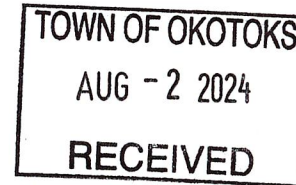




# Westwinds Communities

July 30, 2024

Mayor Thorne  
Town of Okotoks  
PO Box 20, Station Main, 5 Elizabeth St.  
Okotoks, AB T1S 1K1



**RE: Westwinds Communities 2023 Audited Financial Statements  
Westwinds Communities 2023 Annual Report  
Westwinds Communities 2024 – 2026 Business Plan and 2024 Budget  
Westwinds Communities 2024 Property Tax Assessment**

Dear Mayor and Members of Council;

Please find enclosed both the Lodge and Consolidated audited Financial Statements for the fiscal period ended December 31, 2023, from Westwinds Communities (Westwinds).

The 2023 Retirement Living (Lodge) financial statements reflect a surplus from Operations of \$1,010,441 and after adjustment for other items (mainly amortization) resulted in a cash surplus of revenues over expenses of \$410,978. The revenue was higher than the budget mainly due to provincial COVID funding grants offsetting higher human resources and operating expenses. The surplus is designated to reserves with a long term plan to replace High Country Lodge, which is 47 years old.

Management and Administration expenditures were favorable due to more administrative fees received for growth in the rental assistance benefits program, vendor rebates and IT projects funded by the province. Investment income is strong due to cash balance and high interest rates. Utilities were lower as gas rates were lower than expected with warmer weather. 2023 capital expenditures include a tractor, Medicine Tree Manor hot water tank, High Country chef center, High Country Lodge roof cap, a software deposit and items associated with casino funds.

Westwinds Communities fortunately navigated COVID outbreaks safely in 2023.

Separate from the retirement living program, Westwinds finished construction on Drake Towns, ten units of Near Market housing in Okotoks which opened in June 2023. In addition, Westwinds continues to work with the Town of Okotoks on two future affordable housing projects. Westwinds is pleased to share its 2023 Annual Report with the Council highlighting our achievements of the previous year.

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Please also find enclosed Westwinds Communities 2024-2026 Business Plan adopted June 26, 2024, which focuses on:

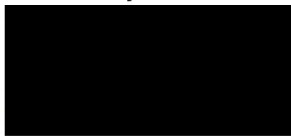
- Developing up to 98 units of affordable and mixed market housing in Okotoks;
- Securing land to replace High Country Lodge (circa 1977) and provide an opportunity for a small care home (assisted living) to be co-located;
- Maintain flexibility to capitalize on government programs that increase housing supply and or subsidizes for our communities; and
- Engage and work with our local municipalities to increase the affordable housing supply.

A summary of Westwinds 2024 budget is also included in the business plan documents. Westwinds has also enclosed a municipal tax pamphlet on the 2024 requisition for members of Council and the general public.

Westwinds Communities recognizes the importance of affordable housing in our local communities and has included in this package information on the CMHC Housing Accelerator Fund, which is meant to remove barriers and support the development of affordable housing in our communities. Last year many local Alberta communities were successful in their funding submissions, and we encourage our communities to explore this funding option to improve existing infrastructure, processes and community growth.

If your Council would like supplementary information on the business plan and or a brief presentation to Council, please feel free to contact me at 403-652-8600 ext. 3 or via e-mail at [lauren.ingalls@westwindscommunities.ca](mailto:lauren.ingalls@westwindscommunities.ca). Thank you for your continuing support of the Westwinds' Seniors Retirement Living Program and Services.

Sincerely,



Don Herring  
Chairperson

C/encl.

**WESTWINDS COMMUNITIES - RETIREMENT LIVING**

**FINANCIAL STATEMENTS**

**For the year ended December 31, 2023**

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**WESTWINDS COMMUNITIES - RETIREMENT LIVING**  
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December 31, 2023

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Westwinds Communities - Retirement Living

### *Opinion*

We have audited the financial statements of Westwinds Communities - Retirement Living, which comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### *Basis for Opinion*

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

*Responsibilities of Management and Those Charged with Governance for the Financial Statements*  
Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

### *Auditor's Responsibilities for the Audit of the Financial Statements*

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

**INDEPENDENT AUDITOR'S REPORT, continued**

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

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

Lethbridge, Alberta  
March 26, 2024

*Avail LLP*

Chartered Professional Accountants

**WESTWINDS COMMUNITIES - RETIREMENT LIVING**  
**STATEMENT OF FINANCIAL POSITION**  
**As at December 31, 2023**

	2023	2022
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 1,675,250	\$ 1,009,901
Accounts receivable (note 4)	2,051,656	2,023,463
Due from related parties (note 13)	4,131	11,882
Prepaid expenses	28,097	36,291
	3,759,134	3,081,537
<b>Capital assets (note 5)</b>	22,828,857	23,759,951
	\$ 26,587,991	\$ 26,841,488
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (note 7)	\$ 490,752	\$ 512,909
Unearned revenue	-	32,722
Current portion of long-term debt (note 9)	261,082	251,384
	751,834	797,015
<b>Long-term debt (note 9)</b>	1,317,924	1,550,743
<b>Unamortized capital contributions (note 10)</b>	9,702,228	10,088,703
	11,771,986	12,436,461
<b>Net assets</b>		
Unrestricted	2,275,732	1,535,906
Invested in capital assets	11,547,623	11,869,121
Reserves (note 11)	992,650	1,000,000
	14,816,005	14,405,027
	\$ 26,587,991	\$ 26,841,488

Approved on behalf of the board:

Director



Director



**WESTWINDS COMMUNITIES - RETIREMENT LIVING**  
**STATEMENT OF OPERATIONS**  
For the year ended December 31, 2023

	Budget 2023 (unaudited)	2023 Actual	2022 Actual
<b>Revenue</b>			
Rental	\$ 3,839,930	\$ 4,039,540	\$ 3,768,400
Municipal requisitions (note 12)	2,076,389	2,076,389	1,996,528
Provincial grants	672,845	920,344	1,164,324
Management administration	757,023	889,851	731,328
Resident services	111,408	159,656	112,075
Investment income	11,625	125,658	39,215
Non-resident services	35,750	52,731	43,069
Municipal and other grants	-	-	28,178
	<u>7,504,970</u>	<u>8,264,169</u>	<u>7,883,117</u>
<b>Expenses</b>			
Human resources	5,187,290	5,240,305	5,235,302
Operating	1,064,867	1,096,166	1,104,581
Utilities	525,896	501,961	517,911
Operating maintenance	228,134	213,839	219,298
Administration	195,115	168,331	193,885
Interest on long-term debt	36,618	36,896	41,964
	<u>7,237,920</u>	<u>7,257,498</u>	<u>7,312,941</u>
<b>Excess of revenue over expenses from operations</b>	<u>267,050</u>	<u>1,006,671</u>	<u>570,176</u>
<b>Other revenue (expenses)</b>			
Amortization of capital contributions (note 10)	414,975	424,921	422,129
Charitable revenue	11,230	9,730	20,974
Gain on disposal of capital assets	-	2,400	-
Charitable expenses	(10,680)	(1,693)	(4,302)
Amortization	(1,061,987)	(1,031,051)	(1,044,763)
	<u>(646,462)</u>	<u>(595,693)</u>	<u>(605,962)</u>
<b>Excess (deficiency) of revenue over expenses</b>	<u>\$ (379,412)</u>	<u>\$ 410,978</u>	<u>\$ (35,786)</u>



**WESTWINDS COMMUNITIES - RETIREMENT LIVING**  
**STATEMENT OF CHANGES IN NET ASSETS**  
For the year ended December 31, 2023

	Unrestricted	Invested in capital assets	Reserves	Total 2023
<b>Balance, beginning of year</b>	\$ 1,535,906	\$ 11,869,121	\$ 1,000,000	\$ 14,405,027
Excess of revenue over expenses	410,978	-	-	410,978
Capital asset purchases	(102,806)	102,806	-	-
Capital asset disposals	2,849	(2,849)	-	-
Amortization	1,031,051	(1,031,051)	-	-
Capital contributions	41,486	(41,486)	-	-
Capital contributions disposal	(3,040)	3,040	-	-
Amortization of capital contributions	(424,921)	424,921	-	-
Proceeds of long-term debt	29,307	(29,307)	-	-
Repayment of long-term debt	(252,428)	252,428	-	-
Transfer from reserves	7,350	-	(7,350)	-
<b>Balance, end of year</b>	<b>\$ 2,275,732</b>	<b>\$ 11,547,623</b>	<b>\$ 992,650</b>	<b>\$ 14,816,005</b>

	Unrestricted	Invested in capital assets	Reserves	Total 2022
<b>Balance, beginning of year</b>	\$ 1,476,123	\$ 11,964,690	\$ 1,000,000	\$ 14,440,813
Deficiency of revenue over expenses	(35,786)	-	-	(35,786)
Capital asset purchases	(280,952)	280,952	-	-
Amortization	1,044,763	(1,044,763)	-	-
Amortization of capital contributions	(422,129)	422,129	-	-
Repayment of long-term debt	(246,113)	246,113	-	-
<b>Balance, end of year</b>	<b>\$ 1,535,906</b>	<b>\$ 11,869,121</b>	<b>\$ 1,000,000</b>	<b>\$ 14,405,027</b>

**WESTWINDS COMMUNITIES - RETIREMENT LIVING**  
**STATEMENT OF CASH FLOWS**  
For the year ended December 31, 2023

	2023	2022
<b>Cash flows from operating activities</b>		
Excess (deficiency) of revenue over expenses	\$ 410,978	\$ (35,786)
Adjustments for items which do not affect cash		
Amortization	1,031,051	1,044,763
Amortization of capital contributions	(424,921)	(422,129)
Gain on disposal of capital assets	(2,400)	-
	1,014,708	586,848
Change in non-cash working capital items		
Accounts receivable	(28,193)	164,948
Prepaid expenses	8,194	8,833
Due from related parties	7,750	352,553
Accounts payable and accrued liabilities	(22,156)	24,536
Unearned revenue	(32,722)	11,722
	947,581	1,149,440
<b>Cash flows from investing activities</b>		
Proceeds on disposal of capital assets	2,209	-
Purchase of capital assets	(102,806)	(280,952)
	(100,597)	(280,952)
<b>Cash flows from financing activities</b>		
Capital contributions	41,486	-
Proceeds of long-term debt	29,307	-
Repayment of long-term debt	(252,428)	(246,113)
	(181,635)	(246,113)
<b>Increase (decrease) in cash</b>	<b>665,349</b>	<b>622,375</b>
<b>Cash, beginning of year</b>	<b>1,009,901</b>	<b>387,526</b>
<b>Cash, end of year</b>	<b>\$ 1,675,250</b>	<b>\$ 1,009,901</b>

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**WESTWINDS COMMUNITIES - RETIREMENT LIVING**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

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**1. Nature of operations**

Westwinds Communities - Retirement Living (the "Organization") is a not-for-profit organization that operates and manages affordable supportive living housing for senior citizens within the geographical boundaries of the Foothills County in the province of Alberta. The Organization is established as a management body by provincial ministerial order and is governed by the Alberta Housing Act and, as such, is exempt from income taxes.

**2. Significant accounting policies**

The financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

(a) Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Rental revenue is recognized monthly based on rental agreements.

(b) Cash and cash equivalents

The Organization includes cash on hand and amounts held by financial institutions in operating accounts in the determination of cash and cash equivalents.

(c) Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the Organization's ability to provide services, its carrying amount is written down to its residual value.

The Organization provides for amortization using the straight-line method at rates designed to amortize the cost of the capital assets over their estimated useful lives, as follows:

Buildings - general	15-40 years
Furniture and fixtures	5-10 years
Vehicles and machinery	5 years
Computer and software	3 1/3 years

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**WESTWINDS COMMUNITIES - RETIREMENT LIVING**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

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**2. Significant accounting policies, continued**

- (d) Net assets invested in capital assets  
The Organization has chosen to continue to treat net assets invested in capital assets as a separate component of net assets.
- (e) Contributed services  
Volunteers contribute time to assist the Organization in carrying out its service delivery activities. Because of the difficulty of determining fair value, contributed services are not recognized in the financial statements.
- (f) Impairment of long-lived assets  
Long-lived assets, including capital assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability is measured by a comparison of the asset's carrying amount to the estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of the asset exceeds its estimated future cash flows, an impairment charge is recognized for the amount by which the carrying amount of the asset exceeds the fair value of the asset. When quoted market prices are not available, the Organization uses the expected future cash flows discounted at a rate commensurate with the risks associated with the recovery of the asset as an estimate of fair value.
- (g) Allocated expenses  
The Organization records a number of its expenses by program. The costs of each program include the costs of personnel, premises and other expenses that are directly related to providing the program. The Organization allocates certain general support expenses by identifying the appropriate basis of allocating each expense. Administration and other general operation expenses are allocated on the basis of the number of units within each project.
- (h) Financial instruments  
Financial instruments are recorded at fair value on initial recognition. All financial instruments are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value.
- (i) Measurement uncertainty  
The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amount and useful lives of capital assets and provisions for impairment of accounts receivable. Actual results could differ from those estimates.

**3. Budget**

The budget information is derived from the budget approved by the Board of Directors on October 25, 2022, budget adjustments approved on March 28, 2023 and as required by the board. It is presented for information purposes only and has not been audited.

**WESTWINDS COMMUNITIES - RETIREMENT LIVING**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

**4. Accounts receivable**

	2023	2022
Municipal requisitions	\$ 1,966,548	\$ 1,892,509
Vendor rebates	35,688	30,422
Alberta Social Housing Corporation - COVID	33,567	72,215
GST receivable	10,416	11,926
Other	6,864	9,544
Alberta Social Housing Corporation - project management fees	-	6,847
Allowance for doubtful accounts	(1,427)	-
	<b>\$ 2,051,656</b>	<b>\$ 2,023,463</b>

**5. Capital assets**

December 31, 2023	Cost	Accumulated Amortization	Net Book Value
Land - High Country Lodge	\$ 600,000	\$ -	\$ 600,000
Buildings - Medicine Tree Manor	20,859,340	3,211,708	17,647,632
Buildings - High Country Lodge	3,919,409	1,476,061	2,443,348
Buildings - Sandstone Lodge	126,529	98,267	28,262
Buildings - Administration	410,359	108,457	301,902
Furniture and fixtures	3,894,468	2,151,885	1,742,583
Vehicles and machinery	345,601	310,509	35,092
Computer and software	99,554	88,402	11,152
Assets under construction	18,886	-	18,886
	<b>\$ 30,274,146</b>	<b>\$ 7,445,289</b>	<b>\$ 22,828,857</b>

December 31, 2022	Cost	Accumulated Amortization	Net Book Value
Land - High Country Lodge	\$ 600,000	\$ -	\$ 600,000
Buildings - Medicine Tree Manor	20,859,340	2,688,037	18,171,303
Buildings - High Country Lodge	3,912,059	1,373,290	2,538,769
Buildings - Sandstone Lodge	126,529	88,930	37,599
Buildings - Administration	410,359	96,391	313,968
Furniture and fixtures	3,846,327	1,810,481	2,035,846
Vehicles and machinery	314,356	297,425	16,931
Computer and software	109,051	82,307	26,744
Assets under construction	18,791	-	18,791
	<b>\$ 30,196,812</b>	<b>\$ 6,436,861</b>	<b>\$ 23,759,951</b>

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**WESTWINDS COMMUNITIES - RETIREMENT LIVING**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

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**6. Bank operating line of credit**

The Organization has an authorized line of credit with a chartered bank of \$500,000 (2022 - \$500,000) with interest at the bank's prime rate. As at December 31, 2023, \$0 (2022 - \$0) was drawn on the line of credit. Security pledged is as described in note 9. The line of credit is subject to non-financial reporting and general covenants and notwithstanding compliance with these covenants, the bank may terminate this facility at any time, without notice or on demand. At December 31, 2023, the Organization was in compliance with required covenants.

**7. Accounts payable and accrued liabilities**

	2023	2022
Trade payables	\$ 210,938	\$ 252,310
Accrued vacation	141,032	136,900
Accrued payroll and benefits	122,170	110,717
Security deposits	16,612	12,982
	<u>\$ 490,752</u>	<u>\$ 512,909</u>

**8. Health Related Leave credits**

Under the terms of the employee agreements, employees are allowed to carry forward Health Related Leave credits on a cumulative basis up to a predetermined maximum. Health Related Leave credits are not paid out when an employee leaves the Organization and therefore an accrual has not been recorded in the financial statements. The amount of Health Related Leave credits at December 31, 2023 was \$282,448 (2022 - \$254,052).

**WESTWINDS COMMUNITIES - RETIREMENT LIVING**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

**9. Long-term debt**

	2023	2022
Royal Bank of Canada This loan is repayable at \$24,000 per month including interest at 2.17%. The loan is due October 2029.	\$ 1,550,746	\$ 1,802,127
Kubota Canada This loan is repayable at \$349 per month interest-free. The loan is due September 2030.	28,260	-
	1,579,006	1,802,127
Less current portion	261,082	251,384
	<u>\$ 1,317,924</u>	<u>\$ 1,550,743</u>

Security pledged on the Royal Bank of Canada loan consists of a collateral mortgage in the amount of \$5,525,000 over land and improvements located at 901A Macleod Trail SW, Block 1, Plan 2432 HT in High River, Alberta. The above facility is subject to the covenants as further described in note 6. At December 31, 2023, the Organization was in compliance with required covenants. Security pledged on the Kubota Canada loan consists of a tractor with a carrying value of \$29,683.

Estimated principal repayments are as follows:

2024	\$	261,082
2025		266,712
2026		272,466
2027		278,346
2028		284,355
Subsequent		216,045
		<u>\$ 1,579,006</u>

**10. Unamortized capital contributions**

Unamortized capital contributions relate to the unamortized amount of donations and grants received and spent for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations.

	2023	2022
Balance, beginning of year	\$ 10,088,703	\$ 10,510,832
Capital contributions during the year	41,486	-
Amortization of capital contributions	(424,921)	(422,129)
Capital contribution disposals	(3,040)	-
	<u>\$ 9,702,228</u>	<u>\$ 10,088,703</u>

**WESTWINDS COMMUNITIES - RETIREMENT LIVING**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

**11. Reserves**

During the year, the Board authorized \$7,350 (2022 - \$0) to be transferred to unrestricted net assets from replacement reserves for purchase of building improvements.

**12. Municipal requisitions**

The Organization has the authority to requisition various municipalities for operating deficits and capital replacement for the preceding year.

	2023	2022
Foothills County	\$ 1,030,512	\$ 988,481
Town of Okotoks	671,089	649,870
Town of High River	264,947	254,158
Town of Diamond Valley	102,989	97,630
Village of Longview	6,852	6,389
	\$ 2,076,389	\$ 1,996,528

**13. Related party transactions**

Related party transactions during the year not separately disclosed in the financial statements include the following:

Affordable Housing:

(i) \$81,530 (2022 - \$60,543) was charged to Affordable Housing for administration of the rent supplement program; and

(ii) \$402,843 (2022 - \$329,016) was recovered from Affordable Housing for other administration charges, including wages, vehicle expenses, security and administration.

(iii) \$3,416 (2022 - \$11,213) was receivable from Affordable Housing at year-end.

Near Market Housing:

(i) \$49,874 (2022 - \$44,732) was recovered from Near Market Housing for an administration and maintenance fee; and

(ii) \$189,894 (2022 - \$173,403) was recovered from Coal Trail Residences for an administration and maintenance fee; and

(iii) \$715 (2022 - \$669) was receivable from Near Market Housing at year-end.

The Organization is related to Westwinds Communities - Affordable Housing ("Affordable Housing"), and Westwinds Communities - Near Market Housing ("Near Market Housing") as these organizations are under common management. Near Market Housing has also been engaged to manage a 62 unit condominium complex named Coal Trail Residences in the Town of High River.



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**WESTWINDS COMMUNITIES - RETIREMENT LIVING**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

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**13. Related party transactions, continued**

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

The amounts due to and from Affordable Housing and Near Market Housing are non-interest bearing, unsecured and have no set terms of repayment.

**14. Local Authorities Pension Plan**

Employees of the Organization participate in the Local Authorities Pension Plan (LAPP), which is one of the plans covered by the Alberta Public Sector Pensions Act. The LAPP is financed by employer and employee contributions and by investment earnings of the LAPP Fund.

Total current service contributions by the employees of the Organization to the LAPP in 2023 were \$210,971 (2022 - \$198,767). Total current service contributions by the Organization to the LAPP in 2023 were \$238,177 (2022 - \$224,782).

As at December 31, 2023, the LAPP disclosed an actuarial surplus of \$12.7 billion.

**15. Financial instruments**

**Liquidity risk**

Liquidity risk is the risk that the organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risk by monitoring its operating requirements. The Organization prepares a budget and cash forecast to ensure it has sufficient funds to fulfill its obligations.

**Credit risk**

Credit risk arises from the potential that a counter party will fail to perform its obligations. Retirement Living is exposed to credit risk from tenants. However, the Organization has a significant number of tenants which minimizes concentration of credit risk. The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts.

**Interest rate risk**

The Organization's long-term debt has a fixed interest rate. As a result, the Organization is not exposed to significant interest rate risk due to fluctuations in the bank prime rate.

**WESTWINDS COMMUNITIES - RETIREMENT LIVING**  
**HIGH COUNTRY LODGE**  
For the year ended December 31, 2023

**Schedule 1**

	2023	2022
<b>Revenue</b>		
Rental	\$ 682,127	\$ 618,534
Municipal requisitions	455,251	437,741
Management administration	218,076	185,871
Provincial grants	204,189	256,606
Resident services	33,307	26,110
Investment income	27,551	8,598
Non-resident services	4,510	2,143
Municipal and other grants	-	5,394
	1,625,011	1,540,997
<b>Expenses</b>		
Human resources	1,340,190	1,360,620
Operating	257,806	258,110
Utilities	116,419	122,229
Operating maintenance	63,700	44,033
Administration	33,386	40,927
	1,811,501	1,825,919
<b>Deficiency of revenue over expenses from operations</b>	(186,490)	(284,922)
<b>Other revenue (expenses)</b>		
Amortization of capital contributions	206,120	204,743
Gain on disposal of capital assets	2,244	-
Charitable revenue	1,958	5,396
Charitable expenses	-	(350)
Amortization	(279,113)	(272,591)
	(68,791)	(62,802)
<b>Deficiency of revenue over expenses</b>	\$ (255,281)	\$ (347,724)

**WESTWINDS COMMUNITIES - RETIREMENT LIVING**  
**MEDICINE TREE MANOR**  
For the year ended December 31, 2023

**Schedule 2**

	2023	2022
<b>Revenue</b>		
Rental	\$ 2,496,854	\$ 2,346,563
Municipal requisitions	1,110,369	1,067,662
Provincial grants	472,851	604,270
Management administration	439,177	344,571
Resident services	111,514	78,264
Investment income	67,197	20,971
Non-resident services	25,814	25,689
Municipal and other grants	-	16,733
	4,723,776	4,504,723
<b>Expenses</b>		
Human resources	2,424,108	2,427,215
Operating	599,370	611,778
Utilities	258,473	272,208
Operating maintenance	96,758	101,200
Administration	92,913	103,076
Interest on long-term debt	36,896	41,964
	3,508,518	3,557,441
<b>Excess of revenue over expenses from operations</b>	1,215,258	947,282
<b>Other revenue (expenses)</b>		
Amortization of capital contributions	180,420	179,987
Charitable revenue	3,442	7,468
Gain on disposal of capital assets	107	-
Charitable expenses	-	(904)
Amortization	(664,180)	(676,211)
	(480,211)	(489,660)
<b>Excess of revenue over expenses</b>	\$ 735,047	\$ 457,622

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**WESTWINDS COMMUNITIES - RETIREMENT LIVING****SANDSTONE LODGE**

For the year ended December 31, 2023

**Schedule 3**

	2023	2022
<b>Revenue</b>		
Rental	\$ 860,559	\$ 803,302
Municipal requisitions	510,769	491,124
Provincial grants	243,304	303,448
Management administration	232,598	200,886
Investment income	30,911	9,646
Non-resident services	22,406	15,237
Resident services	14,835	7,701
Municipal and other grants	-	6,051
	<u>1,915,382</u>	<u>1,837,395</u>
<b>Expenses</b>		
Human resources	1,476,006	1,447,466
Operating	238,991	234,694
Utilities	127,068	123,474
Operating maintenance	53,381	74,064
Administration	42,032	49,883
	<u>1,937,478</u>	<u>1,929,581</u>
<b>Deficiency of revenue over expenses from operations</b>	<u>(22,096)</u>	<u>(92,186)</u>
<b>Other revenue (expenses)</b>		
Amortization of capital contributions	38,381	37,400
Charitable revenue	4,329	8,110
Gain on disposal of capital assets	49	-
Charitable expenses	(1,694)	(3,047)
Amortization	(87,757)	(95,961)
	<u>(46,692)</u>	<u>(53,498)</u>
<b>Deficiency of revenue over expenses</b>	<u>\$ (68,788)</u>	<u>\$ (145,684)</u>

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**WESTWINDS COMMUNITIES**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2023**

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**WESTWINDS COMMUNITIES**  
**CONSOLIDATED TABLE OF CONTENTS**  
December 31, 2023

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Westwinds Communities

### *Opinion*

We have audited the consolidated financial statements of Westwinds Communities, which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statement of operations, consolidated statement of changes in net assets and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the organization as at December 31, 2023, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### *Basis for Opinion*

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

As disclosed in note 2(c), Alberta Social Housing Corporation requires the organization to record the repayment or pending deferral of an operating surplus as a direct decrease in net assets, rather than as an expense. Canadian accounting standards for not-for-profit organizations requires this to be reported as an expense. Had this amount been presented in accordance with Canadian accounting standards for not-for-profit organizations, the 2023 expenses would have increased by \$66,257 (2022 - \$122,831). There was no misstatement in the ending unrestricted net assets balance.

### *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 accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

**INDEPENDENT AUDITOR'S REPORT, continued**

*Auditor's Responsibilities for the Audit of the Financial Statements*

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

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

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

Lethbridge, Alberta  
March 26, 2024

*Avail LLP*

Chartered Professional Accountants



**WESTWINDS COMMUNITIES**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
As at December 31, 2023

	2023	2022
<b>ASSETS</b>		
<b>Current</b>		
Cash (note 3)	\$ 3,323,880	\$ 4,398,592
Cash in trust - security deposits (note 3)	204,235	169,645
Accounts receivable (note 4)	2,093,524	2,075,770
Prepaid expenses	158,281	127,200
	5,779,920	6,771,207
<b>Capital assets (note 5)</b>	30,216,977	27,958,268
	\$ 35,996,897	\$ 34,729,475

<b>LIABILITIES AND NET ASSETS</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (note 7)	\$ 1,360,627	\$ 1,175,604
Security deposits (note 3)	175,455	169,645
Unearned revenue	3,081	36,178
Current portion of long-term debt (note 9)	469,049	503,292
	2,008,212	1,884,719
<b>Long-term debt (note 9)</b>	1,651,227	2,092,020
<b>Unamortized capital contributions (note 10)</b>	11,985,741	11,736,583
<b>Maintenance reserve (note 11)</b>	130,690	-
<b>Restricted operating reserve fund</b>	27,800	27,800
<b>Deferred operating reserve fund</b>	37,500	-
<b>Rent supplement advance</b>	170,000	170,000
	16,011,170	15,911,122
<b>Net assets</b>		
Unrestricted	2,431,357	2,129,385
Invested in capital assets (note 12)	16,110,960	13,626,373
Reserves (note 14)	1,443,410	3,062,595
	19,985,727	18,818,353
	\$ 35,996,897	\$ 34,729,475

**Commitments (note 17)**

Approved on behalf of the board:

Director

[Redacted Signature]

Director

[Redacted Signature]

**WESTWINDS COMMUNITIES**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
For the year ended December 31, 2023

	Retirement Living	Near Market Housing	Affordable Housing	2023	2022
<b>Revenue</b>					
Rent	\$ 4,039,540	\$ 350,085	\$ 905,090	\$ 5,294,715	\$ 4,940,129
Municipal requisitions (note 15)	2,076,389	-	-	2,076,389	1,996,528
Provincial grants	920,344	-	148,907	1,069,251	1,339,779
Management and administration fees	266,988	3,068	81,530	351,586	317,925
Resident services	159,656	34,514	125,179	319,349	251,910
Investment income	125,658	86,007	37,946	249,611	107,748
Non-resident service	52,731	-	-	52,731	43,069
Municipal and other grants	-	-	-	-	28,178
	<u>7,641,306</u>	<u>473,674</u>	<u>1,298,652</u>	<u>9,413,632</u>	<u>9,025,266</u>
<b>Expenses</b>					
Human resources	5,240,305	523	-	5,240,828	5,235,327
Operating	1,090,166	47,397	32,186	1,169,749	1,168,636
Utilities	501,961	31,729	265,024	798,714	828,265
Operating maintenance	213,839	17,289	261,514	492,642	530,095
Administration	168,331	11,633	107,311	287,275	292,574
Property tax	-	64,773	243	65,016	53,180
Interest on long-term debt	36,896	16,229	-	53,125	66,892
	<u>7,251,498</u>	<u>189,573</u>	<u>666,278</u>	<u>8,107,349</u>	<u>8,174,969</u>
<b>Excess (deficiency) of revenue over expenses from operations</b>					
	389,808	284,101	632,374	1,306,283	850,297
<b>Other revenue (expenses)</b>					
Amortization of capital contributions	424,921	210,067	-	634,988	614,725
Charitable revenue	9,730	-	-	9,730	20,974
Gain on sale of capital assets	2,400	-	-	2,400	-
Charitable expenses	(1,694)	-	-	(1,694)	(4,302)
Amortization	(1,031,051)	(289,489)	-	(1,320,540)	(1,275,087)
	<u>(595,694)</u>	<u>(79,422)</u>	<u>-</u>	<u>(675,116)</u>	<u>(643,690)</u>
<b>Excess (deficiency) of revenue over expenses before other</b>					
	(205,886)	204,679	632,374	631,167	206,607
<b>Other items</b>					
Revenue - Coal Trail Residences	-	754,398	-	754,398	729,345
Expenses - Coal Trail Residences	-	(534,623)	-	(534,623)	(478,349)
	<u>-</u>	<u>219,775</u>	<u>-</u>	<u>219,775</u>	<u>250,996</u>
<b>Excess (deficiency) of revenue over expenses</b>					
	\$ (205,886)	\$ 424,454	\$ 632,374	\$ 850,942	\$ 457,603

**WESTWINDS COMMUNITIES**  
**CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS**  
For the year ended December 31, 2023

	Unrestricted	Invested in capital assets	Reserves	2023 Total
<b>Balance, beginning of year</b>	\$ 2,129,385	\$ 13,626,373	\$ 3,062,595	\$ 18,818,353
Excess of revenue over expenses	850,942	-	-	850,942
Alberta Housing surplus repayable	(66,257)	-	-	(66,257)
Donated land (note 13)	-	382,689	-	382,689
Capital asset purchases	(2,831,409)	3,199,409	(368,000)	-
Capital asset disposals	2,849	(2,849)	-	-
Amortization	1,320,540	(1,320,540)	-	-
Capital contributions	887,186	(887,186)	-	-
Capital contributions disposal	(3,040)	3,040	-	-
Amortization of capital contributions	(634,988)	634,988	-	-
Proceeds of long-term debt	29,307	(29,307)	-	-
Repayment of long-term debt	(504,343)	504,343	-	-
Transfer to reserves (note 14)	(222,758)	-	222,758	-
Transfer from reserves (note 14)	1,473,943	-	(1,473,943)	-
<b>Balance, end of year</b>	<b>\$ 2,431,357</b>	<b>\$ 16,110,960</b>	<b>\$ 1,443,410</b>	<b>\$ 19,985,727</b>

	Unrestricted	Invested in capital assets	Reserves	2022 Total
<b>Balance, beginning of year</b>	\$ 1,984,104	\$ 12,740,446	\$ 3,759,031	\$ 18,483,581
Excess of revenue over expenses	457,603	-	-	457,603
Alberta Housing surplus repayable	(122,831)	-	-	(122,831)
Capital asset purchases	(1,226,959)	1,226,959	-	-
Amortization	1,276,318	(1,276,318)	-	-
Amortization of capital contributions	(615,956)	615,956	-	-
Repayment of long-term debt	(319,330)	319,330	-	-
Transfer to reserves (note 14)	(250,997)	-	250,997	-
Transfer from reserves (note 14)	947,433	-	(947,433)	-
<b>Balance, end of year</b>	<b>\$ 2,129,385</b>	<b>\$ 13,626,373</b>	<b>\$ 3,062,595</b>	<b>\$ 18,818,353</b>

**WESTWINDS COMMUNITIES**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
For the year ended December 31, 2023

	2023	2022
<b>Cash flows from operating activities</b>		
Excess of revenues over expenses	\$ 850,942	\$ 457,603
Adjustments for items which do not affect cash		
Amortization of capital assets	1,320,540	1,275,087
Amortization of capital contributions	(634,989)	(614,725)
Gain on sale of capital assets	(2,400)	-
	1,534,093	1,117,965
Change in non-cash working capital items		
Accounts receivable	(17,754)	215,956
Prepaid expenses	(31,081)	(2,585)
Accounts payable and accrued liabilities	185,025	313,498
Unearned revenue	(33,097)	12,108
Security deposits	5,809	15,038
Maintenance reserve	130,690	-
Deferred operating reserve fund	37,500	-
Alberta Housing surplus repayable/deferral	(66,257)	(122,831)
	1,744,928	1,549,149
<b>Cash flows from investing activity</b>		
Proceeds on disposal of capital assets	2,209	-
Purchase of capital assets	(3,199,409)	(1,226,959)
	(3,197,200)	(1,226,959)
<b>Cash flows from financing activities</b>		
Capital contributions	887,186	-
Proceeds of long-term debt	29,307	-
Repayment of long-term debt	(504,343)	(319,330)
	412,150	(319,330)
<b>Increase (decrease) in cash and cash equivalents</b>	(1,040,122)	2,860
<b>Cash and cash equivalents, beginning of year</b>	4,568,237	4,565,377
<b>Cash and cash equivalents, end of year</b>	\$ 3,528,115	\$ 4,568,237
<b>Cash and cash equivalents consists of:</b>		
Cash	\$ 3,323,880	\$ 4,398,592
Cash in trust - security deposits	204,235	169,645
	\$ 3,528,115	\$ 4,568,237

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**WESTWINDS COMMUNITIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

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**1. Nature of operations**

Westwinds Communities (the "Organization") is a not-for-profit organization that provides and maintains diversified and affordable housing options for low to moderate income seniors and families and those with special needs within the Foothills region. The Organization is established as a management body by provincial ministerial order and is governed by the Alberta Housing Act and its regulations. It qualifies as a not-for-profit organization as defined in the Income Tax Act and, as such, is exempt from income taxes.

**2. Significant accounting policies**

The financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

(a) Consolidation

The consolidated financial statements include the assets, liabilities, revenues, expenses and cash flows of the three divisions of the Organization, as follows:

(1) Westwinds Communities – Retirement Living ("Retirement Living")

(2) Westwinds Communities – Affordable Housing ("Affordable Housing")

(3) Westwinds Communities – Near Market Housing ("Near Market Housing")

All inter-divisional balances and transactions have been eliminated.

(b) Revenue recognition

The Organization follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Rental revenue is recognized monthly based on rental agreements.

(c) Alberta Social Housing Corporation

The Affordable Housing division may receive an annual operating and capital grant from Alberta Social Housing Corporation ("ASHC"), depending on the approved budget each year. Any unspent portion of the grant, plus any actual surplus (not including amortization) for the year must be repaid to ASHC unless approved for deferral to future years. Any repayable amounts to ASHC are recorded as a direct decrease in net assets rather than being included in revenue and expenses on the statement of operations.

(d) Cash and cash equivalents

The Organization includes cash on hand and amounts held by financial institutions in operating accounts in the determination of cash and cash equivalents.

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**WESTWINDS COMMUNITIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

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**2. Significant accounting policies, continued**

(e) Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the Organization's ability to provide services, its carrying amount is written down to its residual value. The Organization provides for amortization on a straight line basis at rates designed to amortize the cost of the assets over their estimated useful lives, as follows:

Buildings	15-40 years straight line
Furniture and fixtures	5-10 years straight-line
Vehicles and machinery	5 years straight-line
Computer and software	3 1/3 years straight-line

(f) Net assets invested in capital assets

The Organization has chosen to treat net assets invested in capital assets as a separate component of net assets.

(g) Reserves

The operating reserves and replacement reserves represent internally restricted net assets that have been appropriated from unrestricted net assets, while the restricted operating reserves, CMHC reserves and restricted development reserves represent externally restricted net assets that have been appropriated from unrestricted net assets.

(h) Contributed services

Volunteers contribute time to assist the Organization in carrying out its service delivery activities. Because of the difficulty of determining fair value, contributed services are not recognized in the financial statements.

(i) Impairment of long-lived assets

Long-lived assets, including capital assets and contributed assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability is measured by a comparison of the asset's carrying amount to the estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of the asset exceeds its estimated future cash flows, an impairment charge is recognized for the amount by which the carrying amount of the asset exceeds the fair value of the asset. When quoted market prices are not available, the Organization uses the expected future cash flows discounted at a rate commensurate with the risks associated with the recovery of the asset as an estimate of fair value.

**WESTWINDS COMMUNITIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

**2. Significant accounting policies, continued**

(j) Allocated expenses

The Organization records a number of its expenses by program. The costs of each program include the costs of personnel, premises and other expenses that are directly related to providing the program. The Organization allocates certain general support expenses by identifying the appropriate basis of allocating each expense. Administration and general operation expenses are allocated on the basis of the number of units within each project.

(k) Financial instruments

Financial instruments are recorded at fair value on initial recognition. All financial instruments are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value.

(l) Measurement uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the year. Significant items subject to such estimates include the carrying amount and useful lives of capital assets and the provisions for impairment of accounts receivable. Actual results could differ from those estimates.

**3. Cash and cash in trust - security deposits**

The cash balance includes \$483,709 (2022 - \$677,956) of funds held in the Coal Trail Residences bank account. \$130,690 (2022 - nil) is restricted cash per the Affordable Housing Strategy Maintenance Reserve Capital Funding Agreement with the Province to address the existing condition of the asset and to establish a maintenance reserve for Valley Villa. The remaining funds are held by the Organization in its general operating bank accounts.

Cash in trust consists of security deposits from tenants with the liability to the tenants recorded separately as security deposits on the statement of financial position. Cash in trust consists of security deposits from tenants within Retirement Living, Affordable Housing and Near Market Housing units within the normal course of business, in addition to security deposits from Coal Trail Residences tenants.

**4. Accounts receivable**

	2023	2022
Municipal requisitions	\$ 1,966,548	\$ 1,892,509
GST receivable	36,187	61,442
Vendor rebates	35,688	30,422
Alberta Social Housing Corporation - COVID	33,567	72,215
Canada Mortgage and Housing Corporation	15,000	-
Other	7,226	9,544
Rent	5,825	7,680
Alberta Social Housing Corporation - project management fees	-	6,847
Allowance for doubtful accounts	(6,517)	(4,889)
	<u>\$ 2,093,524</u>	<u>\$ 2,075,770</u>

**WESTWINDS COMMUNITIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

**5. Capital assets**

	Cost	Accumulated Amortization	2023 Net Book Value	2022 Net Book Value
Land	\$ 3,063,576	\$ -	\$ 3,063,576	\$ 1,922,465
Buildings	32,127,647	7,696,951	24,430,696	22,979,443
Vehicles and machinery	388,061	350,846	37,215	27,546
Furniture, equipment and computers	3,994,022	2,240,288	1,753,734	2,062,590
Assets under construction	931,756	-	931,756	966,224
	<u>\$ 40,505,062</u>	<u>\$ 10,288,085</u>	<u>\$ 30,216,977</u>	<u>\$ 27,958,268</u>

**6. Bank operating line of credit**

The Organization has an authorized line of credit with a chartered bank of \$500,000 (2022 - \$500,000) with interest at the bank's prime rate. As at December 31, 2023, \$0 (2022 - \$0) was drawn on the line of credit. Security pledged is as described by the collateral mortgage located at 901A Macleod Trail SW in High River by note 9. The line of credit is subject to non-financial reporting and general covenants and notwithstanding compliance with these covenants, the bank may terminate this facility at any time, without notice or on demand. At December 31, 2023, the Organization was in compliance with required covenants.

**7. Accounts payable and accrued liabilities**

	2023	2022
Trade payables	\$ 755,229	\$ 759,660
Rent supplement payable	275,939	45,496
Accrued vacation	141,032	136,900
Accrued payroll and benefits	122,170	110,717
Alberta Housing surplus repayable	66,257	122,831
	<u>\$ 1,360,627</u>	<u>\$ 1,175,604</u>

**8. Health Related Leave credits**

Under the terms of the employee agreements, employees are allowed to carry forward Health Related Leave credits on a cumulative basis up to a predetermined maximum. Health Related Leave credits are not paid out when an employee leaves the Organization and therefore an accrual has not been recorded in the financial statements. The amount of Health Related Leave credits at December 31, 2023 was \$282,448 (2022 - \$254,052).



**WESTWINDS COMMUNITIES**  
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For the year ended December 31, 2023

9. **Long-term debt**

	2023	2022
Royal Bank of Canada This loan is repayable at \$24,000 per month including interest at 2.17%. The loan matures in October 2029.	\$ 1,550,746	\$ 1,802,127
This loan is repayable at \$3,400 per month including interest at 2.85%. The loan matures in October 2028.	364,126	394,085
This loan is repayable at \$1,947 per month including interest at 2.92%. The loan matures in July 2024.	177,144	195,060
Paid out.	-	201,842
Kubota Canada This loan is repayable at \$349 per month interest-free. The loan matures in September 2030.	28,260	-
Ford Credit Paid out.	-	2,198
	2,120,276	2,595,312
Less current portion	469,049	503,292
	<u>\$ 1,651,227</u>	<u>\$ 2,092,020</u>

Estimated principal repayments are as follows:

2024	\$ 469,049
2025	298,425
2026	305,094
2027	311,917
2028	519,747
Subsequent	216,044
	<u>\$ 2,120,276</u>

Security pledged consists of a collateral mortgage in the amount of \$1,350,000 over land and improvements located at 86 and 88 Cimarron Grove Close and 475, 481, and 483 Cimarron Boulevard in Okotoks, Alberta, and a collateral mortgage in the amount of \$5,525,000 over land and improvements located at 901A Macleod Trail SW, Block 1, Plan 2432 HT in High River, Alberta. The above facilities are subject to the covenants as further described in note 6. At December 31, 2023, the Organization was in compliance with required covenants. Security pledged on the Kubota Canada loan consists of a tractor with a carrying value of \$29,683.

During the year, an agreement was negotiated with CMHC to borrow \$1,208,538 for the Drake Towns project. The loan would bear interest at a rate that has yet to be determined with an amortization period of 40 years. If borrowing has not been finalized by May 3, 2024, CMHC's lending obligation may be terminated at CMHC's discretion.

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**WESTWINDS COMMUNITIES**  
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For the year ended December 31, 2023

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**10. Unamortized capital contributions**

Unamortized capital contributions relate to the unamortized amount of donations and grants received and spent for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations.

	2023	2022
Balance, beginning of year	\$ 11,736,583	\$ 12,352,539
Capital contributions during the year	887,186	-
Capital contributions disposal	(3,040)	-
Amortization of capital contributions	(634,988)	(615,956)
<b>Balance, end of year</b>	<b>\$ 11,985,741</b>	<b>\$ 11,736,583</b>

Capital contributions in 2023 included \$346,600 in contributions from various levels of government for Drake Towns, \$37,900 from CMHC for affordable housing development in the D'Arcy community, a donation of the Valley Villa property valued at \$461,200, recognition of casino funds for \$36,861 for Retirement Living furniture and fixtures, and provincial recovery of \$4,625 for software project.

**11. Maintenance reserve**

Maintenance Reserve was provided as part of the Affordable Housing Strategy Maintenance Reserve Capital Funding Agreement in 2023. The funding was to support the asset transfer of Valley Villa from the Province to the Organization by providing a monetary contribution to address the existing condition of the asset and to establish a maintenance reserve. \$128,000 was provided in 2023 as a first installment and \$2,690 interest was earned in the reserve. It is anticipated that the final installment of \$32,000 will be provided to the Organization after the completion of the 2023 financial statement audit. In 2023, \$0 was spent from the reserve.

**12. Net assets invested in capital assets**

Net assets invested in capital assets is calculated as follows:

	2023	2022
Capital assets (note 5)	\$ 30,216,977	\$ 27,958,268
Unamortized capital contributions (note 10)	(11,985,741)	(11,736,583)
Long-term debt (note 9)	(2,120,276)	(2,595,312)
	<b>\$ 16,110,960</b>	<b>\$ 13,626,373</b>

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**WESTWINDS COMMUNITIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

**13. Donated land**

During the year, the Town of Okotoks donated a 0.92 acre parcel of land with a value of \$250,990 for the Organization to develop affordable housing in the D'Arcy community.

In addition, the Organization purchased the land of Valley Villa, a four unit property on the west side of Diamond Valley, with a value of \$131,700 from the province for \$1 as part of the province's Stronger Foundation Strategy. The property is operated under the provincial Social Housing program.

**14. Reserves**

During the year, the Board authorized \$1,473,943 (2022 - \$947,433) to be transferred to unrestricted net assets from replacement reserves. The Board also authorized \$219,776 (2022 - \$250,997) to be set aside in restricted operating fund reserves from unrestricted net assets in accordance with with the operating agreement between the Organization and Alberta Social Housing Corporation. In addition, the Board authorized \$218,000 to be transferred from the restricted operating reserve and \$150,000 from the Drake Towns reserve to help fund the Drake Towns development during the year. The Board also authorized \$2,982 to be transferred to the Drake Towns CMHC reserve. As part of a CMHC loan agreement, the Organization has complied with maintaining a reserve fund, providing the specified annual contribution, and accruing all interest earned by the reserve.

**15. Municipal requisitions**

The Organization has the authority to requisition various municipalities for operating deficits and capital replacement for the preceding year.

	2023	2022
Foothills County	\$ 1,030,512	\$ 988,481
Town of Okotoks	671,089	649,870
Town of High River	264,947	254,158
Town of Diamond Valley	102,989	97,630
Village of Longview	6,852	6,389
	<b>\$ 2,076,389</b>	<b>\$ 1,996,528</b>

**16. Local Authorities Pension Plan**

Employees of the Organization participate in the Local Authorities Pension Plan (LAPP), which is one of the plans covered by the Alberta Public Sector Pensions Act. The LAPP is financed by employer and employee contributions and by investment earnings of the LAPP Fund.

Total current service contributions by the employees of the Organization to the LAPP in 2023 were \$210,971 (2022 - \$198,767). Total current service contributions by the Organization to the LAPP in 2023 were \$238,177 (2022 - \$224,782).

As at December 31, 2023, the LAPP disclosed an actuarial surplus of \$12.7 billion.

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**WESTWINDS COMMUNITIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

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**17. Commitments**

The Near Market Housing division has the following commitments under various grant agreements:

(a) To operate four affordable housing units under a 2008-2009 agreement with the Town of Okotoks for a period of twenty years and at such time the properties are to be disposed of, the asset will revert back to ownership by the Town of Okotoks, less Westwinds investment/equity in the assets.

(b) To operate three to four affordable housing units under a 2009-2010 agreement with the Town of Okotoks for a period of twenty years.

(c) To operate affordable housing units under agreement with the Town of Diamond Valley (formerly Black Diamond) for a period of twenty-one years until December 31, 2031, or the Town shall have an option to repurchase the Town land for \$1.

(d) To construct and operate seven affordable housing units in the Town of Diamond Valley (formerly Turner Valley) through the Province of Alberta's Affordable Housing Program 2009-2010 agreement until October 15, 2032.

(e) To develop housing on Drake Landing land under a contract with Partners Development Group Ltd. with an estimated contract price of \$2,359,844.

(f) Under the restrictive land use agreement, Westwinds must use Valley Villa or any proceeds from sale to be used only to provide Affordable Housing and related services in the communities that Westwinds serves until April 27, 2043.

**18. Financial instruments**

**Credit risk**

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Organization is exposed to credit risk from tenants. However, the Organization has a significant number of tenants which minimizes concentration of credit risk. The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts.

**Liquidity risk**

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risk by monitoring its operating requirements and prepares a budget and cash forecast to ensure it has sufficient funds to fulfill its obligations.

**Interest rate risk**

The Organization's long-term debt has a fixed interest rate. As a result, the Organization is not exposed to significant interest rate risk due to fluctuations in the Bank prime rate.

## Housing Accelerator Fund

The Small/Rural/North/Indigenous Stream of the Housing Accelerator Fund provides incentive funding to local governments. The funding is meant to remove barriers and support the development of affordable, inclusive, equitable and climate-resilient communities. Approved participants can use incentive funding for investments in:

1. Housing Accelerator Fund action plans
2. affordable housing
3. housing-related infrastructure
4. community-related infrastructure that supports housing

The framework for determining the amount of incentive funding includes base funding, top-up funding and an affordable housing bonus.

See Housing Accelerator Fund – Highlight Sheet - attachment

### Alberta Funding 2023-2024 – Small/Rural Stream:

#### Banff

Banff will receive \$4,660,800 to support its Action Plan which commits to five local initiatives that enable a variety of housing forms and densities to meet the diverse needs of the community. The funding will enable the reduction of parking requirements, as well as updates to the density intensification policy. Banff's Action Plan will encourage the development of [accessory dwelling units](#) by providing financial support and streamlined processing and will incentivize more housing development by creating a suite of financial tools such as tax strategies and fee waivers. Additionally, Banff will unlock efficiencies in the town's permitting process.

#### Bow Island

Bow Island will receive \$1,568,000 to support its Action Plan which commits to six local initiatives that enable a variety of housing forms and densities to meet the diverse needs of the community. The funding will allow the Town of Bow Island to update their housing processes through modernizing their land use by-law to include as-of-right zoning, digitizing their permitting process by implanting an e-permitting software solution, and regulating secondary and garden suite development. Bow Island will also [encourage missing middle housing through an incentive program](#), and disincentivize idle land with the implementation of a Land Sale policy.

#### Sylvan Lake

Sylvan Lake will receive \$5,485,430 to support its Action Plan which commits to seven local initiatives that enable a variety of housing forms and densities to meet the diverse needs of the community. The funding will allow the Town of Sylvan Lake to rezone to allow for high density residential, commercial, and mixed-use development in the downtown, unlock secondary suites, and [incentivize the public, private, and non-profit sectors towards increasing the community's housing supply](#).

#### Westlock

Westlock will receive \$1,112,000 to support its Action Plan which commits to six local initiatives that enable a variety of housing forms and densities to meet the diverse needs of the community. The funding will allow the City of Westlock to [increase the supply of lots available for housing development, encourage low-density development in residential districts](#), and streamline housing development across town through pre-approved plans.

### Smoky Lake

Smoky Lake will receive \$486,002 to support its Action Plan which commits to five local initiatives that enable a variety of housing forms and densities to meet the diverse needs of the community. The funding will allow the establishment of small and tiny dwelling neighbourhood guidelines, the creation of an affordable housing incentive program and implementing an e-permitting system for building and development applications. Smoky Lake's Action Plan will also encourage more affordable housing development by streamlining the process by which developers can purchase town-owned land to create affordable housing units.

### Village of Duchess

Duchess will receive \$527,991 to support its Action Plan which commits to six local initiatives that enable a variety of housing forms and densities to meet the diverse needs of the community. The funding will allow for the reduction or elimination of development fees, tax incentives for developers and amending land use bylaws to allow of missing middle. Duchess's Action Plan will also remove barriers to housing supply by enabling development on unused village-owned land, and providing serviced land to affordable housing providers committed to developing and operating housing that meets the village's criteria.

### Airdrie

Government of Canada and the City of Airdrie announced that they reached an agreement to fast track more than 900 homes over the next three years. This work will help spur the construction of more than 3,500 homes over the next decade.

The agreement under the Housing Accelerator Fund (HAF), will provide over \$24.8 million to eliminate barriers to building the housing we need, faster. Airdrie's Action Plan commits to seven local initiatives including streamlining zoning bylaws to allow four units as-of-right and medium-density homes such as townhouses and multiplexes across the city. They will also encourage more secondary suites by reducing parking restrictions and lot size. The City's Action Plan will also make their development approval processes more efficient, increase residential areas along major transit routes, and accelerate development in the downtown core.

### Common Housing Accelerator Fund Initiatives

- Increased density
- Waive development fees
- increase building heights
- reduced parking requirements
- implement inclusionary zoning
- 4 units per residential lot as of right
- Incentives for additional dwelling units
- Incentive for affordable housing
- By law amendments
- Enabling development on municipal land
- Affordable housing supply increase/incentives
- Streamlining permitting processes
- Building conversion
- Incentives for tiny homes
- Promotion of medium density
- Climate/environment adaptability into planning and or incentives
- Make more land available.
- Incentives for rental homes
- Transportation plan
- Municipal land bank
- Nonprofit housing organization
- Promoting universal design
- Infrastructure upgrades
- Strategy for municipal lands for affordable and rental housing
- First Nation off reserve home ownership option



# Housing Accelerator Fund — Highlight Sheet

The **Housing Accelerator Fund** (HAF) will provide incentive funding (contributions) to local governments to encourage local initiatives that remove barriers to housing supply, accelerate the growth of supply and support the development of complete, low-carbon and climate-resilient communities which are affordable, inclusive, equitable and diverse.

The HAF is expected to result in permits being issued for 100,000 more housing units across Canada.

## ELIGIBILITY

Local governments within Canada, including First Nations, Métis and Inuit governments who have delegated authority over land use planning and development approvals are eligible to apply to the HAF. In the absence of a municipal-level authority, a regional district or province or territory that has authority for land use planning and development approvals may also apply to the HAF.

## FUNDING

There are two application streams:

- **Large/Urban:** A jurisdiction located anywhere in Canada with a population<sup>1</sup> equal to or greater than 10,000, excluding those within a territory or an Indigenous community.
- **Small/Rural/North/Indigenous:** A jurisdiction located anywhere in Canada with a population<sup>1</sup> less than 10,000 or within one of the territories or an Indigenous community.

<sup>1</sup> Population based on 2021 census data.

The HAF is about driving transformational change and creating the conditions for more housing supply over the short and longer term. The HAF is intended to incent applicants to commit to change, show progress and be provided with funding in return. If approved to participate in the HAF program, proponents can use HAF funding towards permitted uses of funds. There are prescribed uses, which fall under the following four categories:

- Investments in Housing Accelerator Fund Action Plans
- Investments in Affordable Housing
- Investments in Housing-related Infrastructure
- Investments in Community-related Infrastructure that supports housing.

There will be mandatory reporting on the use of HAF funding.

## MINIMUM REQUIREMENTS

To be eligible for incentive funding, the applicant must:

- Develop an action plan as part of their HAF application. The purpose of the action plan is to outline supply growth targets and specific initiatives to grow housing supply and speed up housing approvals.
- Commit to a housing supply growth target within the action plan that increases the average annual rate of growth by at least 10%. The growth rate must also exceed 1.1%.
- Complete or update a housing needs assessment report. This requirement may be waived if the applicant recently completed or updated a housing needs assessment.

The applicant must also agree to adhere to the reporting requirements of the program.

## Action Plans

The action plan will include: (1) a housing supply growth target, which reflects the total number of permitted housing units projected with the support afforded by the HAF (2) additional targets related to the type of housing projected, as well as affordable housing and (3) proposed initiatives such as measures to increase density, revise parking requirements, enhance processes or systems, etc. that will help the applicant achieve their committed targets

and support the objectives of the program. The minimum number of initiatives that must be included in the action plan depends on the stream.

- **Large/Urban:** A minimum of seven initiatives.
- **Small/Rural/North/Indigenous:** A minimum of five initiatives.

Applicants are encouraged to select from a list of initiatives that will be provided by CMHC. There is flexibility for CMHC to consider alternative initiatives proposed by applicants. Actions that do not support the objectives of the program will not be considered.

## EVALUATION CRITERIA

CMHC will review all applications to determine if they meet program requirements of the HAF. The following criteria will be used to evaluate an application:

- The commitment to increase housing supply (exceeding minimum growth expectations)
- The relevance of proposed initiatives to the objectives of the HAF
- The effectiveness of proposed initiatives on increasing the supply of housing
- The presence of a current housing needs assessment report is considered an asset.

## FUNDING METHODOLOGY

A framework (see funding example) will be used to determine the amount of incentive funding per successful applicant. There are three components of the framework: (1) base funding, (2) top-up funding and (3) an affordable housing bonus. For the base funding, the per unit amount will be higher for applications pertaining to the territories or Indigenous communities. Committed targets would be included in the action plan and reflected in the contribution agreement.

1. **Base funding** is designed to incent all types of supply across the housing spectrum. The per unit amount will be multiplied by the number of HAF incented units.



- 2. **Top up funding** is designed to incent certain types of housing supply. Top up funding will depend on the type of housing and the associated projected increase in the number of permitted units. There is no top up funding available for single detached homes. The value ascribed to each category will be multiplied by the associated projected increase in the number of permitted units.
- 3. **Affordable housing bonus** is designed to reward an applicant that can increase its share of affordable housing units relative to the total projected permitted units with the support afforded by the HAF. The percentage growth will be multiplied by the ascribed value and then by the total projected permitted units with the support afforded by the HAF.

## FUNDING EXAMPLE

Table 1: Base Funding

	Total projected permitted units without HAF	Total projected permitted units with HAF	HAF incented units	Per unit amount	Base funding amount
Base funding	5,500	6,000	500	\$20,000*	\$10,000,000

A total of 500 HAF incented units \* \$20K per unit = \$10M.

\* All per unit amounts for the base funding, top up funding and affordable housing bonus are estimated amounts that may assist potential applicants for budgeting purposes. CMHC may adjust these amounts and this flexibility is to help ensure that CMHC can support higher than anticipated housing supply growth targets and outcomes across Canada within the overall program funding.

Table 2: Top-up Funding

	Total projected permitted units without HAF by type of housing	Total projected permitted units with HAF by type of housing	Increase in housing type (#)	Per unit amount	Top-up funding amount
Single detached homes	2,000	2,100	100	\$0	\$0
Multi-unit housing (in close proximity to rapid transit)	400	450	50	\$15,000*	\$750,000
Multi-unit housing (missing middle)	1,000	1,250	250	\$12,000*	\$3,000,000
Multi-unit housing (other)	2,100	2,200	100	\$7,000*	\$700,000
Total units	5,500	6,000	500		
Top up funding					\$4,450,000

For example, an increase of 250 missing middle housing units \* \$12K per unit = \$3M.

\* All per unit amounts for the base funding, top up funding and affordable housing bonus are estimated amounts that may assist potential applicants for budgeting purposes. CMHC may adjust these amounts and this flexibility is to help ensure that CMHC can support higher than anticipated housing supply growth targets and outcomes across Canada within the overall program funding.

Table 3: Affordable Housing Bonus

	Total projected affordable units permitted without HAF (%)	Total projected affordable units permitted with HAF (%)	Increase in the share of affordable housing units (%)	Per unit amount	Affordable housing bonus amount
Affordable housing bonus	2.00%	3.50%	1.50%	\$19,000*	\$1,710,000

An increase in the share of affordable housing units of 1.50% \* 6000 total projected permitted units with HAF

\* \$19K per unit = \$1.71M.

\* All per unit amounts for the base funding, top up funding and affordable housing bonus are estimated amounts that may assist potential applicants for budgeting purposes. CMHC may adjust these amounts and this flexibility is to help ensure that CMHC can support higher than anticipated housing supply growth targets and outcomes across Canada within the overall program funding.

**Total Incentive Funding:**

**\$16,160,000**

Base funding (\$10M) + top up funding (\$4.45M) + affordable housing bonus (\$1.71M) = \$16.16M

**The average amount for each HAF incented unit is: \$32,320**

Total incentive funding of \$16.16M / the number of HAF incented units of 500 = \$32,320

## MINIMUM DOCUMENTATION REQUIREMENTS

Minimum documentation to support an application under the HAF:

- Completed application form, including action plan
- Signed integrity declaration
- Most recent audited financial statements (if not available publicly)
- Current housing needs assessment report (if available at time of application)
- Attestation letter signed by the applicant's Chief Financial Officer (or equivalent) using the prescribed form on viability of the action plan.

## ADVANCING SCHEDULE

There will be a total of four advances to successful applicants, with one advance planned for each year of the program. An upfront advance will be provided in the first year to assist proponents with implementing action plans. Subsequent payments will be subject to conditions, including satisfactory progress reviews.

## REPORTING REQUIREMENTS

There are three main reporting obligations under the HAF that relate to progress on the initiatives and commitments outlined in the action plan, supporting data on housing units permitted during the reporting period and reporting that confirms that HAF funding was used for a permitted purpose.

## APPLICATION PROCESS

The following provides a high-level overview of the application process for HAF:

### 1. HAF program details announced

- CMHC publishes program parameters and pre-application reference material, including an action plan template on its [website](#)<sup>2</sup>

### 2. Potential applicants consider the HAF

- Applicants assess their own local context, including housing challenges and opportunities

### 3. Applicants develop action plans

- Applicants develop an action plan unique to their needs in support of HAF, aligned with the prescribed template
- Applicants obtain necessary approvals<sup>3</sup>

### 4. CMHC is ready to accept applications

- CMHC invites applicants to apply<sup>4</sup>
- CMHC's intake portal opens for application submissions
- Applicants submit application, including the action plan<sup>5</sup>

### 5. Evaluation and selection

- CMHC will evaluate and prioritize applications and obtain final approvals<sup>6</sup>
- Once approvals and final funding decisions are made, CMHC will advise applicants of the outcome

### 6. Contribution agreement

- If approved, CMHC will confirm the total amount of funding
- The proponent signs the contribution agreement<sup>7</sup>
- First advance processed following signing of the agreement

This material is provided for informational purposes and provides program highlights only. This information is subject to change at any time. CMHC does not guarantee or warrant that the program highlights are complete, adequate, or up-to-date. Additional information on the program can be found within the pre-application reference material made available on CMHC's [website](#)<sup>2</sup>. The contribution agreement shall include the terms and conditions of the program and govern the obligations of the recipient and CMHC.

<sup>2</sup> <https://www.cmhc-schl.gc.ca/en/professionals/project-funding-and-mortgage-financing/funding-programs/all-funding-programs/housing-accelerator-fund>

<sup>3</sup> All action plans must be approved by elected Council (or equivalent, including delegated authority) and include an attestation of the applicant's Chief Financial Officer (or equivalent) on the viability of the plan. The attestation must be obtained by the applicant before applying to the HAF. The approval may be obtained by the applicant before applying to the HAF and is required before the contribution agreement is signed.

<sup>4</sup> CMHC will encourage several anticipated growth leaders within the large/urban stream to apply to the HAF in advance of the intake portal opening. These are cities that are expected to contribute significantly towards the 100K unit target for the HAF. Considering these cities earlier in the process will assist CMHC in managing the overall funding envelope.

<sup>5</sup> There is only one planned intake window. All applicants interested in applying to the HAF must meet the submission deadline.

<sup>6</sup> CMHC will consider take-up across jurisdictions and may adjust application rankings to support a national distribution. CMHC will make formal recommendations to the Minister of Housing and Diversity and Inclusion.

<sup>7</sup> If not already obtained, Council approval (or equivalent) of the action plan is required before the proponent enters into the contribution agreement.

# Requisition in 2024 Property Tax Assessment

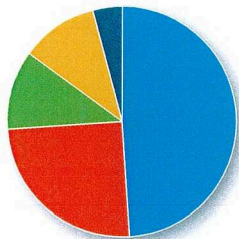
Since 1960, Westwinds Communities has provided Retirement Living in coordination with local municipalities and the Provincial Government. The provincial and municipal governments recognized that Senior Citizens would be unable to pay the entire costs of retirement living lodge accommodation and authorized these agencies to pass the annual revenue shortfall on to the rate payers of the geographic area. Westwinds requisitions Foothills County, the Towns of Diamond Valley, High River, Okotoks, and the Village of Longview for its operating shortfall and funds necessary to maintain a modest reserve for capital replacements.

Westwinds Communities manages a variety of housing programs and services, and the monies collected through the requisition are dedicated to supporting the Retirement Living operations of High Country Lodge (41 suites), Sandstone Lodge (46 suites) and Medicine Tree Manor (100 suites). Retirement Living provides studio, one and two bedroom accommodation, room furnishings, weekly housekeeping and linen service, 24 hour security and non-medical monitoring, meals and snacks, recreation and tenant support services for its residents. Seniors must be functionally independent, age 65 years or older and a resident of Canada for at least ten years to qualify for housing.

The individual municipalities are not responsible for generating this amount on your personal property tax bill, though they collect the amount and forward it to the Westwinds Communities.

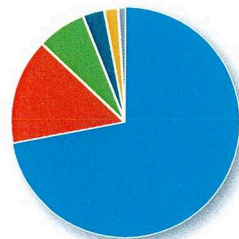
## 2023 Lodge Operating Revenues

<span style="color: blue;">■</span> Rental Accommodation:	49%	\$4,039,540
<span style="color: red;">■</span> Municipal Requisition:	25%	\$2,076,389
<span style="color: green;">■</span> Provincial Grants:	11%	\$920,344
<span style="color: yellow;">■</span> Management Fees:	11%	\$889,851
<span style="color: blue;">■</span> Other Income:	4%	\$338,045



## 2023 Operating Costs

<span style="color: blue;">■</span> Direct Labour:	72%	\$5,240,305
<span style="color: red;">■</span> Food and Housekeeping:	15%	\$1,096,166
<span style="color: green;">■</span> Utilities:	7%	\$501,961
<span style="color: blue;">■</span> Maintenance:	3%	\$213,839
<span style="color: yellow;">■</span> Office:	2%	\$168,331
<span style="color: grey;">■</span> Interest:	1%	\$36,896



## Lodge Facts

- 254 seniors housed in 2023
- Average age: 83.4
- Most common reason for entering lodge: health concerns and mild memory loss
- Median Monthly Income: \$2,459

## Westwinds Quick Facts

- 781 households served in 2023 in 13 communities
- 96 Employees
- 411 Homes
- 50 Volunteers, 1,044 hours
- Overall \$10.11M operating budget

*"The rent and fees are reasonable for the great services we get."*

*"I enjoy living here and I do feel very safe."*

*"Staff is kind, happy to help in any way."*

## Westwinds Programs

**Seniors Lodge Residences:**  
Diamond Valley, High River and Okotoks

**Affordable Housing for Seniors:**  
High River, Okotoks and Diamond Valley  
**Affordable Housing for Families:**  
High River, Okotoks

**Rent Supplement:**  
Geographical boundaries West to Foothills County, South to Claresholm and East to the County of Vulcan

**Near Market Housing:**  
Diamond Valley, High River and Okotoks



# Westwinds Communities

## Our Values

Customer Service  
Respect  
Safety  
Accountability  
Integrity  
Innovation

Westwinds provides supportive living accommodation to 187 senior households in Diamond Valley High River and Okotoks.

## Our Vision

Safe, affordable homes, sustainable communities.

Our mission is to provide safe, high-quality affordable homes and services that strengthen our communities and enhance the well-being of the seniors, families and individuals who call them home.

For inquiries or more information on our programs and services, to volunteer or donate please contact us at:

**Westwinds Communities**  
833 – 9 Street SW  
High River, Alberta T1C 1V3  
T 403.652.8600

E [admin@westwindscommunities.ca](mailto:admin@westwindscommunities.ca)

## High Country Lodge

707 Government Road, Diamond Valley  
T 403.933.4028

## Medicine Tree Manor

901A MacLeod Trail SW, High River  
T 403.652.7040

## Sandstone Lodge

101 Centre Court, Okotoks  
T 403.938.6404

Visit us at  
[westwindscommunities.ca](http://westwindscommunities.ca)



## The Power of Collaboration

In 2023, the Foothills region continued to face daunting challenges around the development of and access to quality, affordable housing.

Despite this, our community collectively demonstrated what can be achieved when residents, leaders, and industry organizations engage, collaborate and care.

As we all continue the journey towards a more affordable, supported community, let's remember that working together and taking action are the greatest tools we have for effecting positive change.

*We're in this together. At Westwinds, we care.*

### CONTENTS

- Our Piece Of The Puzzle
- Transformative Housing Projects Taking Shape
- New Developments & Long-Term Affordability Commitment
- Improvements to Housing Programs
- Navigating Challenges in Seniors Lodge Programs & Recommending a Comprehensive Review
- Partnerships & Collective Efforts
- Financial Overview
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Drake Town, Okotoks

## OUR PIECE OF THE PUZZLE

As we bid farewell to 2023, we reflect on the power of collaboration and engagement within our community. Our communities in the Foothills region saw ongoing, significant challenges around the development and access to quality, affordable housing while waitlists grew, and resource constraints heightened. We also witnessed the power of partnerships, as our community members, organizations and leaders connected to help address these critical needs.

Westwinds remained dedicated to our mission of providing safe and affordable housing solutions. We welcomed tenants into a new affordable housing project, took great strides on near market future housing developments, engaged with government and industry leaders to help guide long-term solutions, and secured additional funding to help begin to address housing affordability in the Foothills region.

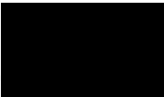
In welcoming families into Drake Towns, our latest project, we reached a significant milestone in our commitment to creating quality, affordable housing solutions for all. It was very satisfying to have new tenants settle into their new homes, the first in six years.

Through our Rental Assistance Program, we extended support to over 100 new households, providing essential relief for individuals and families facing untenable rent expenses. This initiative has been vital in addressing housing insecurity and expanding access to affordable housing options.

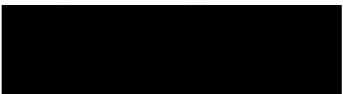
And finally, now post-pandemic, we were thrilled to revive community connections by hosting our annual Senior's Week BBQ with Medicine Tree Manor, High River, as our host. We were pleased to have record attendance of 175 seniors and guests in Millenium Park. The event allows our seniors from all our communities to connect and celebrate provincial Senior's Week.

Despite our success, 2023 proved to be a difficult year with significant resource constraints. We diligently continued our response to COVID as well as associated, ongoing human resource recruitment challenges which we prioritized to ensure we best supported our team. Our full suite of housing and community programs was well-managed by our team while we competed federally and provincially for additional limited resources with the aim to further our future affordable housing developments. Fortunately, our Board of Directors and extraordinary employees remained champions of our residents, tenants and community. We continued to persevere and excel in navigating the challenges in front of us.

Together, let's continue our efforts towards a more inclusive and equitable community.



Don Herring  
Board Chairperson



Lauren Ingalls  
Chief Administrative Officer



**Our Values**

- Customer Service
- Respect
- Safety
- Accountability
- Integrity
- Innovation

## Our Mission

**Westwinds Communities is a not-for-profit housing organization, committed to providing safe and affordable housing opportunities and services, not provided by the marketplace, in urban and rural communities.**



## TRANSFORMATIVE HOUSING PROJECTS TAKING SHAPE

Westwinds Communities made great progress in the development of 38 below-market rental units in two buildings in Okotoks. These units are designed to meet the housing needs of families, couples, singles, and seniors currently on our housing waitlists. Westwinds successfully secured the land in fall 2023 and has applied for national, federal and provincial grants.

## NEW DEVELOPMENTS & LONG-TERM AFFORDABILITY COMMITMENT

Beginning in June, we welcomed tenants to our newly developed Drakes Towns in Okotoks. This development provides ten new units of near market and affordable housing in the Drakes Landing community on the corner of Milligan Drive and 48 Street. We were pleased to secure a formal agreement with the Town of Okotoks, the Alberta Social Housing Corporation, and the Canada Mortgage & Housing Corporation to ensure that rental rates for Westwinds' units will remain affordable for at least the next 40 years.

Westwinds Communities successfully obtained title to Valley Villa, four units in the Turner Valley subdivision of Diamond Valley. The purchase will ensure the housing remains affordable for at least twenty years.

## IMPROVEMENTS TO HOUSING PROGRAMS


Earlier in the year, we initiated a process to review and reinvigorate our affordable housing waitlist, aligning with the province's new requirement for reapplication. We have streamlined our processes, leading to a reduction in waitlists for seniors' independent living and family affordable housing as we shift focus to housing tenants who reside in our local community. We're now better positioned to serve our local communities and its residents.

A 40% increase in funding to the operating budget of the Rental Assistance Benefit has reenergized this program and allowed over 100 new households to access funding. The need in our region for rental accommodation is far greater than the program allows. We are aware of many qualified households that are eligible for funding though unable to secure quality, affordable rental accommodation as our local vacancy rates have remained at 0% for the past two years. We expect the trend to continue in 2024.


## NAVIGATING CHALLENGES IN SENIORS LODGE PROGRAMS & RECOMMENDING A COMPREHENSIVE REVIEW

Amid great progress, challenges in Alberta's Seniors Lodge Program have surfaced, demanding our attention and advocacy. These challenges include the impact of inflation, creating a financial strain on seniors' lodges. Additionally, there is an ongoing lack of capital funding, with deferred capital maintenance, highlighting the province's inadequate provision of capital funding. Westwinds recognizes the sustained issues with the Lodge Assistance Grant. Since 2018, the stagnant grant has not kept pace with inflation, impacting the seniors' retirement residences and the industry's ability to provide adequate services. This has resulted in increased rates for residents and a decrease in maintenance capital renewal.

Addressing these issues effectively is critical. We have communicated our recommendation for a comprehensive review of the Seniors Lodge Program and requested a short-term grant injection into the sector. An effective review along with actionable improvements reflecting today's challenges would improve the long-term well-being of seniors.



*"I am very thankful for Westwinds.  
They provide me and my children  
with affordable housing. Without them,  
I would be struggling. They have given  
me peace of mind about my children  
having a roof over their head."*



## PARTNERSHIPS & COLLECTIVE EFFORTS

### Municipal Leaders Unanimously Support Affordable Housing

As a testament to community support, the Town of Okotoks unanimously agreed to cover additional costs associated with our critical affordable housing project in the D'Arcy subdivision relating to land servicing. The decision reflects a collective commitment to addressing the pressing need for safe and affordable housing in our region.

### Community Based Support

The Outreach and Social Justice Team, comprising members from St. Andrews United Church (De Winton), United Church in the Valley (Diamond Valley), and Okotoks United Church, joined forces with Westwinds to help address the pressing issue of maintaining affordable housing in our region. Recognizing the critical need for rent and utility security, the team collaborated to establish a \$5,000 Emergency Fund pilot for Westwinds clients. Eligible recipients are required to participate in a money management course. The program fund assisted four families in 2023.

Westwinds continued its community support through operating the Okotoks Meals on Wheels Program and providing Soup for Seniors in our High River community.

### Donations

Westwinds Communities is a charitable organization and received \$5,026 in donations in 2023. Thank you to the generosity of Bulletproof, Campbell Decorating, Colliers Project Leaders, Avail LLP, Oak Tree Carpets, Yardi and Countryside Garden Centre.

## 2023 TENANT/RESIDENT FEEDBACK

### Retirement Living

- **97%** agree that the staff is friendly, respectful, helpful, and approachable
- **96%** agree that maintenance repairs are responded to and completed in a timely manner
- **96%** feel safe and secure in their suite and the lodge
- **90%** would recommend our housing to others

### Coal Trail

- **96%** feel safe living in their own home
- **100%** would recommend Westwinds Communities programs and services to others

### Independent Living

- **92%** are satisfied with the staff
- **92%** responded that maintenance repairs are completed in a timely manner

### Near Market Housing

- **100%** of residents across all communities feel safe living in their homes
- **27%** of Tenants also access the rental assistance benefit program to further improve the affordability of their rent receiving an average subsidy of \$435

### Rental Assistance Benefit

- **100%** of respondents would recommend Westwinds Communities programs and services to others



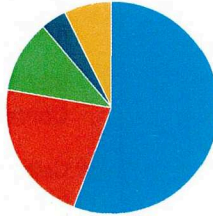
2023 Senior's Week BBQ



## FINANCIAL OVERVIEW

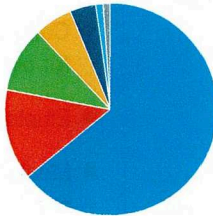
### 2023 Consolidated Operating Revenues

Rental Accommodation	56%	\$6,030,107
Municipal Requisition	22%	\$2,076,389
Provincial Grants	11%	\$1,069,251
Management Fees	4%	\$351,586
Other Income	7%	\$639,387



### 2023 Consolidated Operating Expenses

Direct Labour	65%	\$5,240,828
Food, Housekeeping, Operating	14%	\$1,288,035
Utilities	10%	\$921,229
Maintenance	6%	\$637,661
Office	4%	\$434,847
Property Tax	1%	\$65,016
Interest	1%	\$53,125



Westwinds Communities 2023 Consolidated Financial Statements were independently audited by Avail LLP. Financial statements in all material respects were in accordance with Canadian accounting standards for not-for-profit organizations.

Westwinds consolidated financial statements include three portfolios

- Retirement Living
- Affordable Housing
- Near Market Housing

**Retirement Living** portfolio provide seniors with quality meals, enriching activities, outstanding housekeeping and a safe environment.

**Affordable Housing** provides housing to singles, couples, families, and seniors who have low or modest income. Our tenants pay rent calculated as 30% of their income from all household members. Most of the Affordable housing properties are owned by the Province of Alberta with Westwinds as the operator.

Affordable Housing portfolio also includes the Rental Assistance Benefit program. The program provides long-term financial subsidy to low-income Albertans who need help affording their rent.

**Near Market Housing** program provides housing to singles, couples, families, and seniors who have a low or modest income, and helps lower housing costs by offering rental suites that are below market rental prices.

Surpluses from Westwinds Near Market Housing are reinvested to build and maintain our capital assets to provide affordable housing options to the community.

D'Arcy Proposed 28 Units, Okotoks

## BY THE NUMBERS

### Services Provided

- Provide monthly accommodation to **671** households
  - **3** Seniors Retirement Living Communities
  - **7** Seniors Independent Living Communities
  - **94** affordable housing units
  - **12** social housing units
  - **260** Rental Assistance Benefit supplements

### Tenant Support Services

- **249** client referrals with **70%** resolved within a few days. Top three requests:
  - **27%** financial/funding
  - **12%** government services assistance
  - **10%** technology support
- **168** referrals led to an improvement in knowledge or skills
- **110** referrals resulted in an essential need being met
- Hosted monthly in services for seniors independent living and retirement residences with the most popular sessions being Preparing for Tax Season, Important Phone Numbers that Keep you Independent and Advance Care Planning

### Employee Stats

- **96** employees, average length of service 3.5 years and average employee age is 48 years
- **92.8%** high satisfaction from Annual Employee Conference.
- Celebrated over **45** years of service for nine employees in our long service awards banquet
- Trevor Fish awarded Calgary Residential Apartment Association Maintenance Person of the Year
- Congratulations to Ted Mills, outgoing board Chairperson for over 18 years of service to Westwinds Communities
- Employee Appreciation Day – celebrated on December 17
- Mental wellness initiatives were held in January, May, and October to promote employee resilience, education and overall life balance
- Training programs conducted including first aid, manual materials handling, dementia training, NAOSH Week competition, Teams Week, H&S element training, and WHMIS

*“I have always found the level of service to be outstanding no matter whom I have dealt with. Someone always seems to be there.”*



### Operations by the Numbers

- All three lodges successfully reviewed for accommodation standards licensing certification
- We experienced unprecedented turnover with:
  - **36%** in the retirement living program,
  - **25%** in the affordable housing program and
  - **15%** in the near market housing programs
- Invested **\$127,208** in capital maintenance and renewal
- **67** minor unit renovations and **39** full unit renovations completed at a cost of **\$373,165**
- **175,706** meals served
- **10,024** suite cleans completed
- Residents participated **42,687** times in **178** different activities.
- Westwinds benefitted from **50** volunteers providing over **1,044** volunteer hours

### Health, Safety & Licensing

- Implemented new OH&S guidelines, primarily focusing on first aid kit changes
- **43%** increase in participation of employees reporting 'near-miss' incidents
- WCB Partners Injury Reduction Refund of **\$8,505** a real tribute to our employee Corporate Health and Safety Committee who oversee our workplace health and safety

*"I like the little extras the kitchen staff does to make the meals nicer—the little marshmallow bunny or chick on the dessert, or the cherry, etc."*

**D'Arcy Proposed 10 Units, Okotoks**

## 2023 BOARD OF DIRECTORS

Ted Mills, Chairperson

Don Herring, Vice Chairperson

Cheryl Actemichuk (Jan. – Apr.)

Gary Adolphe

Alan Alger

Brendan Kelly

Rose Klassen

Gord Lang (May – Dec.)

Kathryn Robson

Kelly Smit (Nov. – Dec.)

Brenda Walsh (Jan. – Oct.)



**Westwinds**  
Communities

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**Westwinds**  
Communities

# 2024-2026 BUSINESS PLAN

833 – 9 Street SW, High River, Alberta T1V 1C3 Telephone: 403.652.8600

Website: [www.westwindscommunities.ca](http://www.westwindscommunities.ca)

Approved: June 25, 2024

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### EXECUTIVE SUMMARY

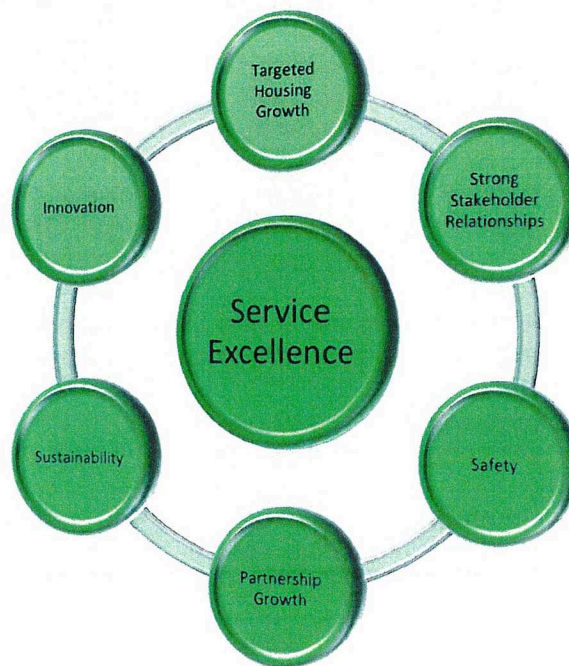
Demand in the affordable housing sector is unprecedented with every level of government engaged in affordable housing growth and the allocation of resources. To respond, Westwinds Communities is positioning for rapid growth in the affordable housing and near market portfolios with limited resources, creativity, determination and the ability to pivot. Our vision is aggressive representing 24% growth over the next four years. We plan to:

- ❖ Develop up to 98 units of affordable and mixed market housing in Okotoks;
- ❖ Secure land to replace High Country Lodge (circa 1977) and provide an opportunity for a small care home (assisted living) to be co-located;
- ❖ Maintain flexibility to capitalize on government programs that increase housing supply and or subsidizes for our communities; and
- ❖ Engage and work with our local municipalities to increase the affordable housing supply.

This vision cannot materialize without strong community support within Westwinds, our local communities and stakeholder organizations. As of the writing of the business plan, the waiting lists for all programs are at an all time high and growing. Now is the time to continue to advocate and work toward innovative solutions that target affordable community growth recognizing Westwinds cannot be the only local participant but a reputable and available partner.

Internally we will continue to maintain and enhance our customer service providing high quality hospitality, well maintained facilities and a balanced approach to property management services. We will strive to utilize technology to improve services to our residents and tenants while maintaining strong relationships.

*Our vision at the end of 2026 is to be positioned to support almost 100 new households and plans to grow the organization in the next business cycle in the retirement living, assisted living (partnership) and near market housing programs.*



## GUIDING PRINCIPLES

At Westwinds Communities, we care about people. We believe that safe, high-quality affordable housing is critical to the health and wellbeing of individuals, families and entire communities. Since 1960, we've provided supportive living, subsidized housing and rent supplement programs to more than 57,000 people across all life stages.

We help seniors stay in their communities, provide children with bedrooms to call their own and ensure single parents don't need to choose between putting food on the table and putting a roof over their family's heads. When people have a safe and secure place to call home, they are able to put down roots, build social supports and make meaningful contributions that strengthen their families and communities.

Our Vision, Mission and Values are foundational to everything we do from hospitality services to property management and program administration.

**Our Vision** is safe, affordable homes, sustainable communities.

**Our Mission** is to provide safe, high-quality affordable homes and services that strengthen our communities and enhance the well-being of the seniors, families and individuals who call them home.

**We model our Values.**

- ❖ **Respect** We cultivate inclusive environments where every person is valued, personal choice is embraced, and independence is respected.
- ❖ **Accountability** We are accountable to our clients, stakeholders, employees and communities. Our commitment to excellence is reflected in every decision we make and how we manage our resources.
- ❖ **Service Excellence** We are professional in all that we do and work hard to exceed expectations. We take time to do the little things that brighten peoples' days and are committed to improving the way community members live.
- ❖ **Safety** We are committed to the safety of our clients, employees, and stakeholders. We follow protocols and take responsibility for ourselves and those around us.
- ❖ **Innovation** We foster a culture of continuous improvement; developing creative solutions that deliver on our mission and meet the emerging needs of our communities.
- ❖ **Community** We strive to build and sustain community in the places where we live, work and grow. We are mindful of how our decisions affect our families, friends, neighbours and the Foothills Region.

**At Westwinds, we care.** We care about our people, our properties and the communities we call home.



## OVERVIEW

The Westwinds Communities Board of Directors is the governing body of the organization. The Board of Directors is represented by five municipally appointed directors, one municipality appointed member at Large and three members-at-large appointed by the Board. The Westwinds Communities' members are Foothills County, the Town of Diamond Valley, the Town of High River, the Village of Longview and the Town of Okotoks.

Westwinds Communities is established by a Ministerial Order (MO) and is governed by the provincial Alberta Housing Act and its Regulations through the Ministry of Alberta Seniors, Community and Social Services. In accordance with the Act and by Agreement of the participating partner municipalities, Westwinds Communities operates three Seniors Retirement Living Communities (Lodges). In addition, Westwinds manages seven Seniors' Independent Living Communities (Self Contained Apartment Buildings), Community Housing and the regional Rent Assistance Benefit program.

Westwinds Communities owns High Country Lodge and Medicine Tree Manor in addition thirty-two near market housing units and operates a sixty-two unit apartment in High River as a mixed model market/affordable/subsidized product on behalf of the Ministry of Alberta Seniors, Community and Social Services.

The 2024-2026 business plan is developed based on priorities of the 2022-2026 Westwinds Communities Strategic Plan and was created in 2024 following a Board of Directors planning day held on January 26, 2024. The plan aligns with previous Westwinds Communities business plans and the needs assessment for the Town of Okotoks, the Town of High River and the former Town of Black Diamond. The business plan was adopted by Westwinds Communities on June 25, 2024.

**STRATEGIC PRIORITY INITIATIVES AND PERFORMANCE MEASURERS**

**1. Innovative Housing Solutions**

Objective: Explore innovative and viable housing solutions and services in targeted growth communities.

**1.1. Develop/acquire up to 98 units of affordable housing in Okotoks for singles, families, and seniors.**

Strategies	Timeline & Key Lead	Actions	Performance Measures
1. Evaluate partnership and fund development options to increase project viability which compliments Westwinds proposed developments.	2024-25 CAO, Board	<ul style="list-style-type: none"> <li>➤ Board approval of MOU/operational contract and or fund development agreement.</li> <li>➤ Maintain nimbleness to respond to a variety of granting programs to fund proposed development.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Aligns with Westwinds partnership guidelines.</li> <li>➤ Materially saves capital and or operating.</li> <li>➤ Materially benefits Westwinds tenant's services and or quality of life.</li> <li>➤ Satisfactory partnerships.</li> </ul>
2. Secure provincial and federal capital funding and or financing.	2024-2026 CAO, Director of Finance & Admin.	<ul style="list-style-type: none"> <li>➤ Apply for capital funding financing and grants.</li> <li>➤ Stacking of government contributions.</li> <li>➤ Consider existing asset sales by Westwinds in Okotoks.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Stakeholder capital funding approval.</li> <li>➤ Viable projects.</li> <li>➤ New units.</li> </ul>
3. Construct or acquire and commission up to 98 units affordable /mixed market development.	2024-25 CAO, Director Maintenance Ops, Management Team	<ul style="list-style-type: none"> <li>➤ Project constructed within specified timelines at or below budgeted costs.</li> <li>➤ Project constructed to expected standards.</li> <li>➤ No material warranty issues.</li> <li>➤ Building construction in phases based on capital funding.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Project completed within timeframes of capital funding and financing.</li> <li>➤ Project completed on budget.</li> <li>➤ New homes for clients.</li> <li>➤ Quality construction.</li> <li>➤ Operationally viable.</li> <li>➤ Full occupancy within six months of occupancy.</li> <li>➤ Tenant service and property satisfaction rating exceeds 80% benchmark.</li> </ul>

**1.2. Acquire title to 711 Government Road, Diamond Valley, to redevelop High Country Lodge and create a campus of care model for the community.**

Strategies	Timeline & Key Lead	Actions	Performance Measures
1. Acquire title to 711 Government Road.	2024-2026 CAO, Board	<ul style="list-style-type: none"> <li>➤ Advocate for the land transfer of 711 Government Road, Diamond Valley, Alberta.</li> <li>➤ Determine if province is willing to subdivide land at the time of transfer.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Land acquisition at minimal cost.</li> </ul>
2. Subdivide 711 Government Road and seek land use/zoning clarification and or change.	2026-2027 CAO, Director of Maintenance Ops	<ul style="list-style-type: none"> <li>➤ Review Public Service zoning, amend if required.</li> <li>➤ Determine current infrastructure requirements and site servicing expenses.</li> <li>➤ Develop a master plan incorporating the replacement of High Country Lodge, a small care home and affordable housing.</li> <li>➤ Seek grants to defray site subdivision costs.</li> <li>➤ Subdivide the site based on the master plan.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Development ready site.</li> <li>➤ Financially feasible site servicing and subdivision.</li> </ul>
3. Advocate the Town of Diamond Valley for the financial resources necessary to replace High Country Lodge.	2026-2027 Board	<ul style="list-style-type: none"> <li>➤ Develop a business case for redeveloping High Country Lodge.</li> <li>➤ Seek support of Town of Diamond Valley and financial commitment to assist in supporting High Country Lodge replacement.</li> <li>➤ Develop communication material for residents, tenants and the public on the proposed replacement of High Country Lodge.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Confirmed municipal funding of a minimum 5% to contribute toward the capital replacement of High Country Lodge.</li> <li>➤ Community support for lodge replacement.</li> </ul>
4. Explore partnerships and capital grant funding to replace High Country Lodge.	2026-2028 CAO, Director of Finance and Admin	<ul style="list-style-type: none"> <li>➤ Apply and confirm funding commitments.</li> <li>➤ Viable operating financial proformas and capital budgets.</li> <li>➤ Develop reserve allocation for building replacement.</li> <li>➤ Develop a fund development program.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Confirmed funding – grant, financing, fund development.</li> </ul>

**1.3. Identify and prioritize innovative affordable housing solutions to meet the needs of a variety of clients.**

Strategies	Timeline & Key Lead	Actions	Performance Measure
<p>1. Explore Municipal Partnerships</p>	<p>2024-2026 CAO, Board of Directors</p>	<ul style="list-style-type: none"> <li>➤ Provide education and assistance on municipal options to increase the opportunity for affordable housing development.</li> <li>➤ Liaise with local municipalities on affordable housing strategies.</li> <li>➤ Explore options to partner with local municipalities in new affordable housing development including offering tenant selection and property management services.</li> <li>➤ Westwinds ensures viable operation and appropriate level resource allocation of any proposed partnership.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Municipalities commit to expanding affordable housing.</li> <li>➤ Successful and satisfactory municipal partnerships.</li> <li>➤ Financially viable Westwinds partnerships.</li> </ul>
<p>2. Transition an additional two units at Coal Trail Residences to social housing.</p>	<p>2024 CAO, GM</p>	<ul style="list-style-type: none"> <li>➤ Maintain existing financial viability.</li> <li>➤ Property adheres to tenant benchmark satisfaction ratings.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Increased social housing in High River.</li> </ul>
<p>3. Explore options for technology to enhance or streamline services.</p>	<p>2024-2026 All management</p>	<ul style="list-style-type: none"> <li>➤ Review cost benefit of technology innovations and new equipment to enhance services, enhance efficiencies and or streamline service delivery.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Maintain client satisfaction.</li> <li>➤ Improve service.</li> <li>➤ Streamline operations.</li> </ul>

**2. Sustainable Practices**

Objective: Optimizing resources to support sustainable practices.

**2.1. Enhance service excellence through training, innovative opportunities and technology.**

**2.2. Maintain an operational focus working toward sustainable operations.**

**2.3. Safeguard our people.**

Strategies	Timeline & Key Lead	Actions	Performance Measures
1. Complete Yardi implementation – inspection portal, asset management, inventory control, and rent café.	2025-2026 Director Finance Director Maintenance Operations	<ul style="list-style-type: none"> <li>➤ Implement Yardi inspection portal, asset management, inventory control, and rent café.</li> <li>➤ Educate and train end user on system use.</li> <li>➤ Automate intake for new applicants.</li> <li>➤ Activate tenant portal.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Effective usage of Yardi modules by end users.</li> <li>➤ 80% Client satisfaction with intake and tenant portal.</li> </ul>
2. Integrated new payroll system into Westwinds operations.	2024 Director of Finance	<ul style="list-style-type: none"> <li>➤ Transition payroll from ADP to UKG.</li> <li>➤ Integrate features to enhance human resource metrics and financial monitoring and reporting.</li> <li>➤ Train employees and management on new system use and features.</li> </ul>	<ul style="list-style-type: none"> <li>➤ 80% employee satisfaction with new system.</li> <li>➤ Error free payroll.</li> <li>➤ Improved reporting metrics.</li> </ul>
3. Maintain service benchmarks at 85%: a. All Surveys: Residents, tenants, employees, Board of Director, volunteers b. COR Certification c. Accommodation Standards	2024-26 Management team, H&S Coordinator	<ul style="list-style-type: none"> <li>➤ Surveys: Annual or bi-annual evaluation.</li> <li>➤ Annual re-certification.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Attain or exceed internal stakeholder benchmarks.</li> <li>➤ Safe workplace.</li> </ul>
4. Service streamlining: a. Review administrative practices. b. Vended laundry system.	2024-2026 Management Team	<ul style="list-style-type: none"> <li>➤ Department review of operational practices to reduce redundancy and gain efficiency.</li> <li>➤ Communication to residents and tenants on vended laundry system.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Efficient operations.</li> <li>➤ Reduced expenses.</li> </ul>

Strategies	Timeline & Key Lead	Actions	Performance Measures
5. Explore service scope enhancements: <ul style="list-style-type: none"> <li>a. Volunteer online onboarding.</li> <li>b. Recreation Assistant 1 – 0.4 FTE).</li> <li>c. Contract human resources management.</li> <li>d. Review operational bottlenecks.</li> <li>e. Employee scheduling tool.</li> <li>f. Electric charging stations.</li> <li>g. Automated floor cleaning.</li> <li>h. Improve resident quality of life.</li> </ul>	2024-26 Management team, Recreation Coordinators, Supervisors, All employees	<ul style="list-style-type: none"> <li>➤ Develop online tool for new volunteers based on employee online system.</li> <li>➤ Develop position description and scope for new positions.</li> <li>➤ Evaluate service constraints to improve delivery, reduce redundancy and workload.</li> <li>➤ Revise housekeeping schedules and educate residents and employees on automated cleaning systems.</li> <li>➤ Participate in casino, dedicate funds to enhance resident quality of life.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Enhance volunteer on boarding.</li> <li>➤ Improved volunteer retention.</li> <li>➤ Enhance Westwinds overall employment experience.</li> <li>➤ Reduce year round workload constraints.</li> <li>➤ Reduce scheduling errors.</li> <li>➤ Improve service and revenue streams.</li> <li>➤ Increase operational efficiency.</li> <li>➤ Reduce workplace incidents.</li> <li>➤ Improvement in resident quality of life.</li> </ul>

### 3. Invest for Success, Cooperative Partners

Objective: Engage emerging and key stakeholders in enhancing the local affordable housing sector including municipal opportunities, community investment, best practices and partnerships.

#### 3.1. Strengthen collaborative partnerships with local agencies, community groups, private sector and municipalities to enhance opportunities for housing and support services.

Strategies	Timeline & Key Lead	Actions	Performance Measures
1. Secure long term funding options for Tenant Support Coordinator.	2024 – 2025 CAO	<ul style="list-style-type: none"> <li>➤ Tenant Support Coordinator program evaluation.</li> <li>➤ Blog post and Ministry report.</li> </ul>	<ul style="list-style-type: none"> <li>➤ 85% bi-annual client satisfaction.</li> <li>➤ 2% annual program growth.</li> </ul>
2. Support a community wide emergency fund for housing and utilities for low income households.	2024 CAO	<ul style="list-style-type: none"> <li>➤ Collapse emergency fund into a community fund.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Westwinds clients have access.</li> </ul>

#### 3.2. Foster an environment to engage, understand and meet the needs of our client and local communities.

Strategies	Timeline & Key Lead	Actions	Performance Measures
1. Supplemental strategies: <ul style="list-style-type: none"> <li>a. Invite key stakeholders to our facilities to enhance knowledgeable about Westwinds operations and funding.</li> <li>b. Build relationships early with target groups before they need Westwinds.</li> <li>c. Creative funding options.</li> <li>d. Increased government advocacy.</li> </ul>	2024-26 Management Team, Board, Communication Coord., Human Resource Consultant.	<ul style="list-style-type: none"> <li>➤ Government tours.</li> <li>➤ Broader presence in communities – Okotoks office.</li> <li>➤ Create a capital fundraising strategy.</li> <li>➤ Regular key messages to government.</li> <li>➤ Communication to employees on Westwinds operations and finances.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Increased positive perception and knowledge of Westwinds services and facilities.</li> <li>➤ Successful fundraising.</li> <li>➤ A go to voice in government for small urban and rural Housing Management Bodies.</li> <li>➤ Increased stakeholder understanding of Westwinds services and activities.</li> </ul>

Strategies	Timeline & Key Lead	Actions	Performance Measures
2. Implement 2024-2026 Communication Plan.	2024-26 CAO, Board, Communication Coord.	<ul style="list-style-type: none"> <li>➤ Lead discussions initiatives.</li> <li>➤ Encourage connections initiatives.</li> <li>➤ Enable our team initiatives.</li> <li>➤ Empower our residents and tenants initiatives.</li> <li>➤ Advocate for policy changes.</li> <li>➤ Enhance industry engagement.</li> </ul>	<ul style="list-style-type: none"> <li>➤ 25% increase community awareness and recognition of Westwinds and its services.</li> <li>➤ Successful advocacy strategies.</li> <li>➤ Increased community support for new affordable housing.</li> <li>➤ Provincial policy changes.</li> </ul>

**3.3. Maintain an industry leadership role with respect to best practices, innovation and advocacy.**

Strategies	Timeline & Key Lead	Actions	Performance Measure
1. Advocate government for red tape reduction and viable funding programs.	2024 -2026 Board	<ul style="list-style-type: none"> <li>➤ Communicate to stakeholders' strategies which enhance operations and reduce red tape for Westwinds.</li> <li>➤ Advocate for an annual 3% increase in Rental Assistance Benefit (RAB) Program funding.</li> <li>➤ Advocate for dissolution of property tax in affordable housing.</li> <li>➤ Annually secure capital funding of \$235-507K for the Affordable Housing Program.</li> <li>➤ Annually secure operating and capital grants for retirement living program.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Equitable funding between the municipal and provincial stakeholders.</li> <li>➤ Eliminate property taxes for Westwinds.</li> <li>➤ Increase operational sustainability.</li> <li>➤ Increase of 7-10 units per year in the RAB program.</li> <li>➤ Maintain functionality and market relevance in provincial and Westwinds housing assets.</li> <li>➤ Reduction in government directed administrative processes for Westwinds.</li> </ul>



**CAPITAL DEVELOPMENT**

**1. D’Arcy, Okotoks (2025-2027 construction)**

- Phase 1 – 10 units
- Phase 2 - 28 units
- Phase 3 – 60 units

<b>Construction Costs</b>	<b>Phase 1 &amp; 2</b>	<b>Phase 3</b>
Land	989,000	1,000,000
Soft Costs	1,498,857	1,284,000
Hard Costs	13,056,257	10,870,000
Contingency	1,037,500	1,241,000
<b>Total</b>	<b>16,081,614</b>	<b>14,385,000</b>

<b>Project Funding</b>	<b>Phase 1 &amp; 2</b>	<b>Phase 3</b>
Westwinds Communities	\$ 3,600,000	\$ 176,000
Donation	0	2,750,000
Town of Okotoks	1,593,257	1,000,000
CMHC Affordable Housing Fund and Seed Funding	7,651,898	5,344,000
AHPP	3,211,459	5,100,000
FCM Seed Funding	25,000	25,000
<b>Total</b>	<b>16,081,614</b>	<b>14,385,000</b>

<b>Annual Operating Proforma</b>	<b>Phase 1 &amp; 2</b>	<b>Phase 3</b>
Total Revenue	\$ 688,103	\$651,980
Total Expense, Interest, Principle and Reserve	655,512	585,495
<b>Net Revenue Over Expenditures</b>	<b>32,591</b>	<b>66,485</b>

**2. 711 Government Road, Diamond Valley, Alberta (2026-2027)**

Preliminary Development for High Country Lodge replacement, small homes and affordable housing.

<b>Project Costs</b>	
Land (AHSC Donation)	10
Soft Costs	699,990
<b>Total</b>	<b>700,000</b>

<b>Project Funding</b>	
Westwinds Communities	\$450,000
CMHC Seed Funding	250,000
<b>Total</b>	<b>700,000</b>

**3. Sandstone Lodge (2027-2028)**

Provincial Modernization – Dining Room expansion and bathroom accessibility renovation

<b>Project Costs</b>	
Dining Room Expansion and Bathroom Suite Modernization	2,700,000
<b>Total</b>	<b>2,700,000</b>

<b>Project Funding</b>	
Westwinds Communities	270,000
AHPP	2,430,000
<b>Total</b>	<b>2,700,000</b>

4. Capital Maintenance and Renewal

Retirement (Supportive) Living

Project Category	Project Description	2025/2026	2026/2027	2027/2028
<b>Corporate Office</b>				
Bldg Interior	Office Reno	\$ 15,000	\$ -	
	<b>Total</b>	<b>\$ 15,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Medicine Tree Manor</b>				
Grnds Maint	Sidewalk replacement		\$ 22,500	
Grnds Maint	South parking lot - asphalt	\$ 95,000		
Plumbing	Suite renewals (showers)	\$ 10,000	\$ 10,000	\$ 10,000
Plumbing	Hot water tank replacement			\$ 30,000
	<b>Total</b>	<b>\$ 105,000</b>	<b>\$ 32,500</b>	<b>\$ 40,000</b>
<b>High Country Lodge</b>				
Grnds Maint	Sidewalk replacement		\$ 22,500	
	<b>Total</b>	<b>\$ -</b>	<b>\$ 22,500</b>	<b>\$ -</b>
<b>Sandstone Lodge</b>				
Grnds Maint	Sidewalk replacement		\$ 20,000	
Exterior	Window replace - common	\$ 60,000		
Interior	Suite door hardware		\$ 110,000	
Elevator	Moderization	\$ 125,000		
Interior	Handrail upgrade - maint. free			\$ 35,000
Interior	Suite renewals	\$ 20,000	\$ 20,000	\$ 20,000
Bldg Envelope	Eves and downspouts			\$ 20,000
	<b>Total</b>	<b>\$ 205,000</b>	<b>\$ 150,000</b>	<b>\$ 75,000</b>
<b>Contingency</b>		<b>\$ 15,000</b>	<b>\$ 15,000</b>	<b>\$ 15,000</b>
<b>Retirement (Supportive) Living Yearly Totals</b>		<b>\$ 340,000</b>	<b>\$ 220,000</b>	<b>\$ 130,000</b>

Near Market Housing 2025 – 2028

Project Category	Project Description	2025	2026	2027	2028
<b>Coal Trail Residences</b>					
HVAC	Replace main floor MUA	\$ 40,000			
HVAC	Replace third floor MUA				\$ 20,000
Bldg Interior	Common area painting			\$ 15,000	
Bldg Envelope	Flashing & baffles on windows		\$ 7,500		
Bldg Envelope	Vinyl siding on decks - repairs		\$ 7,500		
Bldg Interior	Common area flooring		\$ 25,000	\$ 25,000	\$ 20,000
	<b>Total</b>	<b>\$ 40,000</b>	<b>\$ 40,000</b>	<b>\$ 40,000</b>	<b>\$ 40,000</b>

Project Category	Project Description	2025	2026	2027	2028
Okotoks 1	Interior	\$ 10,000			
Okotoks 1	Roof replacement				\$ 17,500
Black Diamond	Hot water tank replacement		\$ 12,000		
Turner Valley	Hot water tank replacement			\$ 12,000	
	<b>Total</b>	<b>\$ 10,000</b>	<b>\$ 12,000</b>	<b>\$ 12,000</b>	<b>\$ 17,500</b>

**Affordable (Social) Housing**

Project Category	Project Description	2025/2026	2026/2027	2027/2028
<b>Spitzee House</b>				
Grnds Maint	Sidewalk replacement		\$ 15,000	
Plumbing	Hot water tank replacements	\$ 35,000		
Bldg Interior	Common area flooring			\$ 45,000
Bldg Interior	Suite renewals	\$ 30,000	\$ 30,000	\$ 30,000
	<b>Total</b>	<b>\$ 65,000</b>	<b>\$ 45,000</b>	<b>\$ 75,000</b>
<b>Soderberg House</b>				
Grnds Maint	Sidewalk replacement		\$ 15,000	
Plumbing	Hot water tank replacement	\$ 17,500		
Bldg Enevelope	Exterior bldg painting		\$ 35,000	
Bldg Interior	Common area flooring			\$ 30,000
	<b>Total</b>	<b>\$ 17,500</b>	<b>\$ 50,000</b>	<b>\$ 30,000</b>
<b>Glen Mead Park 1</b>				
Electrical	Intercom replacement		\$ 15,000	
Grnds Maint	Sidewalk replacement	\$ 15,000		
Bldg Interior	Suite renewals	\$ 15,000	\$ 15,000	\$ 15,000
	<b>Total</b>	<b>\$ 30,000</b>	<b>\$ 30,000</b>	<b>\$ 15,000</b>
<b>Glen Mead Park 2</b>				
Grnds Maint	Sidewalk replacement	\$ 15,000		
Bldg Interior	Suite renewals	\$ 15,000	\$ 15,000	\$ 15,000
	<b>Total</b>	<b>\$ 30,000</b>	<b>\$ 15,000</b>	<b>\$ 15,000</b>
<b>Glen Mead Park 3</b>				
Bldg Envelope	Window replacement		\$ 90,000	
Grnds Maint	Sidewalk replacement			\$ 15,000
Grnds Maint	Parking lot resurface	\$ 125,000		
HVAC	Boiler replacements	\$ 60,000		
Electrical	Intercom replacement		\$ 25,000	
Electrical	Fire alarm system replacement			\$ 35,000
	<b>Total</b>	<b>\$ 185,000</b>	<b>\$ 115,000</b>	<b>\$ 15,000</b>
<b>Sheep River House</b>				
HVAC	Corridor MUA unit Replacements	\$ 50,000		
Electrical	Fire alarm system replacement			\$ 35,000
Bldg Interior	Suite renewals	\$ 30,000	\$ 30,000	\$ 30,000
	<b>Total</b>	<b>\$ 80,000</b>	<b>\$ 30,000</b>	<b>\$ 65,000</b>
<b>Valley Villa</b>				
Bldg Envelope	Exterior bldg painting		\$ 15,000	
Bldg Envelope	Roof replacement	\$ 50,000		
Bldg Interior	Suite renewals			\$ 20,000
	<b>Total</b>	<b>\$ 50,000</b>	<b>\$ 15,000</b>	<b>\$ 20,000</b>
<b>Okotoks 1 - Duplexes</b>				
Bldg Envelope	Roof replacement	\$ 50,000		
	<b>Total</b>	<b>\$ 50,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Affordable ( Social) Housing Total</b>		<b>\$ 507,500</b>	<b>\$ 300,000</b>	<b>\$ 235,000</b>

Appendices	
1.	Portfolio Summary, Demographics and Waitlist
2.	Environment Scan and Situational Analysis
3.	Financial Plan and Forecasts
4.	D'Arcy Capital and Operating Budgets
5.	Definitions

Westwinds 2024-2026 Business Plan Appendices

1. Portfolio Summary, Demographics and Waitlist

Portfolio	Lodge	Management Body - Affordable			Near Market
<b>Program</b>	<p><u>Retirement Living</u> Accommodation and support services for seniors who do not require a health care center. Services include private rental of studio accommodation, a safe and accessible environment, meals and snacks, housekeeping, social and recreational activities, 24 hour non-medical monitoring, emergency response, basic living services and access to personal care.</p>	<p><u>Independent Living</u> Self-contained rental units for seniors who are functionally independent. Each unit has its own living space, bathroom and kitchen facilities. Westwinds provides property management to these communities.</p>	<p><u>Family Housing</u> Affordable rental accommodation to low and moderate income families, senior citizens, the physically challenged, and others who are unable to obtain adequate and affordable housing in the private sector.</p>	<p><u>Rent Supplement</u> Assists households in need to obtain affordable and suitable rental accommodation by subsidizing rents in approved private sector rental accommodation.</p>	<p><u>Near Market Housing</u> Rental accommodation to working families and those with special needs at a rate of not less than 10% below current market rent within the respective community.</p>
<b>Operational Funders</b>	Municipalities within Foothills County & Alberta Seniors, Community and Social Services	Alberta Seniors, Community and Social Services			None
<b>Ownership: Westwinds Communities (book value)</b>	Medicine Tree Manor –100 suites (\$23M) High Country Lodge – 41 suites (\$4M)				Okotoks – 19 Diamond Valley –13 (\$7.36M)
<b>Ownership: Alberta Social Housing Corporation</b>	Sandstone Lodge – 46 suites	Soderberg House – 20 Spitzee House – 30 Glen Mead Park – 40 Sheep River House - 24 Valley Villa - 4	Okotoks – 12 (3 four-plexes)		Coal Trail Residences – 62 affordable and mixed market (property management)
<b>Households Served - Monthly</b>	187	118	12	283 households	94 households

## Westwinds 2024-2026 Business Plan Appendices

### Demographics and Waitlist

#### Retirement Living

- 2023 turnover 36%
- Average age: 83.4 years
- Average Monthly Income: \$2,474 (single), \$3,080 (couple)
- Average Monthly Rent: \$1,641 (single), \$2,216 (couple)
- Waitlist: 59 households

#### Independent Living

- 2023 turnover 25%
- Average age: 75 years
- Average Monthly Income: \$2,075
- Average Monthly Rent: \$623
- Waitlist: 31 households (local residency requirement)

#### Affordable Housing

- 2023 turnover 25%
- Average age: 34.8 years
- Median Monthly Income: \$1,706
- Average Monthly Rent: \$610
- Waitlist: 16 households (local residency requirement)

#### Near Market Housing

- 2023 turnover 15%
- Average age: 45.9 years
- Median Monthly Income: \$3,360
- Average Monthly Rent: \$1,305
- Waitlist: 57 households (no local residency requirement)

#### Rental Assistance Benefit:

- Average Income: \$1,989
- Average Monthly Rent: \$1,311
- Average Monthly Subsidy: \$506
- Client shortfall in rent after the rental assistance benefit ranging from \$0 to \$ 757 per month.
- Waitlist: 5 households (local residency requirement)

Number of Program Occupants:	Child	Adult	Senior	Total
Retirement Living	-	2	191	<b>193</b>
Seniors Independent Living	-	4	120	<b>124</b>
Affordable Housing	18	15	0	<b>33</b>
Rental Assistance Benefit	200	219	72	<b>491</b>
Near Market	44	62	41	<b>147</b>
<b>TOTAL</b>	<b>270</b>	<b>296</b>	<b>408</b>	<b>974</b>

## Westwinds 2024-2026 Business Plan Appendices

### Westwinds Communities Seniors Service Area Demand Projections - IBI Group, March 2017

Support Level	2016 Estimated Population 75+: 3,769			2027 Projected Population 75+: 6,940			
	Observed Inventory	Expected Inventory	Inventory Deficiency or (Excess Capacity)	Projected Demand	5 Year Increase from 2020 Projected Demand	10 Year Increase from 2015 Expected Inventory	Projected Unmet Demand (Excess Capacity)
<b>Independent Housing / Other</b>	2,732			4,616			
<b>Subsidized Self-Contained</b>	126	307	181	566	156	259	440
<b>Seniors' Community Living</b>							
Supportive Level 1/2	459	455	(4)	837	231	382	378
Continuing Care							
Supportive Living Level 3	44	67	23	124	34	57	80
Supportive Living Level 4	240	115	(125)	211	58	96	(29)
Supportive Living Level 4 Dementia	88	53	(35)	97	27	44	9
Long-term Care	80	266	186	489	135	223	409
Subtotal Continuing Care	452	500	48	921	255	421	469
<b>Total Seniors' Community Living</b>	911	955	44	1,758	486	803	847

A surplus is indicated as a negative number in red (1)

- Estimated and projected population of seniors based on AHS projections, ages 75+, adjusted for catchment area.
- Expected inventory and projected demand based on current provincial incidence rates for each type
- Actual distribution of supportive living levels 3, 4, and 4D may vary, the distribution indicated is based on current inventory.
- Projected unmet demand assumed no additional facilities built in catchment area

### Diamond Valley Needs Analysis:

	Additional Continuing Care Units		Additional Non-Market Units		Additional Market Rental Units		Additional Market Ownership Units	
	2026	2035	2026	2031	2026	2031	2026	2031
0-1 Bedroom	56	103	37	42	37	42	113	125
2 Bedrooms	-	-	24	32	24	32	73	95
3 Bedrooms	-	-	-28	-25	-28	-25	-85	-74
4+ Bedrooms	-	-	-12	-8	-12	-8	-35	-23
<b>Total</b>	<b>56</b>	<b>103</b>	<b>21</b>	<b>41</b>	<b>21</b>	<b>41</b>	<b>66</b>	<b>123</b>

Several priority groups were identified, including the following:

- Lone-parent households: Lone-parents are in precarious employment situations, and the cost of childcare is prohibitively expensive. Housing is difficult to find and attain for lone-parent families due to affordability of suitable housing and discrimination. Access to reliable and affordable transportation is a barrier.
- Single seniors: The quantitative data analysis shows that there is a large and growing number of single-person households: increasing from 22% of households in 2006 to 30% of households in 2021. In addition, single-person households have a low household income, with a median income of \$34,800 (2020). From engagement conversations, we know this includes a large portion of single seniors.

## Westwinds 2024-2026 Business Plan Appendices

- Low-income households: Through engagement and quantitative analysis, it is evident that the need for housing for low-income households, including those working at minimum or low wages, is critical. This includes smaller units for single people. The following quantitative need was identified for additional non-market units by 2031: 42 0-1 bedroom units and 32 two-bedroom units. In addition, costs beyond housing impact overall affordability. Transportation, childcare, food, and utility costs are rising.
- Emerging Needs
  - Youth: Youth need affordable and supportive housing, and they need specific support including help with mental health, substance use, skills for housing upkeep, finding employment, returning to school, managing money, and access to transportation options. There are no options for youth in crisis. Youth are often excluded from funding and have difficulty staying in their home communities.
  - Indigenous Peoples: We know that Indigenous families (typically medium to larger sized families) looking to live off reserve have few supports as there is none available off reserve to assist them. They often encounter barriers and face discrimination in securing housing. They require culturally appropriate housing with culturally appropriate wrap around services to help them stay in housing while healing from intergenerational trauma caused by colonial practices like the institution of residential schools, the on-going rediscovery of thousands of Indigenous children buried at residential schools, the 60s scoop, loss of cultural practices and language and on-going racism experienced by Indigenous Peoples.

### High River Needs Assessment:

	Additional Continuing Care Units <sup>1</sup>		Additional Non-Market Units		Additional Market Rental Units		Additional Market Ownership Units	
	2026	2035	2026	2031	2026	2031	2026	2031
0-1 Bedroom	96	91	203	225	203	225	753	836
2 Bedrooms	-	-	116	146	116	146	430	544
3 Bedrooms	-	-	-162	-146	-162	-146	-602	-541
4+ Bedrooms	-	-	-32	-12	-32	-12	-118	-46
Total	96	91	125	214	125	214	463	794

While the numbers for three-bedroom and four-or-more bedroom units show negative numbers, it is *not* anticipated that those units will be destroyed or removed, rather this indicates an oversupply. Some of those units could be split into multiple units, and some will house smaller households and provide extra room for those households.

Several priority groups were identified, including the following:

- Lone-parent households: Lone-parents are in precarious employment situations, and the cost of childcare is prohibitively expensive. Housing is difficult to find and attain for lone-parent families due to affordability of suitable housing and discrimination. Access to reliable and affordable transportation is a barrier.
- Single, older men: We heard through several engagement conversations that there is a lack of affordable housing for single, older men who were likely worked at jobs as labourers for most of their working lives. These residents may be divorced and no longer have someone supporting day-to-day home administration and operation. The quantitative data



## Westwinds 2024-2026 Business Plan Appendices

analysis shows that there is a large and growing number of single-person households: increasing from 21% of households in 2006 to 27% of households in 2021. In addition, single-person households have a low household income, with a median income of \$40,400 (2020).

- Low-income households: Through engagement and quantitative analysis, it is evident that the need for housing for low-income households, including those working at minimum or low wages, is critical. This includes both smaller units for single people and units for larger families. The following quantitative need was identified for additional non-market units by 2031: 225 0-1 bedroom units; and 146 two-bedroom units. In addition, costs beyond housing impact overall affordability. In particular, transportation, childcare, food, and utility costs are rising and need to be accounted for.

### Emerging Needs

- Youth: Youth are in need of affordable and supportive housing, and they need specific supports including help with mental health, substance use, skills for housing upkeep, finding employment, returning to school, managing money, and access to transportation options. There are no options for youth in crisis. Youth are often excluded from funding and have difficulty staying in their home communities.
- Indigenous Peoples: We know that Indigenous families (typically medium to larger sized families) looking to live off reserve have few supports as there is none available off reserve to assist them. They often encounter barriers and face discrimination in securing housing. They require culturally appropriate housing with culturally appropriate wrap around services to help them stay in housing while healing from intergenerational trauma caused by colonial practices like the institution of residential schools, the on-going rediscovery of thousands of Indigenous children buried at residential schools, the 60s scoop, loss of cultural practices and language and on-going racism experienced by Indigenous Peoples.

## 2. Environmental Scan and Situational Analysis

### Environmental Scan

#### **Canadian Housing & Renewal Association's Report, Nov. 2023**

The Canadian Housing & Renewal Association (CHRA) released an incredibly [important report](#) that demonstrates the economic impact of increasing Canada's community housing stock to our peer countries' average of 7% by 2030. Alberta would see the second-highest increase in total impact, behind Ontario. For Alberta to hit the 7% target, we would need to create 43,800 units (significantly higher than *Stronger Foundations'* goal of 25,000 new units), which would mean a boost of 6.4% up to 10.5% increase in Alberta's productivity or a \$16.5 to \$30.5 billion increase to our gross domestic product (GDP). This is critical work, as there is limited analysis of the economic benefits community housing has on our economy, with the focus being on the social benefit. We know that a lack of affordable housing impacts communities, and this report outlines the key impacts and what it would mean if governments committed to building more community housing units.

Extrapolating on a population basis the provincial housing need is 43,800 units, therefore based on 2023 population Okotoks portion is 339 units, High River 136 units, Diamond Valley 52 units and Foothills County 234 units for a total of 761 units.

Westwinds affordable housing growth in housing units and rental assistance benefit for 2023 in the region is 10 units and 67 additional rental assistance benefits (100 units total in 4 counties/MD's) households supported (54% increase) whereas we needed to hit a target of 95 units. We are already behind.

#### **Intersecting Priorities Within the Sector**

If we look at the continuing care system and the housing continuum in tandem, rather than as separate initiatives, we can start to see how all the seemingly individual priorities are intertwined. There are relationships between the transformations underway, and impacts to providers exist regardless of organizational portfolios and regional realities. Some of the key intersecting priorities that identify the gaps in the sector and potential emerging solutions:

##### Health Care Service Delivery

- The shift in health care delivery, and the refocusing of Alberta Health Services (AHS) has various implications and intersecting priorities for our sector.
- The strain on the acute care system and the need for appropriate placements and transitions. For example, AHS in December 2023, urgently requested Retirement Living operators to take acute clients ready for discharge into our Retirement Living programs.
- Streamlined and enhanced home care services to support individuals in the best setting for their overall wellness.
- Integration of services across the continuum.
- Recruitment and retention of a caring and skilled workforce.
- Access to community care and mental health services to ensure residents/tenants remain housed.

##### Affordability

- Prices of home ownership/rent increasing dramatically.
- Addressing the root causes of homelessness across the province.
- Managing interest rates, insurance, and utility increases.
- Rising costs of daily living; increasing food prices, transportation, goods, and services.
- Balancing the costs borne by residents/tenants with the costs borne by organizations that

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provide housing and supports.

- Balancing the cost savings/wellness benefits of having appropriate housing and supports in place.

### Lodge Program Review

- Recognizing the vital role lodges play in communities and the program's benefit to both the housing continuum and the continuing care system.
- Maintaining the value of the Lodge Program within community, and its ability to alleviate pressures on other systems.
- Clarifying municipal and provincial partnerships for providing Albertans with the housing and services they require.
- Understanding what services are required as the needs and expectations of clientele increase.
- Increase Lodge program financial viability and plan to address the deferred capital maintenance in the sector.

### Capital Investment/Supply

- [Municipalities say \\$600B in infrastructure needed to build 5.8M homes](#) (CTV News)
- Alberta has the lowest per capita of affordable housing in Canada.
- Growing demand for proper needs assessments to address population density and diversity.
- Projected new builds that are required in national and provincial strategies are well under what current research is reporting – more supply and acquisitions are needed.
- Recognition of all costs associated with the entire lifecycle of the building.

### Meeting the Needs of an Aging Population

- Alberta's population is expected to hit 5 million as early as 2025, with 20% 65+.
- Social prescribing benefits and better outcomes for Albertans.
- Supporting the increasing number of Albertans with dementia, with an average of 685 individuals being diagnosed each day in Canada.
- Expectations and demand of seniors is shifting and housing products and services will need to change to keep pace.

### Operational Sustainability Amidst Economic Challenges

- Costs have compounded for housing and/or care providers, rendering operations unsustainable in many communities.
- Staff retention and recruitment issues are increasing as people relocate out of communities due to economic decline or lack of amenities.

## Opportunities

Within these aforementioned intersecting priorities, there can be positive impacts and outcomes if we challenge ourselves to consider them with an open mindset. Potential opportunities are as follows:

### Health Care Service Delivery

- The reorganization of the health care system, particularly with a new focus for AHS on continuing and acute care, offers the potential for new ways for providers to work with the health care system.
- As Continuing Care receives its own specialized area of focus, we can strengthen the capacity of the Retirement Living sector and home care to alleviate strain/pressures on other parts of the health care system.
- The focus on social prescribing will allow for more client-focused approaches, allowing for more choice and prevention across the health care system.
- Reassess funding models that better respond to home living environments.
- A shift to a community supports approach brings forward a more holistic framework for

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health service delivery, allowing us to advocate more effectively for 24/7 home care in a variety of settings.

- Focused attention on mental health and addiction could result in enhanced wraparound supports for residents/tenants.
- ASCHA's recommendation to support a Tenant Support Worker program will ensure individuals remain housed and move through the housing continuum as their capacities increase.

### Affordability

- There is heightened societal awareness of the help people need with their rent, and a potential uptake for support to adjust the Temporary Rental Assistance Benefit (TRAB) and Rent Assistance Benefit (RAB) with more flexibility on how they are allocated, with an opportunity to expand it into more regions.
- Exploring avenues towards attainable home ownership.
- Promoting Retirement Living environments as a more cost-effective solution for aging in community.
- Working with community partners to address root causes of unemployment, family breakdown, homelessness, mental illness, and addictions.

### Lodge Program Review

- Ensuring that funding models are equitable, sustainable, and support people to live well in community.
- Optimizing the potential of what a lodge can offer to individual communities and Albertans. One size does not fit all.

### Capital Investment/Supply

- Assessing the implications of the Canadian Housing & Renewal Association's economic impact report: [The Impact of Community Housing on Productivity](#).
- Advocating for access to an adequate stable pool of capital funds for new development, retrofitting, and acquisitions.
- We are seeing changes in many cities across Canada regarding zoning i.e.: Edmonton, Calgary, etc. to increase density. This can be expanded to other communities.
- With federal policy direction now in the hands of Infrastructure Canada, the Canada Mortgage and Housing Corporation (CMHC) will now act as a delivery arm. There is an opportunity for reform in how federal dollars are allocated to the provinces.
- Provincial introduction of life lease legislation and models could improve how they are offered, allowing more choice for seniors.

There is an opportunity to embrace innovation:

- Modular Construction and 3D-Printed Housing: [OPINION - White: Could 3-D housing printers help solve the housing crisis?](#) (Calgary Herald)
- Community Land Trusts: [Community Land Trusts: Can they be an answer to the housing crisis](#) (Global News); [Canada's 'community land trust renaissance': How people are taking control of their housing](#) (Global News)
- Office Conversions: [Office conversions could bring some relief for housing crunch](#) (Calgary Herald); [Extreme makeovers: Interest grows in converting empty Edmonton office towers into housing](#) (CBC News)
- Hotel Conversions
- Community Bonds

### Meeting the Needs of an Aging Population

- There is an opportunity to think differently and more innovatively about how people want to age (i.e.: small care homes, [dementia villages](#), [social prescribing initiatives](#)).
- An [Alberta Seniors Transition Tax Credit](#) would help incentivize seniors to seek the appropriate housing and supports that make the most sense for their needs.

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- Focus on prevention to help people age well and to have a better quality of life. Lodges and Retirement Living are solutions that must be invested in!
- Exploration of the Small Care Home model.

### Operational Sustainability Amidst Economic Challenges

- Increased awareness regarding the national housing crisis presents an opportunity to advocate on the importance of housing that meets the needs of residents and communities.
- Larger and mid-size (Westwinds) organizations can share resources and capacities with smaller organizations that are struggling with worker shortages and resources.

### What to Look Out For

Embedded in all the opportunities ahead in 2024 are key considerations, and a dash of caution, as we charge ahead into uncharted territory of unprecedented need:

- ASCHA and the Government of Alberta working together to host a Housing Symposium in 2024, it will be critical to ensure diverse voices, sectors, and perspectives are at the table to address housing supply gaps more fulsomely.
- Overlapping priorities in multiple provincial ministries means that we will need to work cross-ministerially.
- The ability of the sector to implement changes in legislation resulting from reviews and transformative approaches should be at the forefront of decision making.
- Any cuts or failures to increase essential funding will result in the loss of current subsidized housing stock and will have significant impacts on residents/tenants.
- The upcoming federal election could see a possible shift in the federal mandate on housing, with changes to approaches and programs.
- The new *Continuing Care Act* and regulations could have residential models becoming more clinical.
- Our sector will continue to spend unprecedented dollars on addressing workforce issues and recruitment without strategies at the federal level.
- Acquisitions for conversions to rent-geared-to-income/deep subsidy housing will remain difficult due to a lack of incentives, revenue streams, and ongoing support for operations.
- There is no incentive for private investment in affordable housing when there are no profit margins – we must focus on different models of partnership and investment for affordable housing.
- Government support at all levels is needed to address housing supply and operational challenges – we cannot solve issues unless federal, provincial, and local governments work in tandem and in non-partisan ways.
- The lack of necessary community/social support in rural Alberta prevents residents from remaining in their communities, which will continue to have significant economic impacts and will work against Alberta's population targets.
- Waitlists for community/subsidized/affordable housing are long and will only continue to increase as the economic/cost of living crisis continues.
- Project approvals cannot come fast enough to meet demand and to ensure Albertans are housed *before* their wellbeing and health is in crisis.
- Decreased housing supply, compounded with increased housing prices, will only continue the cycle of a perpetual affordability crisis.
- While indexed supports and disposable income for individual Albertans is good, there is a hidden increased cost to housing providers who must absorb the decrease in rental revenues. Without increased revenue from some mechanism, low-income housing operations remain unsustainable.
- Misalignment of capital funding opportunities with planning, needs, and operational

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realities.

- Fires and evacuations will continue to be major risks to our sector – provincial and municipal plans are needed.

### **Existing Expectations Of Westwinds Communities In Local Municipalities**

- Recognized expertise as a housing operator in the community. Primary focus is an operator.
- Increasing expectations for Westwinds to lead affordable housing development.
- Limited recognition of capacity, competing interests between municipalities or lack of capital funds/reserves in retirement living, affordable and near market housing.
- Limited understanding of Westwinds development expertise (limited to one project at a time) based on current employee resources and expertise.
- Often the focus as the primary option for affordable housing.
- Changing expectation in Okotoks to explore other options including a housing authority, land banking, community land trust, partnerships, etc. Updating community needs assessment, current one completed in 2020.
- High River has developed its own affordable/near market housing. On going operation can periodically be of concern. Town currently manages its day to day operation of its affordable housing. Needs assessment completed in 2022.
- Diamond Valley has relied on Westwinds and other local operators to develop affordable housing for the community. Needs assessment completed in 2022 for Black Diamond only.

### **Situational Analysis**

#### **Organizational Strengths**

##### Client Service

- High satisfaction with Westwinds services with a satisfaction level exceeding the 85% benchmark in the Retirement Living program, exceeding the benchmark of 80% in both the near market, affordable and the independent living program and 97% satisfaction rating in the rental assistance benefit program (spring 2023).
- Westwinds has a depth of knowledge and insight into the client population. Westwinds' employees are an excellent source of anecdotal information about Residents particularly in the supportive and independent living programs.
- Westwinds continues to experience demand for its products and services (93% occupancy).
- The only provider of subsidized seniors housing in Foothills County.
- Westwinds provides a diversified portfolio (location, unit size & amenities) for various community groups (senior's, individuals, families) at differing income points.
- Strong program demand
- Strongest demand for Okotoks Near Market Housing, Coal Trail Residences and Medicine Tree Manor.
- Over 60% growth in rental assistance benefit program in 2023.
- Extended community services – meals on wheels (Okotoks) and internal meals for independent living seniors.
- Tenant Support Coordinator services to support retirement living and affordable housing clients to access funding, maintain their housing and education and support services.
- Positive client perception of Westwinds COVID-19 response.

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### Human Resources

- 93% of employees expressed personal satisfaction with their job, 99% of employees indicated their workplace as safe, and 92% of employees indicated Westwinds is a good place to work.
- Stable board with strong governance structure and good succession planning.
- Westwinds has a stable, informed and cohesive management team.
- Stable full-time employee component that is committed, caring, compassionate and adaptable to change.
- Diversity of employee age demographics.
- Increasing long service for employees.
- Initiatives that support options for employee to choose Westwinds as an employer including a competitive compensation, economic benefits program, length of service program, RRSP/TFSA program, uniform allowance, recognition program, employee assistance program, certified health and safety program and performance recognition. Very competitive management retention program.
- Employees are better informed about Westwinds activities and programs.
- Strong certified health and safety program with extensive employee professional development.
- Management active participation in the provincial housing sector.
- Strong and consistent orientation program.
- Strengthening human resource practices.

### Public Relations

- Increasing community recognition of Westwinds through new website, blog posts and podcasts. Continue to strengthen social media presence.
- Strong recognition of the Retirement Livings in the community.
- Significant increase in external media relations in local print media and radio.
- Well respected in the industry.
- Positive perception in the community.
- Active engagement with local municipalities – strong sense of community engagement through seniors Retirement Living with local organizations and resident interaction.
- Strong internal communication particularly with employees as newsletter 2-3 times per year and emergency communication tool.
- Good board visibility in annual tenant meetings.
- External participation in provincial organizations and Ministry working groups.
- Soup for seniors – High River.
- Meals on Wheels – Okotoks.
- Increasing visibility as a community partner for affordable housing.

### Governance

- 80% of the board reported they work well together (Sept 2023 and change in two directors in November 2023) and were most proud of the following achievements in 2023 (consistent with prior years):
  - Drake Town opening
  - Developing an affordable housing presence in Okotoks
- Strong Board of Directors functionality and commitment.
- Strong leadership and governance.

### Infrastructure/Operations

- COVID response.

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- Long term certification for accommodation standards and health and safety.
- Quality home cooked meals in the Retirement Living program providing variety and choice (2 dinner entrees, open breakfast).
- Strengthening partnership program with proven success as a partner (Town of Okotoks, Partners Development Group)
- Strong corporate health and safety program (92% audit in 2022).
- No or low cost fundraising actively occurring at Retirement Living sites.
- Standardization of services.
- Strong recycling program.
- Five-year plan for capital improvements to all sites.
- Established performance objective – annual governance survey, employee and tenant surveys completed every second year, regular interaction with local municipal councils.
- Integrated finance and property management software.
- Effective use of technology in operations.
- Stabilized operational structure.
- Adaptable, flexible, responsive management team.
- Effective business and pandemic continuity plans.

### Financial

- Established reserve structure in place.
- Stable finances.
- Good capacity to finance.
- The near market portfolio has good cash flow and an opportunity to secure nominal capital funding resources for growth (\$150-200K per year from Coal Trail Residences surplus).
- Retirement Living has good reserves and cash flow.

### Organizational Weaknesses

#### Retirement Living Program:

- 30% of Residents exhibit mild to moderate dementia. The general observation is that Residents that are now being housed in Retirement Living sites that would have been long-term care. Consequently, Westwinds periodically houses seniors who require a higher level of care than operations and facility permit.
- Resident turnover remains consistently high as seniors enter the program later and stay for a shorter duration (36% in 2023 – Retirement Living). Westwinds is experiencing increases in seniors moving onto hospice/assisted living/long term care or residents pass away. Reflects a strong Home Care program and good community support.
- All communities encounter periodic vacancies and have fluctuating waitlists (exception small one bedroom Medicine Tree Manor).

#### Retirement Living Facilities

- Retirement Living building design does not meet current design standards (except Medicine Tree Manor's 67 units) and lacks options for client housing options.
- Sandstone and High Country Lodges have only one staff member on a night, which is an evacuation concern in non-peak operating hours.
- No Wi-Fi is available for tenant access except Medicine Tree Manor.
- Low demand for tubs in Retirement Living.
- Limited technology compatibility for enhancements except Medicine Tree Manor and Corporate Office (CAD5 wiring).
- High Country Lodge suites are no longer market relevant and do not have accessible



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bathrooms for residents.

- Sandstone Lodge residents desire showers instead of bathtubs and larger bathrooms to accommodate walkers. When resources permit Westwinds has completed renovations to the bathrooms.
- Insufficient reserves for long term capital replacement in Westwinds owned facilities.

### Near Market Housing

- Stable demand for near market housing.
- No current mechanism outside of Core Needs Income Threshold (CNIT) to evaluate income. The CNIT affordability is proving to be too narrow.
- Limited reserves for long term capital replacement.

### Affordable Housing

- Changes in the social housing regulation in 2023 have resulted in high risk tenancy rates and increasing turnover. 2023 was 25% (unprecedented typically 10-15%). Tenants are presenting with complex issues and challenges with maintaining housing stability.
- Low demand for studio units for seniors.

### Human Resources

- Westwinds is challenged to attract stable casual staffing. High turnover in all positions and time to hire is increasing. 24% of employees have been hired within the last year and 47% in the past two years representing a huge turnover. 19% of full time employees have turned over in the past year. 2% of employees have returned to work for Westwinds.
- Lack of workplace diversity as workforce is female (85% which is stable over the last year.)
- Limited labour market for WWC positions.
- Increasing mental wellness and health issues affecting employee workplace performance and resulting in substantial increases in long term leaves.
- No pre-scanning for employee suitability (wellness and resilience) prior to hiring.
- Employee outbreak fatigue as limited staff resources to draw upon to respond to employees' shortages or increased demand.

### Operations

- Expenses are increasing due to inflation and aging infrastructure at a rate which is outpacing our ability to increase revenue.
- Significant increases in utilities and insurance.
- Limited human resources available for capacity building.
- Limited detailed payroll information – largest expenditure.
- Navigating capital grant funding programs – Westwinds is new to this arena.
- Bus under-utilized.

### Leadership

- Management resources are limited to addressing only a few emerging opportunities at a given time.

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### Opportunities

#### Clients

- Extraordinary growth for senior's independent living of 80 subsidized new housing units are needed in the Foothills Region by 2027 and an additional 1300 for market senior's independent living.
- High need for Okotoks family social housing and near market housing due to a lack of affordable housing options.
- Need for affordable housing for singles, seniors, non-confirming households and single parent families in Okotoks.
- Strong demographic and waiting list demand for social housing which can be extrapolated to affordable housing when subsidies are used.
- More wealthy seniors, more poor seniors.
- Aging demographic – on set of baby boom population.
- Potential for 20-45 year olds craving Retirement Living lifestyle & catering, 24 hours service and high technology demands.
- Community growth increasing/maintaining demand for all programs (turnover an issue in Retirement Living).
- Residency requirement in affordable housing suppresses regional need.
- Emerging needs for specialty housing include transitional housing, youth at risk housing, Fetal Alcohol Syndrome and AISH recipients.

#### Programs and Services

- Assisted living demand in Black Diamond & Millarville area as indicated by Alberta Health Services – 2020, 2022, 2023.
  - Small care homes RFP (up to 14 units)
- Enhanced service options in housing programs including:
  - Retirement Living – personal services
  - Dementia program
  - Respite care.
  - In house home care or partnership with contractor.
- 5-year projection: Affordable housing (seniors singles and families) demand for Okotoks 60 – units (Westwinds), provincial – high priority. Community demand for senior's affordable housing in High River – 30 units (Westwinds) – provincial – high priority.
- 5 year projection: Near Market housing expansion in Okotoks (1-4 bedrooms) – 60 units. High River 30 units.
- Canada Housing Benefit increasing funding in years 2027-2030 (federal). Affordable Housing Partnership Initiative program funding more heavily weighted to 2025-2032).
- Services to support aging in place (additional home care, specialized meals, supplementary monitoring) BUT resources seem constrained.
- Increase community partnerships.
- Partner with municipalities with zoned developed land for additional housing, for example D'Arcy – undeveloped land.
- Partner with municipalities on building infrastructure projects to include a housing component – integrate with other buildings.
- Partner with local municipalities and developers for affordable housing.
- Partnering with local municipalities on the operation of affordable housing.
- Cost recovery operation on laundry services with lease of coin operated commercial laundry machines.

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- Continued increase in green technology and utilization of green elements in building and retrofits.
- Private public partnerships.
- Amalgamation of agencies.
- Contract out use of a bus (under-utilized).
- Ready to rent education service for community.
- Enhance menu options for dietary constraints.
- Repurpose High Country Lodge.
- Youth housing integrated into retirement living.
- Integrate rent assistance benefit program into new housing development to increase affordability.
- Potential funding increases to the rental assistance benefit program.

### Financial and Capital

#### Grants:

- Affordable Housing Partnerships Initiative Program
- Calgary Foundation, FCSS, lottery grants, Federal Horizon grants.
- CMHC Co-investment financing
- CMHC Seed funding.
- FCM Seed and grant/financing.
- Potential Federal government program to purchase housing to preserve affordable rental and rental industry stock.

#### Land/Expansion:

- Land completed - from the Town of Okotoks. Future options.
- Land option for development in Diamond Valley (Glen Mead Park III).

### Operations

- Human resources software.
- Replace staffing with robotics/technology – night second position, dishwasher, housekeeper, resident monitoring, meal delivery and administrative positions.
- Robotics/technology to enhance resident wellness in recreation, wellness monitoring, transportation, companionship.
- Driverless and electronic transportation for residents.
- Human resource consultant to enhance the human resource function.
- Recreation Assistant to enhance Medicine Tree Manor's recreation program (piloted during Covid).

### Agency partnerships

- Explore synergies with Brenda Stafford Society (woman fleeing violence)

### Risk Management/Threats

#### Clients:

- Outbreak including respiratory illnesses.
- Need for Retirement Living demand decreases as seniors bypass the lodge.
- Narrowed client demand for affordable housing by imposing resident requirement.
- Client preference for larger suites is significant and they would rather wait in the community

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for product and live at risk (thereby bypassing the Retirement Living or residing for a shorter period of time).

- Greater divergence of seniors who have financial resources and those who do not (limited resources).
- Increasingly complexity for mental health, life skills and addictions in affordable housing. The current point scoring for priority rating for affordable housing focuses on households on income supports and with complex issues. No working poor.
- No transition strategy for households on income supports.

### Financial

- Turnover in all programs in 2023 is high (Retirement Living is within high average).
- Inflation.
- Carbon tax.
- Financial pressure on municipalities to keep taxes modest regardless of entity requiring an increase.
- Increasing downloading of workload and resources from the province with no or limited additional funding.
- Economic restrictions. Currently government and not for profit sector face on going funding restrictions/reductions.
- Alberta's economy remains heavily in debt.
- Insurance and employee medical premiums (28% increase in health component of benefits for 2024).

### Public Relations

- Province continued downloading pressures to municipalities – could result in financial pressure on Westwinds.
- Governments operating in fiscal restraint even though there is a surplus eroding operational funding to Westwinds resulting in reduction in services to clients.
- Continued Government withdrawal and or downloading of services and programs for social housing.
- Social media slander.

### Competition

- Other surrounding management agencies all have high vacancies in their Retirement Living programs.
- Currently most Retirement Living site has indirect competition in each community (Heartland – Rivera in Okotoks, Abbeyfield House and Season's – High River). Rental Rates for the competition start at \$1,650/month and range in size from 150 sq. ft. to 800 sq. ft. with similar amenities and services to Westwinds' retirement living. Increasing indirect competition from the Calgary South Campus hospital areas.
- High competition for grant dollars, generally over-subscribed three or more times.

### Human Resources

- Mass exodus of employees in the sector due to burnout, poor industry perception, blame.
- Competition for limited labour resources.

### Operations

- Impact of increased prevalence of superbugs on client population.
- Technology is moving at an ever increasing speed.

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**3. FINANCIAL PLAN AND FORECASTS**

<b>Retirement Living</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
<b>REVENUE</b>			
Rent	4,199,000.04	4,299,776.04	4,364,272.68
Resident Services	175,733.88	179,248.56	179,248.56
Non-Resident Services	46,803.96	46,803.96	47,506.02
Other Revenue	1,371,835.40	1,371,835.40	1,371,835.40
Lodge Assistance Grant	1,005,402.00	1,005,402.00	1,025,510.04
Municipal Requisition	2,180,208.96	2,223,813.14	2,268,289.40
<b>Total Revenue</b>	<b>8,978,984.24</b>	<b>9,126,879.10</b>	<b>9,256,662.10</b>
<b>EXPENSES</b>			
Utilities	598,710.00	616,035.00	634,516.05
Operating	323,208.84	329,673.02	339,563.21
Food	756,831.16	794,672.72	818,512.90
Operating Maintenance	263,485.44	268,755.15	282,192.91
Charitable Costs	5,700.00	5,700.00	5,700.00
Human Resources	5,770,907.16	5,907,492.56	6,143,792.26
Administration	199,118.76	205,092.32	213,296.01
Interest costs	31,109.04	25,478.00	23,500.00
	1,011,222.60	1,008,174.00	1,005,000.00
<b>Total Expenses</b>	<b>8,960,293.00</b>	<b>9,161,072.77</b>	<b>9,466,073.34</b>
<b>Net Excess (Deficiency) from Operations</b>	<b>18,691.24</b>	<b>(34,193.67)</b>	<b>(209,411.24)</b>

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<b>Near Market Housing</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
<b>REVENUE</b>			
Rent	1,174,846	1,210,091	1,234,293
Resident Services	41,808	41,808	41,808
Other Revenue	273,982	273,982	273,982
<b>Total Revenue</b>	<b>1,490,636</b>	<b>1,525,881</b>	<b>1,550,083</b>
<b>Expenses</b>			
Taxes and Land Leases	82,300	88,599	91,257
Utilities	180,038	183,639	192,821
Operating	180,654	200,896	206,923
Operating Maintenance	237,967	237,814	244,948
Human Resources	2,335	2,405	2,477
Administration	225,459	227,377	234,199
Other Revenue		6,000	6,000
Amortization	373,704	373,704	373,704
Interest costs	64,238	58,056	53,000
<b>Total Expenses</b>	<b>1,346,695</b>	<b>1,378,489</b>	<b>1,405,329</b>
<b>Net Excess (Deficiency) from Operations</b>	<b>143,941</b>	<b>147,392</b>	<b>144,755</b>

<b>Affordable Housing</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
<b>REVENUE</b>			
Rent	993,061	945,254	945,000
Resident Services	111,690	113,569	113,569
RAB Program	1,646,946	1,716,000	1,750,320
Other Revenue	12,538	13,894	13,894
<b>Total Revenue</b>	<b>2,764,235</b>	<b>2,788,717</b>	<b>2,822,783</b>
<b>Expenses</b>			
Taxes and Land Leases	243	243	243
Utilities	281,957	300,961	316,009
Operating	59,839	63,185	65,081
Operating Maintenance	500,990	511,168	526,503
RAB Program	1,523,983	1,573,440	1,604,909
Human Resources	3,251	3,250	3,348
Administration	480,420	509,079	522,926
<b>Total Expenses</b>	<b>2,850,683</b>	<b>2,961,326</b>	<b>3,039,018</b>
<b>Net Excess (Deficiency) from Operations</b>	<b>(86,448)</b>	<b>(172,609)</b>	<b>(216,235)</b>

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### 4. DEFINITIONS

Term	Definition
Retirement Living	It is defined as a way of providing housing to frail seniors who do not require the services of a long term care facility. It would provide private living accommodation, a safe and barrier-free environment, 24 hour monitoring and emergency response, options for meals, housekeeping, transportation, social and recreational activities and some basic living services and personal care as required. The housing may be self-contained or shared, owned or rental. Often referred to as a lodge or supportive living level 2-3.
Assisted Living	There are several assisted living models. Typically, supportive living with a higher level of personal and health care services is viewed as assisted living. It is a residential long-term care alternative that involves the managed delivery of prescribed health and personal services within a residential environment. It is defined as a combination of housing.
Independent Living (self-contained)	The apartments are rental units that are generally designed for seniors who are functionally independent. Each unit has its own bathroom and kitchen facilities.
Senior Citizens Lodges (a component of the supportive living spectrum)	Senior Citizens Lodges are designed to provide room and board for seniors who are functionally independent or functionally independent with the assistance of community based services. Core services provided within lodges include basic room furnishings, meals, housekeeping services, linen services, building security, 24-hour non-medical staffing and life enrichment services.
Rent Supplement	Is a program supporting the Senior residing in private accommodation and paying an affordable rental amount. The difference between the market rent in private accommodation and affordable rent is supplemented by an external source, usually the province. Program admission is also based on need.
Affordable Housing (community housing, family housing, also includes independent living)	The Affordable (Community Housing) Program provides subsidized rental housing to low to moderate income families, senior citizens, and individuals with special needs who cannot afford private sector accommodation. Applicants whose income falls below local income limits are eligible to <a href="#">apply (Core Need Income Threshold)</a> . Management and tenant selection is delegated to the local housing operators. Applicants are given priority based on need, as determined by income, assets, and current housing condition. A tenant's rent, which includes heat, water and sewer expenses, is based on 30 percent of a household's adjusted income. The tenant is responsible for electricity, telephone and cable television, as well as any additional services they may request (i.e. parking).
Near Market Housing	The Near Market Housing Program provides 10-20% below market rental housing for low to moderate income families who cannot afford private sector accommodation. Applicants whose income falls below local income limits are eligible to <a href="#">apply (Core Need Income Threshold)</a> and are responsible for utilities.
ASCHA	The Alberta Senior and Community Housing Association – Westwinds Communities is a long term member.