8 CONTINGENT ASSETS
(in thousands)

The Corporation submitted insurance claims where possible assets are being sought. The outcomes from these matters will likely result in recognition of assets. These amounts have not been recognized in the financial statements.

The Corporation is involved in ninety-five (2019: seventy-nine) outstanding insurance claims which will reasonably give rise to the recovery of assets. Of these insurance claims, ninety-five (2019: seventy-nine) have a specified amount of \$2,545 (2019: \$2,961). No (2019: zero) insurance claims have no amount specified.

ALBERTA SOCIAL HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
Year ended March 31, 2020

Note 9 CONTRACTUAL RIGHTS
(in thousands)

Contractual rights are rights of the Corporation to economic resources arising from contracts or agreements that will result in both assets and revenues in the future when the terms of those contracts or agreements are met.

	<u>2020</u>	<u>2019</u>
Contractual rights from operating leases, contracts, and programs ^(a)	\$ 861,767	\$ 969,039

(a) Contractual rights are comprised primarily of future federal funding from Canada Mortgage and Housing Corporation (CMHC) for housing programs and initiatives.

Estimated amounts that will be received or receivable for each of the next five years and thereafter are as follows:

	<u>Total</u>
2020-21	\$ 101,929
2021-22	99,479
2022-23	100,286
2023-24	98,225
2024-25	98,574
Thereafter	<u>363,274</u>
	<u>\$ 861,767</u>

Note 10 ACCOUNTS PAYABLE AND OTHER ACCRUED LIABILITIES
(in thousands)

	<u>2020</u>	<u>2019</u>
Accounts payable	\$ 1,099	\$ 7,514
Accrued liabilities - supplies and services	1,010	657
Accrued liabilities - grants	1,140	555
Accrued liabilities - capital	18,025	25,869
Hold back liabilities	12,815	5,757
Other accrued liabilities ^(a)	648	678
	<u>\$ 34,737</u>	<u>\$ 41,030</u>

(a) Other accrued liabilities is comprised primarily of \$565 (2019 - \$590) for amounts potentially owing to Alberta Risk Management Fund and Housing Management Bodies for open insurance claims.

ALBERTA SOCIAL HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
Year ended March 31, 2020

Note 11 DEBT
(in thousands)

Fiscal Year of Maturity Ending March 31	Effective interest rate ^(a)	2020 ^(b)	2019
Fixed rate debt			
2020	7.70%	\$ -	\$ 4,590
2021	7.70%	506	4,939
2022	7.70%	342	5,196
2023	7.70%	226	5,542
2024	7.70%	103	5,498
2025	7.70%	-	-
Principal due in:			
2021-2025 (< 5 years)	7.70%	1,177	25,765
2026-2030 (6 - 10 years)	-	-	24,509
2031-2040 (11 - 20 years)	-	-	420
Total debt issued	7.70%	\$ 1,177	\$ 50,694

(a) The effective interest rate is based on the weighted average of debt issues. The effective rate is the rate that exactly discounts estimated future cash payments through the expected term of the debt to the net carrying amount and includes the effects of interest rate.

(b) In October 2019, an early payout with no penalties was made for most of the debt due in future years.

ALBERTA SOCIAL HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
Year ended March 31, 2020

Note 12 DEFERRED CONTRIBUTIONS
(in thousands)

	<u>2020</u>	<u>2019</u>
Deferred operating contributions (i)	\$ 68,212	\$ 74,035
Unspent deferred capital contributions and transfers (ii)	43,182	72,263
	<u>\$ 111,394</u>	<u>\$ 146,298</u>
Spent deferred capital contributions and transfers (iii)	128,438	84,439
	<u>\$ 239,832</u>	<u>\$ 230,737</u>

(i) Deferred operating contributions

	<u>2020</u>		<u>2019</u>	
	<u>Government of Alberta</u>	<u>Government of Canada</u>	<u>Total</u>	<u>Total</u>
Balance at beginning of year	\$ -	\$ 74,035	\$ 74,035	\$ 79,911
Cash contributions received/receivable during year	-	5,948	5,948	-
Less: amounts recognized as revenue	-	(11,771)	(11,771)	(5,876)
Balance at end of year	<u>\$ -</u>	<u>\$ 68,212</u>	<u>\$ 68,212</u>	<u>\$ 74,035</u>

(ii) Unspent deferred capital contributions and transfers

	<u>2020</u>		<u>2019</u>	
	<u>Government of Alberta</u>	<u>Government of Canada</u>	<u>Total</u>	<u>Total</u>
Balance at beginning of year	\$ -	\$ 72,263	\$ 72,263	\$ 72,176
Cash contributions received/receivable during year	4,414	19,473	23,887	20,190
Transferred to spent deferred capital contributions and transfers	(970)	(51,998)	(52,968)	(20,103)
Balance at end of year	<u>\$ 3,444</u>	<u>\$ 39,738</u>	<u>\$ 43,182</u>	<u>\$ 72,263</u>

(iii) Spent deferred capital contributions and transfers

	<u>2020</u>		<u>2019</u>	
	<u>Government of Alberta</u>	<u>Government of Canada</u>	<u>Total</u>	<u>Total</u>
Balance at beginning of year	\$ -	\$ 84,439	\$ 84,439	\$ 66,652
Transferred from unspent deferred capital contributions and transfers	970	51,998	52,968	20,103
Less: amounts recognized as revenue	-	(8,969)	(8,969)	(2,316)
Balance at end of year	<u>\$ 970</u>	<u>\$ 127,468</u>	<u>\$ 128,438</u>	<u>\$ 84,439</u>

ALBERTA SOCIAL HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
Year ended March 31, 2020

Note 13 TANGIBLE CAPITAL ASSETS
(in thousands)

	Land	Buildings^(a)	Computer Hardware & Software	Others^(b)	2020 Total	2019 Total
Estimated Useful Life	Indefinite	10-50 yrs	3-10 yrs	5-10 yrs		
Historical Cost^(c)						
Beginning of year	\$ 169,521	\$ 1,698,906	\$ 6,169	\$ 487	\$ 1,875,083	\$ 1,769,391
Additions ^(d)	2,617	162,472	1,069	-	166,158	114,421
Disposals, including write-downs ^(e)	(392)	(2,342)	-	-	(2,734)	(8,729)
	<u>171,746</u>	<u>1,859,036</u>	<u>7,238</u>	<u>487</u>	<u>2,038,507</u>	<u>1,875,083</u>
Accumulated Amortization						
Beginning of year	-	833,727	3,477	241	837,445	807,496
Amortization expense	-	39,348	41	33	39,422	35,245
Effect of disposals including write-downs	-	(1,178)	-	-	(1,178)	(5,296)
	<u>-</u>	<u>871,897</u>	<u>3,518</u>	<u>274</u>	<u>875,689</u>	<u>837,445</u>
Net Book Value at March 31, 2020	<u>\$ 171,746</u>	<u>\$ 987,139</u>	<u>\$ 3,720</u>	<u>\$ 213</u>	<u>\$ 1,162,818</u>	
Net Book Value at March 31, 2019	<u>\$ 169,521</u>	<u>\$ 865,179</u>	<u>\$ 2,692</u>	<u>\$ 246</u>		<u>\$ 1,037,638</u>

- (a) Seniors and special needs buildings are amortized over 50 years, community housing buildings over 40 to 50 years and all other buildings over 10 to 25 years.
- (b) Other tangible capital assets include leasehold improvements (amortized over the life of the lease), manufactured housing units and trailers.
- (c) Historical cost includes work-in-progress at March 31, 2020 totaling \$286,128 comprised of buildings \$282,606 (2019 - \$236,556) and computer hardware and software \$3,522 (2019 - \$2,454).
- (d) Additions include non-cash acquisitions for donated tangible capital assets totaling \$0 (2019 - \$25).

Additions include costs incurred this year totaling \$33,775 (2019 - \$56,618) for the Corporation's proportionate share of co-owned tangible capital assets with various third parties.
- (e) Disposals include non-cash disposals totaling \$1,506 comprised of transfers of tangible capital assets to other entities \$0 (2019 - \$0) and grant-in-kind \$1,506 (2019 - \$2,806).

ALBERTA SOCIAL HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
Year ended March 31, 2020

Note 14 CONTINGENT LIABILITIES
(in thousands)

The Corporation is involved in legal matters where damages are being sought. These matters may give rise to contingent liabilities.

The Corporation is named in fourteen (2019: fourteen) claims, the outcome of which is not determinable. Of these claims, thirteen (2019: thirteen) have a total amount claimed of \$18,640 (2019: \$18,690). The remaining one (2019: one) claim has no amount specified. Included in the total indeterminable claims are fourteen (2019: fourteen) claims in which the Corporation has been jointly named with other organizations. The resolution of indeterminable claims may result in a liability, if any, that may be significantly lower than the claimed amount.

Note 15 CONTRACTUAL OBLIGATIONS
(in thousands)

Contractual obligations are obligations of the Corporation to others that will become liabilities in the future when the terms of those contracts or agreements are met. Grants for housing providers approved for future years have been included as a program obligation.

	2020	2019
Obligations under operating leases, contracts and programs ^(a)	\$ 160,845	\$ 212,957
Obligations under capital contracts and grants	177,785	287,865
	<u>\$ 338,630</u>	<u>\$ 500,822</u>

(a) Obligations for Southern Alberta Flood contracts are excluded as they have been set up as accrued liabilities in the ministries of Municipal Affairs and Indigenous Relations.

Estimated payment requirements for each of the next five years and thereafter are as follows:

	Operating leases^(b)	Operating contracts and programs^(c)	Capital contracts^(d)	Capital grants^(e)	Total
2020-21	\$ 1,347	\$ 27,675	\$ 133,194	\$ 9,414	\$ 171,630
2021-22	1,347	25,637	22,539	2,915	52,438
2022-23	1,347	21,866	899	1,489	25,601
2023-24	1,347	17,392	43	134	18,916
2024-25	1,347	11,824	-	7,158	20,329
Thereafter	19,868	29,848	-	-	49,716
	<u>\$ 26,603</u>	<u>\$ 134,242</u>	<u>\$ 156,675</u>	<u>\$ 21,110</u>	<u>\$ 338,630</u>

(b) The Corporation leases land under various leases for the purpose of providing social housing.

(c) Primarily grants committed for future years under agreement with Housing Providers that would fund operating supports and amortization costs.

ALBERTA SOCIAL HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
Year ended March 31, 2020

Note 15 CONTRACTUAL OBLIGATIONS (Cont'd)

(in thousands)

- (d) Capital contracts are made up of the Corporation's development projects and capital asset maintenance.
- (e) Amounts primarily committed to housing providers for capital grants.

NOTE 16 SUBSEQUENT EVENTS

On March 11, 2020, the novel coronavirus (COVID-19) outbreak was declared a global pandemic by the World Health Organization. Shortly after, on March 17, 2020, Alberta declared a state of public health emergency. The government has implemented measures to support impacted businesses and individuals affected which will impact the future operations of the Corporation.

As a result of the public health emergency and implementation of public health orders pertaining to staffing, supplies and cleaning, up to \$2.9 million in monthly funding will be made available to seniors' lodge operators until pandemic orders end to address these additional costs. Also, the Corporation will have additional funding impacts including increased spending to address lost rental revenue by housing providers supported by the Corporation. Management is currently assessing the impact of the pandemic on additional funding to housing providers.

During late April and early May 2020, flooding, due to ice jams on the Athabasca and Clearwater Rivers in Fort McMurray and the Peace River in Mackenzie County, led to evacuation orders for some residents of Fort McMurray, Fort Vermilion, Little Red River Cree Nation at Garden River and Tallcree First Nation at Beaver Ranch. All flood-related evacuation orders were lifted by May 4, 2020.

The government is in the process of providing financial assistance for uninsurable loss and damage through its Disaster Recovery Programs (DRP). DRP is administered and funded by Alberta Emergency Management Agency through the authority of the Disaster Recovery Regulation. The Province, subject to certain criteria, may recover part of the above costs from the federal government through the Disaster Financial Assistance Arrangement, pending approval through its Order in Council.

The Corporation has properties in Fort McMurray and Fort Vermilion that may have incurred flood and other damages which are covered and insured under Risk Management and Insurance. Management is currently assessing the impact of the floods and interim housing options for displaced tenants.

The financial impact of both events on the Corporation may be significant but is uncertain at this stage.

Note 17 COMPARATIVE FIGURES

Certain 2019 figures have been reclassified, where necessary, to conform to the 2020 presentation.

**ALBERTA SOCIAL HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
Year ended March 31, 2020**

Note 18 APPROVAL OF FINANCIAL STATEMENTS

The Board approved the financial statements of the Corporation.

Schedule 1: Expenses - Detailed By Object

Alberta Social Housing Corporation Year ended March 31, 2020

(in thousands)

	2020		2019
	Budget	Actual	Actual
Supplies and services	\$ 7,535	\$ 7,781	\$ 7,651
Operating grants	175,048	173,282	183,868
Capital grants	24,947	14,658	57,414
Debt servicing costs	4,761	2,621	5,184
Amortization of tangible capital assets (Note 13)	41,404	39,422	35,245
Other	-	6	29
	<u>\$ 253,695</u>	<u>\$ 237,770</u>	<u>\$ 289,391</u>

Schedule 2: Related Party Transactions

Alberta Social Housing Corporation

Year ended March 31, 2020

(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's Consolidated Financial Statements. Related parties also include key management personnel and close family members of those individuals in the Department of Seniors and Housing.

The Corporation had the following transactions with related parties reported in the Statements of Operations and the Statements of Financial Position at the amount of consideration agreed upon between the related parties:

	<u>2020</u>	<u>2019</u>
Revenues		
Grants		
Transfers from the Department of Seniors and Housing	\$ -	\$ 305,116
Transfers from Alberta Health	-	8,066
	<u>\$ -</u>	<u>\$ 313,182</u>
Expenses		
Insurance premiums	5,189	5,290
Other services	221	56
Transfer of tangible capital assets	-	-
	<u>\$ 5,410</u>	<u>\$ 5,346</u>
Receivable from		
Alberta Indigenous Relations	2,723	2,394
Alberta Municipal Affairs	66	-
Alberta Risk Management Fund	-	4,168
Department of Seniors and Housing	91,474	91,474
	<u>\$ 94,263</u>	<u>\$ 98,036</u>
Payable to		
Alberta Health Services	-	1,490
Alberta Justice	-	41
Alberta Risk Management Fund	565	590
Alberta Treasury Board and Finance	92	436
Service Alberta	-	56
	<u>\$ 657</u>	<u>\$ 2,613</u>
Deferred contributions to related parties	<u>\$ 4,414</u>	<u>\$ -</u>

Other Financial Information

Table of Contents

Lapse/Encumbrance (unaudited)	74
-------------------------------------	----

Lapse/Encumbrance (unaudited)

	Voted Estimate (1)	Supplementary Estimate	Adjustments (2)	Adjusted Voted Estimate	Voted Actuals (3)	Unexpended (Over Expended)
EXPENSE VOTE BY PROGRAM						
Program - Operating Expense						
1 Ministry Support Services						
1.1 Minister's Office	\$ 663	\$ -	\$ -	\$ 663	\$ 857	\$ (194)
1.2 Deputy Minister's Office	725	-	-	725	609	116
1.3 Strategic Corporate Services	3,760	-	-	3,760	4,002	(242)
	5,148	-	-	5,148	5,468	(320)
2 Seniors Services						
2.1 Program Planning and Delivery	6,461	-	-	6,461	5,360	1,101
2.2 Special Needs Assistance Grants	26,335	-	(800)	25,535	24,522	1,013
2.3 Seniors Home Adaptation and Repair	1,000	-	-	1,000	838	162
2.4 Seniors Community Grants	900	-	(500)	400	640	(240)
2.5 Seniors Advocate	781	-	-	781	638	143
	35,477	-	(1,300)	34,177	31,998	2,179
3 Alberta Seniors Benefit						
3.1 Program Delivery	5,224	-	-	5,224	6,266	(1,042)
3.2 Alberta Seniors Benefit Grants	309,866	-	-	309,866	312,672	(2,806)
3.3 Supplementary Accommodations Benefit	88,232	-	-	88,232	85,967	2,265
	403,322	-	-	403,322	404,905	(1,583)
4 Housing						
4.1 Program Planning and Delivery	11,479	-	-	11,479	12,404	(925)
Total	\$ 455,426	\$ -	\$ (1,300)	\$ 454,126	\$ 454,775	\$ (649)
Lapse/(Encumbrance)⁽⁴⁾						\$ (649)

		Voted Estimate (1)	Supplementary Estimate	Adjustments (2)	Adjusted Voted Estimate	Voted Actuals (3)	Unexpended (Over Expended)
CAPITAL INVESTMENT VOTE BY PROGRAM							
1	Ministry Support Services						
1.3	Strategic Corporate Services	\$ 25	\$ -	\$ -	\$ 25	\$ -	\$ 25
	Total	\$ 25	\$ -	\$ -	\$ 25	\$ -	\$ 25
	Lapse/(Encumbrance)						\$ 25
2 Seniors Services							
2.3	Seniors Home Adaptation and Repair	\$ 11,500	\$ -	\$ -	\$ 11,500	\$ 5,669	\$ 5,831
2.6	Property Tax Deferral	8,200	-	-	8,200	7,899	301
	Total	\$ 19,700	\$ -	\$ -	\$ 19,700	\$ 13,568	\$ 6,132
	Lapse/(Encumbrance)						\$ 6,132

(1) As per "Expense Vote by Program", "Capital Investment Vote by Program" and "Financial Transaction Vote by Program" page 179 of 2019-20 Government Estimates.

(2) Identified in-year savings.

(3) Actuals exclude non-voted amounts such as amortization and valuation adjustments.

(4) Department was encumbered in 2019-20 primarily due to pressures in the Alberta Seniors Benefit Grants program due to increasing caseloads and claims.

Annual Report Extracts and Other Statutory Reports

Public Interest Disclosure (Whistleblower Protection Act)

Section 32 of the *Public Interest Disclosure (Whistleblower Protection) Act* reads:

- 32(1) Every chief officer must prepare a report annually on all disclosures that have been made to the designated officer of the department, public entity or office of the Legislature for which the chief officer is responsible.
- (2) The report under subsection (1) must include the following information:
- (a) the number of disclosures received by the designated officer, the number of disclosures acted on and the number of disclosures not acted on by the designated officer;
 - (b) the number of investigations commenced by the designated officer as a result of disclosures;
 - (c) in the case of an investigation that results in a finding of wrongdoing, a description of the wrongdoing and any recommendations made or corrective measures taken in relation to the wrongdoing or the reasons why no corrective measure was taken.
- (3) The report under subsection (1) must be included in the annual report of the department, public entity or office of the Legislature if the annual report is made publicly available.

No disclosures of wrongdoing were filed with the public interest disclosure office for Seniors and Housing between April 1, 2019 and March 31, 2020.