

# New Brunswick Housing Corporation

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ANNUAL REPORT | 2023-24

HOUSING  
HABITATION  NB

 New  
Brunswick Nouveau

# New Brunswick Housing Corporation

## ANNUAL REPORT 2023–2024

Province of New Brunswick  
PO 6000, Fredericton NB E3B 5H1 CANADA

ISBN 978-1-4605-4106-7 (Bilingual Print edition)  
ISBN 978-1-4605-4107-4 (PDF: English edition)  
ISBN 978-1-4605-4108-1 (PDF: French edition)

ISSN 2818-615X (Bilingual Print edition)  
ISSN 2818-6168 (PDF: English edition)  
ISSN 2818-6176 (PDF: French edition)

**From the Minister to the Lieutenant-Governor  
Her Honour The Honourable Louise Imbeault  
Lieutenant-Governor of New Brunswick**

May it please your Honour:

It is my privilege to submit the annual report of the New Brunswick Housing Corporation, Province of New Brunswick, for the fiscal year April 1, 2023, to March 31, 2024.

Respectfully submitted,



Honourable David Hickey  
Minister responsible for the New Brunswick  
Housing Corporation

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**From the Chief Executive Officer to the Minister  
Honourable David Hickey  
Minister responsible for the New Brunswick  
Housing Corporation**

Sir / Madam:

I am pleased to be able to present the annual report describing operations of the New Brunswick Housing Corporation for the fiscal year April 1, 2023, to March 31, 2024.

Respectfully submitted,



François Boutot  
Chief Executive Officer

# Land acknowledgement

We respectfully acknowledge that New Brunswick is situated on the unceded and unsurrendered territories of the Wolastoqey, Mi'gmaw, and Peskotomuhkati peoples. We seek to repair and rebuild meaningful relationships with Indigenous peoples and honour these lands which hold the hopes of future generations.

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# Minister's message

I am pleased to present the 2023-24 Annual Report for the New Brunswick Housing Corporation.

As your new Minister, I am committed to creating a nimble, focused and outcomes-driven organization dedicated to ending the housing crisis in New Brunswick.

Looking back, this report marks a year of growth for the corporation, as staff continue to work towards more affordable, more accessible housing for all New Brunswickers.

My team and I are excited about the work ahead. New Brunswick has seen record population growth over the past few years – an exciting shift for our province. However, we also must deal with the impacts that come with that growth, which include increases in property taxes, rents and the number of people experiencing homelessness.

We know that without stable housing, everything else becomes much more challenging. A safe and secure home gives us the stability we need to face life's challenges and enables us to participate fully in society.

Dignity for all New Brunswickers is an important part of our vision. That is why we are moving with the urgency that we are. We are in a housing crisis in this province and New Brunswickers cannot wait for relief any longer.

As Minister, we, along with our partners, will move forward in this important work to ensure all New Brunswickers have that safe and secure place to call home.

We know that stabilizing rent increases is a key component of encouraging fair market practices when it comes to residential rent. Reducing the rate of increase will uplift and preserve the vibrant character of our neighbourhoods and most importantly – keep New Brunswickers housed.

We are just getting started, and we are ready to put gas in the tank. I want to thank employees of the New Brunswick Housing Corporation for all that they do on behalf of New Brunswickers. Their hard work and dedication are recognized and appreciated. I look forward to many successes together, as we strive to improve the lives of all New Brunswickers, every day.



Honourable David Hickey  
Minister responsible for the New Brunswick  
Housing Corporation



On behalf of the New Brunswick Housing Corporation, I am pleased to present the 2023–24 Annual Report. This report highlights the hard work and dedication of our staff and partners across the province. Together, we are working hard to build a strong foundation for the future of housing in New Brunswick.

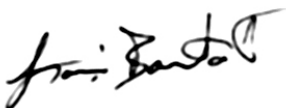
Each program and initiative the corporation is working on — from building new affordable and public housing, to bolstering housing development, to increasing tenant protections — is working in tandem to help solve the housing crunch and make housing accessible and sustainable for all New Brunswickers.

As part of that commitment, we are helping New Brunswickers find suitable housing when they need it most. In 2023–24, over 2,400 additional households were housed through public housing and rental supplements or received a rental benefit and were subsequently removed from the housing waitlist.

We have strengthened aid for New Brunswick renters through our rent supplements and direct-to-tenant rental benefits. There are nearly 8,000 households currently receiving assistance under those programs. That represents over 18,000 people staying affordably housed.

Further to these protections, we launched the provincial Rent Bank grant program, which is helping New Brunswickers who are experiencing a temporary and unplanned financial crisis with their expenses directly linked to staying housed.

We would simply not be able to work towards a stronger New Brunswick without our dedicated staff and partners. I thank them all for everything they do. I am incredibly proud of what we have accomplished, and I am eager to see what we will achieve moving forward.



François Boutot  
Chief Executive Officer

# Chief Executive Officer's message





# Housing priorities

## THE HOUSING FOR ALL STRATEGY'S VISION: SAFE AND AFFORDABLE HOUSING FOR ALL

- It represents the beginning of a 10-year plan to ensure New Brunswickers have access to safe, affordable, and appropriate housing for themselves and their families,
- is focused on supporting residents from becoming unhoused,
- has identified \$500 million over three years in new and previously committed funding by the government and its strategic partners to solve our housing crisis,
- lays the foundation to ensure that our housing market is competitive and that we have a healthy supply of all types of housing in all parts of New Brunswick, and
- recognizes the need for an increased supply of skilled tradespersons, better data for planning, and reduced barriers to housing development.

## STRATEGIC PILLARS

New Brunswick is facing a housing crisis unlike anything we have ever seen before in this province. We are not alone. Canadians across the country are struggling with a tight housing market impacted by a number of factors:

- Record-setting population growth,
- Changing housing preferences,
- Lack of supply to meet demand, and
- Labour shortages and cost pressures.

The Housing for All strategy is built on four strategic pillars designed to maximize the immediate impact on New Brunswick's housing supply.

## PILLAR 1

A Healthy and Competitive Housing Market with house and rental prices that are stable and meet the needs of people with mid-to-high incomes.

## PILLAR 2

Affordable Homes for Low-to-Mid-Income Earners — Housing that costs 30 per cent or less of total income and meets the needs of working households.

## PILLAR 3

A Safe Home for Vulnerable New Brunswickers – Housing that is subsidized by any level of government (including subsidies provided directly to individuals) and meets the needs of households with low incomes.

## PILLAR 4

A Strong Foundation for New Brunswick's Housing System — Ensure effectiveness of housing strategy by removing barriers, fostering development, measuring success, and through continued collaboration and alignment with stakeholders.

## CONCLUSION

Housing for All, while developed and managed by the New Brunswick Housing Corporation, is an all-of-government strategy, with initiatives across the four strategic pillars. This plan is the beginning of government's commitment towards seeing every working New Brunswicker being able to afford a safe and appropriate home. This plan contains a series of investments and actions to see significant, expedited improvements to the affordability and supply of housing across New Brunswick.

Increase housing affordability for New Brunswick households to:

- Entice newcomers to stay in the province and grow the economy,
- Decrease the number of households on the provincial housing waitlist,
- Allow greater financial stability to renters, homeowners, and landlords, and
- Reduce the number of individuals and families at risk of becoming unhoused.

Through this initial strategy, new and previously announced funding of over \$500 million over three years is being targeted to support initiatives that will create a healthier and more competitive housing system. Through strategic support of key non-profits in New Brunswick, we are ensuring increased development of new social housing and the long-term sustainability of the existing social housing network. By investing in people, we will help ensure a supply of skilled tradespersons to increase our housing inventory more quickly.

Through better data, improved processes, and more standardized approaches to housing planning, we will be able to make better decisions and make more targeted investments to ensure we meet our objectives.

The New Brunswick Housing Corporation will report regularly on our progress. Initiatives that are proving to be successful will be expanded, those not having the desired impact will be stopped and we will seek to incorporate more of the ideas and suggestions we heard through stakeholder consultations and ongoing dialogue.

Together, we will reverse a crisis that began many years ago and has left many New Brunswickers struggling to maintain safe and affordable homes for themselves and their families. By working together, we will ensure that every resident has access to housing. These efforts will enable the province to continue to move forward, attracting new residents, economic growth, and opportunities.



# Performance outcomes

## OUTCOME # 1

### RENT BANK PROGRAM

Support New Brunswick households in avoiding eviction and maintaining stable housing through the Rent Bank program.

### WHY IS THIS IMPORTANT

The priority is to provide financial assistance to low- to moderate-income renters in crisis, helping them avoid eviction or secure stable housing by addressing arrears and utility payments. The program aims to support up to 750 households annually through short-term financial relief, with the timeline set for a two-year period from December 2023.

### OVERALL PERFORMANCE

In its first three months, the Rent Bank program successfully assisted 216 households, above the target of 195. Adjustments to awareness campaigns and partnerships with local organizations to improve available supports to applicant households are expected to improve the overall short- and long-term housing outcomes for those who seek assistance in the upcoming year.

### INITIATIVES OR PROJECTS UNDERTAKEN TO ACHIEVE THE OUTCOME

Designed, created, and launched a provincial Rent Bank program that partners with non-profits to provide financial and wrap-around resources to support low to moderate income households facing eviction.

**Baseline: 0**

**Target: 195**

**Actual: 216**

## OUTCOME # 2

### HABITAT FOR HUMANITY NEW BRUNSWICK'S NEW PROGRAM OF SUPPORT

The funding program was launched in April 2023. Habitat for Humanity New Brunswick is a non-profit charitable organization working towards a world where everyone has a safe and decent place to live. Habitat brings communities together to help families build strength, stability, and independence through affordable homeownership.

### WHY IS THIS IMPORTANT

The priority of the program is to provide a capital investment of \$70,000 per unit for up to 10 new homes per year.

### OVERALL PERFORMANCE

Habitat for Humanity New Brunswick is focused on increasing its impact through a stronger voice for affordable housing in New Brunswick, building more homes and helping many more families achieve affordable homeownership.

### INITIATIVES OR PROJECTS UNDERTAKEN TO ACHIEVE THE OUTCOME

Habitat for Humanity has helped house nearly 90 families throughout the province. Its funding from the government is part of the Housing for All strategy. Funding is in the form of a forgivable loan and is based on the cost of eligible work and the number of eligible self-contained units within a project. Five projects received funding in 2023-24, with a total investment of \$350,000.

### OUTCOME # 3

#### AFFORDABLE RENTAL HOUSING PROGRAM (ARHP)

The Affordable Rental Housing Program aims to increase the supply of affordable rental housing units for low- and moderate-income households in New Brunswick.

The federal and provincial governments signed a ten-year housing agreement on July 5, 2018. This agreement provides financial assistance to private entrepreneurs, private non-profit corporations (including off-reserve Indigenous population), and co-operatives for the construction, rehabilitation, and conversion of rental housing projects. Borrowers enter into a mortgage agreement with NBHC to ensure that units remain affordable to low- and moderate-income households. Interest-free proposal development funding loans are provided to assist eligible non-profit and co-operative sponsors of projects in completing the activities required to develop a project proposal to the point where a commitment of assistance can be made.

The program’s one-time capital funding is in the form of a forgivable loan to assist in the creation of affordable rental housing units throughout the province and is based on the cost of eligible work and the number of eligible self-contained units within a project.

The maximum forgivable contribution for projects is outlined in the following table:

Non-Profits Unit Type		Private Entrepreneurs Unit Type	
Bachelor:	\$70,000	Bachelor:	\$60,000
1-Bedroom:	\$77,000	1-Bedroom:	\$66,000
2-Bedroom:	\$83,000	2-Bedroom:	\$72,000
3-Bedroom:	\$88,000	3-Bedroom:	\$77,000

#### WHY IS THIS IMPORTANT

The priority of the program is to provide rental subsidies to ensure units are affordable to low-income households. The rents will be reduced to 30 per cent of the adjusted household income.

#### OVERALL PERFORMANCE

In 2023–24, four projects were committed, for a total of 87 units (48 receiving rent supplement assistance). Funding for these units totals \$3.67 million.

#### INITIATIVES OR PROJECTS UNDERTAKEN TO ACHIEVE THE OUTCOME

- Non-profit groups may receive funding for up to 100 per cent of the units within a project,
- private entrepreneurs are limited to funding for no more than 50 per cent of the total units within a project, and
- projects will also be eligible to receive an additional \$15,000 per funded accessible unit built through ARHP.

# Board of directors

The Corporation is governed by a Board of Directors. The Board is chaired by the Minister, by virtue of the position. The Vice Chair is the CEO of the Corporation, also by virtue of the position. There are up to eight other board members appointed by the Lieutenant-Governor in Council. The Board of Directors was established and appointed in September 2023 by Order-in-Council.

Name	Committee	Term
Ronnie Arseneau	Audit and Finance	2 years
Alexandra Davis	Governance and Human Resources	3 years
Ginny MacDonald	Governance and Human Resources (Chair)	3 years
Jim Mehan	Governance and Human Resources	3 years
Omorodion Omokheyeke	Audit and Finance	2 years
Marie-Paul Robichaud	Audit and Finance	2 years
Ann Seamans	Audit and Finance (Chair)	3 years
Lloyd Waugh	Governance and Human Resources	2 years

# Overview of corporate operations

## OVERVIEW

New Brunswick is facing a housing supply and demand issue, and we recognize that affordable housing is a challenge for many.

We will be monitoring and supporting all housing initiatives across government to ensure alignment and successful and timely completion of initiatives.

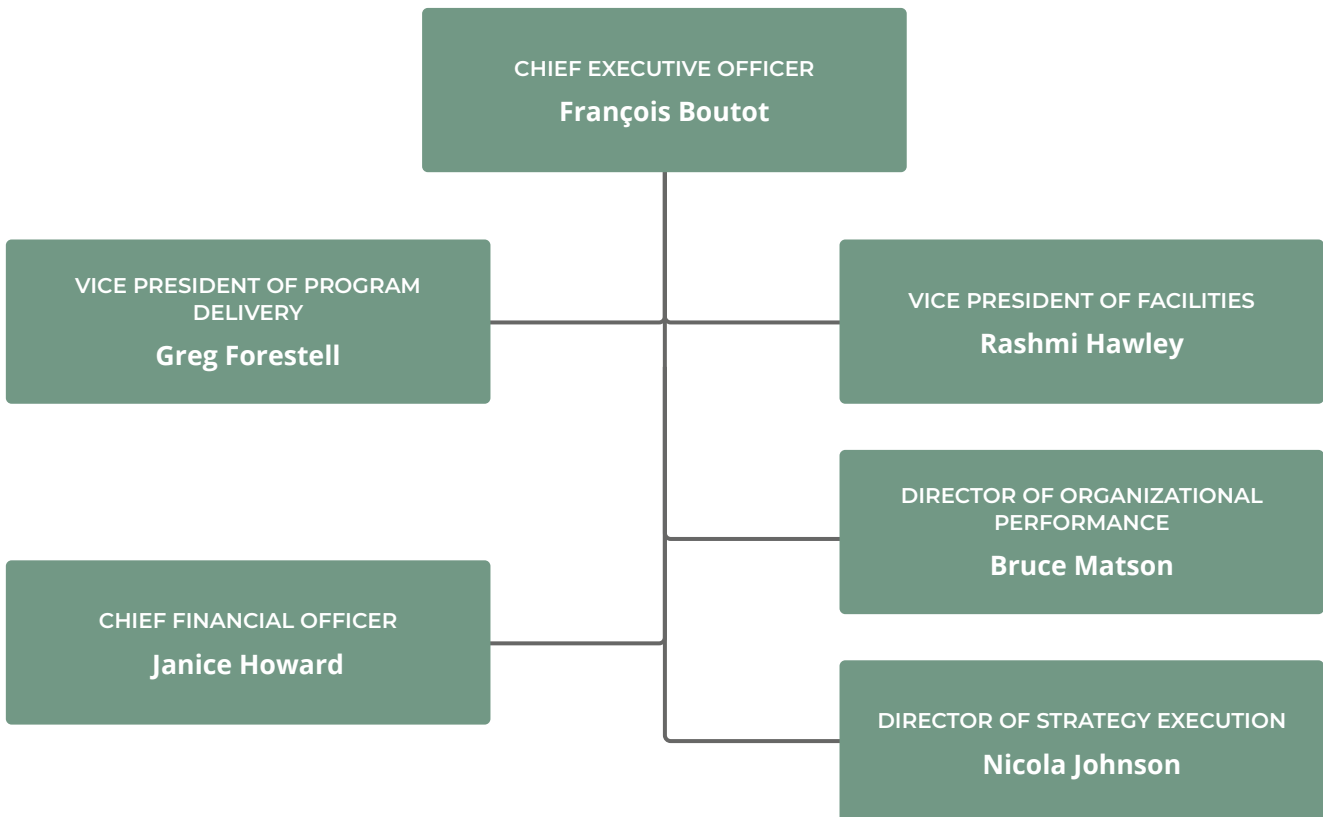
This includes:

- Overseeing the assessment and reporting of progress, gaps, and challenges across the housing spectrum
- Identifying new opportunities where our efforts should be prioritized
- Tracking and aligning with housing efforts of other levels of government and the not-for profit sector

We must ensure that the decisions we make not only help tenants with rising costs but also address low vacancy rates in our province.

There are many individual pieces to housing that make up the housing spectrum and we will be working with all levels of government, not-for-profit organizations, businesses, advocacy groups, and organizations to examine what is needed to improve each piece and bring a unified approach to addressing affordable housing.

Together, we will create a strategy that incorporates each piece as part of a larger housing response.



# Division overview and highlights

## FACILITIES DIVISION

### OVERVIEW

The Facilities Division of the New Brunswick Housing Corporation is responsible for building and maintaining publicly owned housing stock as well as supporting all housing program development and delivery on a technical level. The division includes two distinct units that are integral to fulfilling the corporation's mandate and achieving the goals articulated in New Brunswick's Housing Strategy. These are the Building Management Branch, and the Construction and Modernization Branch.

The Building Management Branch is accountable for managing 3,793 government-owned subsidized housing units in 806 buildings including single dwellings, duplexes, row houses, and apartment buildings. The Province also owns and maintains 787 rural and Indigenous housing rental units. This Branch is responsible for inspecting, maintaining, and repairing these units, responding to emergent issues, and overseeing contracts for such things as lawn care and snow removal.

The Construction and Modernization Branch has been created in response to the government's commitment as defined in the housing strategy to invest \$100 million to acquire or build 380 new publicly funded housing units and to invest \$51.2 million to repair and maintain provincially owned housing. This Branch is responsible for collaborating with Department of Transportation and Infrastructure, municipalities, and other critical stakeholders to fulfill these commitments.

The Facilities Division also aims to support housing programs on a technical level and is building its team to better support the strategy and expanded mandate of the corporation. This includes technical expertise for matters relating to Engineering, Construction, the National Building Code of Canada, Municipal Codes and Office of the Fire Marshal requirements.

### HIGHLIGHTS

In October 2022, the province announced \$102 million investment for the creation of 380 new public housing units. This important initiative will result in the building of the first government-owned housing units in 38 years. Following the revitalization of the New Brunswick Housing Corporation in 2023, the Facilities Division accelerated the development of 233 units. 223 of the units are expected to open in 2025. This will create safe and affordable homes for approximately 360 people.

Including the tests administered during the 2023-24 testing season, NBHC has tested approximately 60 per cent of the province's Public Housing and rural and Indigenous housing units for radon gas levels.

With extra funding for repairs, the division was able to drive down the vacancy rate and ensure that units returned to full time use quickly. The average vacancy rate since February 2023 was 3.2 per cent, a 1.8 per cent reduction and an improvement of 160 units.

### KEY PERFORMANCE INDICATORS

#### DESCRIPTION OF THE MEASURE

The number of new public housing units in progress or completed per year.

#### OBJECTIVE OF THE MEASURE

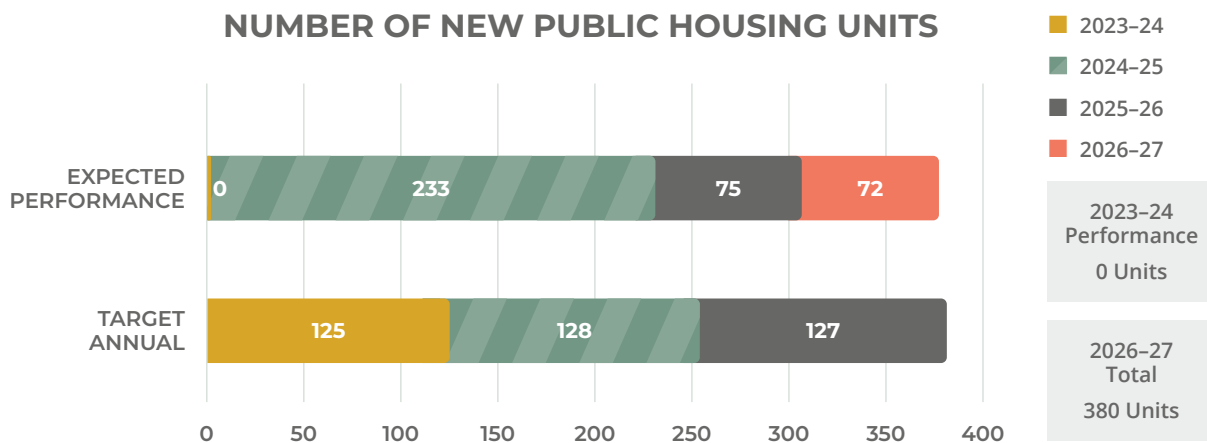
To deliver 380 units in three years to meet stated strategy objective of increasing the supply of affordable housing in the province. The target was 125 units for 2023-24.

### OVERALL PERFORMANCE

No units were built in 2023–24. The initial target of approximately 125 units per year (based on equal distribution of budget and number of units) to complete 380 units by 2025–26 has not been met. Additional time was required to identify and acquire land as well as complete pre-development and design activities prior to construction. As a result, in 2023–24, as part of the capital budget process, the timeline was extended into fiscal year 2026–27. In order to speed up the development of housing, novel

options were explored, including proposals regarding modular construction of multi-unit buildings. Acquisitions were also explored as a novel option, as buying buildings where construction was already near completion or completed expedited the process. In doing this, while the initial target was not met for 2023–24, the rollout has been adjusted and new targets developed for out-years based on current performance and revised capital budgeting.

### NUMBER OF NEW PUBLIC HOUSING UNITS



### STRATEGY EXECUTION

#### OVERVIEW

The Strategy Execution Branch ensures the effective implementation of the province’s housing strategy by leading the development of innovative housing solutions across provincial departments, governments, and external stakeholders. It focuses on evaluating strategic actions, adjusting initiatives, and reporting progress to align with housing goals and targets.

#### HIGHLIGHTS

The Strategy Execution Branch successfully designed and launched the two-year \$3.0 million

New Brunswick Rent Bank Program on December 13, 2023, ahead of schedule and within budget. By adopting a novel approach that fostered close collaboration between government and non-profit organizations, the Rent Bank Program was designed to ensure the best outcomes for clients. Extensive consultations with key regional stakeholders, housing experts, and counterparts in other jurisdictions contributed to its success.

The branch, in collaboration with the Provincial and Community Planning Unit at the Department of Environment and Local Government, hosted a workshop on October 11, 2023, to address community perspectives on housing that challenge development in Dieppe, Fredericton, Moncton, and

Saint John. Key decision-makers from across GNB and the province's four largest cities attended and discussed collaborative approaches that could be taken to improve housing development outcomes in communities. The workshop identified 12 prioritized strategic actions to help communities better navigate these concerns and their impact on housing and development.

## ORGANIZATIONAL PERFORMANCE

### OVERVIEW

The goal of the Organizational Performance Branch is to improve the organizational capability and business performance of NBHC. This is achieved by building HNB's internal management systems consisting of strategy, continuous improvement and project management, business performance measurement, and process and daily management.

Several improvement projects were accomplished through support from the Project and Advisory Services (Finance and Treasury Board).

### HIGHLIGHTS

The NB Housing Strategy: Housing for All was developed and launched on time in June 2023.

New best-in-class business performance measurement methods were established for strategic and operational program areas. Leaders and teams are successfully using dashboards to manage business performance.

HNB established a monthly cadence for monitoring measures and project status.

## KEY PERFORMANCE INDICATORS

### DESCRIPTION OF THE MEASURE

Per cent of performance dashboards for the housing strategy and programs that are reviewed regularly (e.g. monthly).

### OBJECTIVE OF THE MEASURE

Well-built measures are the foundation for effective monitoring of business performance and for guiding improvement. The per cent of dashboards in active use allows HNB to assess our maturity for making evidenced based decisions.

### OVERALL PERFORMANCE

HNB had 20 of 29 dashboards (69 per cent) that are reviewed regularly. This is good progress for the first year of the revitalized corporation.

## PROGRAM DELIVERY

### OVERVIEW

The Programs Division is the operating arm of the corporation. The three branches manage the direct delivery of services to clients and support for partner organizations, including non-profit landlords and developers of subsidized housing.

The Regional Programs Delivery Branch is responsible for the delivery of services to clients, including the operations of Public Housing, across the province.

The Programs Branch designs and administers province-wide programs for tenants, homeowners, non-profits and developers. HNB's programs support tenants through rental supplements and subsidies, homeowners through forgivable loans for repairs and improvements, and developers and landlords through loan programs targeting social housing. The branch also supports non-profit and cooperative rental housing providers in the province.

The Tenant and Landlord Relations Office (TLRO), formerly the Residential Tenancies Tribunal, provides an alternative resolution service out of the traditional court process. The TLRO also manages security deposits and does outreach to tenants and landlords on their rights and responsibilities in the rental housing market.

### HIGHLIGHTS

- In January 2024, the Direct-to-Tenant Rental Benefit (DTT) was launched. This program is designed to support families and seniors to address rental affordability. The DTT is expected to support 3,000 renter households across the province. As of March 31, 2024, the Direct-to-Tenant Benefit assisted 568 households.
- The Canada Housing Benefit for Survivors of Gender Based Violence was launched in January 2024 as a partnership with the Domestic and Intimate Partner Violence sector. The program provides a monthly benefit directly to victims in

a timely manner allowing them to escape their abusive situation and reduce the likelihood of victims returning to their abuser. Approximately 500 survivors are expected to be supported in this program by 2027–28. As of March 31, 2024, Canada Housing Benefit for Survivors of Gender-based Violence assisted 62 households.

- Affordable Rental Housing Program
  - › In 2023–24, four projects were committed including a total of 87 units (48 of which are receiving rent supplement assistance). Funding for these units totals \$3.67 million.
- The Tenant and Landlord Relations Office was moved from Service New Brunswick to the New Brunswick Housing Corporation.

Legislative amendments implemented to the *Residential Tenancies Act* include:

- Renaming the Residential Tenancies Tribunal to the Tenant and Landlord Relations Office.
- Requiring a minimum of three months for a change of use of a unit (when a landlord terminates a tenancy to convert the unit to non-residential).
- Landlords must apply for approval from the TLRO to terminate a tenancy for renovations.
- Extending provisions regarding rent increases to fixed-term tenancies.
- Amendments to allow an improved process for the disposal of abandoned belongings.
- Tightened policies by introducing additional offences; aimed to ensure greater adherence to the *Residential Tenancies Act*.



## PROGRAM INFORMATION

### HOMEOWNERSHIP & HOME COMPLETION PROGRAMS

Homeownership Assistance Program (HAP) assists modest income households with income earning potential to buy or build a modest first home.

Home Completion Loan Program (HCL) assists low- and modest-income households to complete their partially finished homes.

Year	2021-22		2022-23		2023-24	
Zone	Loans	Loan Amount	Loans	Loan Amount	Loans	Loan Amount
Southeast	2	\$ 160,001.75	-	-	-	-
Southwest	1	\$ 58,068.16	-	-	-	-
Central	3	\$ 188,650.55	-	-	1	\$ 51,575.67
Northern	1	\$ 3,691.89	1	\$ 22,160.00	-	-
<b>Province</b>	<b>7</b>	<b>\$ 410,412.35</b>	<b>1</b>	<b>\$ 22,160.00</b>	<b>1</b>	<b>\$ 51,575.67</b>

### HOMEOWNER & EMERGENCY REPAIR PROGRAMS

The Homeowner Repair Programs assists low-income households who own and occupy existing substandard housing requiring major repairs or are lacking basic facilities; require modifications of existing homeowner or rental units to improve the accessibility of the dwelling for disabled occupants

and/or are seniors and require minor adaptations to facilitate and prolong independent living.

The Emergency Repair Program assists homeowners in need by providing assistance for urgent repair of existing housing that is a threat to occupants' health or safety.

Year	2022-23			2023-24		
Zone	Households	Forgivable Loan	Repayable Loan	Households	Forgivable Loan	Repayable Loan
Southeast	107	\$ 506,479	\$ 52,863	127	\$ 692,731	\$ 68,431
Southwest	105	\$ 676,350	\$ 58,268	186	\$ 1,533,250	\$ 122,564
Central	411	\$ 2,431,321	\$ 965,510	374	\$ 2,352,474	\$ 1,021,433
Northern	447	\$ 1,907,711	\$ 489,511	494	\$ 2,311,360	\$ 722,058
Skigin-Elnoog	36	\$ 188,051	\$ 12,845	49	\$ 201,018	\$ 176,923
<b>Total</b>	<b>1,106</b>	<b>\$ 5,709,912</b>	<b>\$ 1,578,997</b>	<b>1,230</b>	<b>\$ 7,090,833</b>	<b>\$ 2,111,409</b>

### NON-PROFIT HOUSING PROGRAM

This program provides assistance to private non-profit organizations, including cooperative groups, to assist households who are in need to obtain affordable, adequate, and suitable rental

accommodations. This assistance is in the form of operating subsidies and/or forgivable loans (grants) to assist with major repairs ensuring the continued provision of affordably priced rental units.

Year	2021-22		2022-23		2023-24	
Zone	Units	Funding	Units	Loan Amount	Units	Loan Amount
Southeast	335	\$ 1,323,464	256	\$ 1,016,238	256	\$ 1,028,036
Southwest	466	\$ 2,500,264	498	\$ 2,463,637	212	\$ 1,028,298
Central	400	\$ 2,064,272	354	\$ 2,128,368	352	\$ 1,956,184
Northern	479	\$ 2,212,018	428	\$ 1,974,683	418	\$ 2,216,229
<b>Province</b>	<b>1,680</b>	<b>\$ 8,100,018</b>	<b>1,536</b>	<b>\$ 7,582,926</b>	<b>1,238</b>	<b>\$ 6,228,747</b>

### PUBLIC HOUSING

New Brunswick Housing Corporation provides affordable, safe, and adequate housing to household across New Brunswick. Each household pays 30 per cent of their adjusted household income. These units are for individuals or for families who can live independently with little or no support.

- Public Housing: Housing NB owns 3,793 rental units across the province.
- Rent Supplement Program: Housing NB has agreements with private and non-profit landlords

for 5,187 subsidized housing units. This program funds the difference between the rent you pay and the unit’s market rent value.

- Rural and Indigenous Housing Program: Provides 787 housing units in rural areas and off-reserve Indigenous households.

### DIRECT-TO-TENANT

The Direct-to-Tenant benefits provide rental assistance to low-income families, seniors, non-elderly singles, and survivors of gender-based violence.

Year	2021-22		2022-23		2023-24	
Zone	Households	Benefit	Households	Benefit	Households	Benefit
Southeast	325	\$ 564,684	667	\$ 2,422,894	1,184	\$ 4,308,859
Southwest	280	\$ 540,074	479	\$ 1,623,741	645	\$ 2,080,720
Central	232	\$ 463,739	402	\$ 1,698,629	642	\$ 2,423,653
Northern	69	\$ 127,493	111	\$ 309,444	171	\$ 425,941
<b>Province</b>	<b>906</b>	<b>\$ 1,695,990</b>	<b>1,659</b>	<b>\$ 6,054,708</b>	<b>2,642</b>	<b>\$ 9,239,173</b>

\*This table represents the expenditures for benefits paid directly to households to address rental affordability.

## AFFORDABLE RENTAL HOUSING PROGRAM

The Affordable Rental Housing Program (ARHP) provides funding to private entrepreneurs, non-profit groups and housing co-operatives for new

construction, rehabilitation, and conversion of existing buildings.

2021-22		2022-23		2023-24	
Committed Funding	Units	Committed Funding	Units	Committed Funding	Units
\$ 3,880,000	97	\$ 5,690,000	115	\$ 3,669,000	48

## TENANT AND LANDLORD RELATIONS OFFICE

The Tenant and Landlord Relations Office provides an alternative dispute resolution service outside of the traditional court process.

Residential Tenancies Officers are appointed to carry out duties prescribed by the *Residential Tenancies Act*. The activities include holding in

trust all security deposits paid by tenants pursuant to a residential tenancy lease; investigating and resolving disputes and complaints by mediation, when possible, or adjudication; enforcing the *Residential Tenancies Act*; and providing information about residential tenancies.

Statistics at a Glance	2022-23	2023-24	CHANGE
Security deposits accepted	20,208	20,056	-152
Net value of security deposits	\$ 47.3M	\$ 52.2M	\$ 4.9M
Security deposits returned	13,446	13,417	-29
Applications for assistance or disputed claims received	6,099	6,303	204

## SHELTER ENHANCEMENT

The Shelter Enhancement Program provides financial assistance to repair emergency shelters and second stage housing for victims of relationship violence, and repair homeless shelters.

Fiscal Year	Disbursements
2021-22	\$ 184,013
2022-23	\$ 959,754
2023-24	\$ 184,499

# Financial information

The corporation's first audited statements in 30 years appear as Appendix A to this report.

Work to establish the corporation's financial systems was ongoing through 2024 and previous year comparisons are not available as they were reported with the Department of Social Development.

For part of the fiscal year of 2023–24, the Corporation fell under the budget of the Department of Social Development. That Department has not included any financial information regarding the Corporation in their reports for the fiscal year in question so that overlap does not occur.

Expenditures	Budget	Actual	Variance Over (Under)	% Over (Under)	Note
Housing	129,149.4	139,318.1	10,168.7	7.9%	1

Special Purpose Account Expenditure	Budget	Actual	Variance Over (Under)	% Over (Under)	Note
CMHC Funding Account	\$6,200	3,157.9	(3,042.1)	(49.1%)	2

Capital Expenditure	Budget	Actual	Variance Over (Under)	% Over (Under)	Note
Public Housing-Capital Program	\$38,000.0	\$7,039.2	(30,960.8)	(81.5%)	3

Special Purpose Account Revenue	Budget	Actual	Variance Over (Under)	% Over (Under)	Note
CMHC Funding Account	\$510.0	\$550.0	40.0	7.9%	

The numbers above are expressed in thousands.

Notes on significant variances:

1. Higher than budget due to pressures related to Public Housing — Property Management and property tax, increased expenses related to rent supplements, emergency homeless shelters and the new Rent Bank Program.
2. Under budget due to delays in a planned project.
3. Under budget due to delays in purchasing/construction of public housing units.

# Summary of staffing activity

Pursuant to section 4 of the *Civil Service Act*, the Secretary to Treasury Board delegates staffing to each Deputy Head for his or her respective department(s). Please find below a summary of the staffing activity for 2022 and 2023 for New Brunswick Housing Corporation.

Number of Permanent and Temporary Employees as of December 31 Of Each Year		
Employee Type	2022	2023
Permanent	N/A HNB not established until June 2023	152 <i>*18 permanent employees transferred from SNB to HNB April 1, 2024</i>
Temporary		5
Casuals		23 <i>*17 casual employees transferred from SNB to HNB April 1, 2024</i>
<b>TOTAL</b>		<b>180</b>

*\* End of December 31, 2023*

Permanent employees include all permanent full- and part-time employees. Temporary employees are employees in various types of temporary positions, including Personal Service Contract positions and Ministerial/Constituency Office Staff, Casuals include full-time, part-time, and on-call employees, as well as students.

Staffing Activity Within Fiscal Year		
Employee Type	2022-23	2023-24
Permanent	N/A HNB not established until June 2023	*25
Temporary		*8
Casuals		*2
<b>TOTAL</b>		<b>35</b>

*\* Data only from September 2023 to April 2024*

The corporation advertised 25 competitions, including external competitions (including expressions of interest), and two closed (internal) competitions.

Pursuant to sections 15 and 16 of the *Civil Service Act*, the corporation made the following appointments using processes to establish merit other than the competitive process:

	Appointment Description	Section of the <i>Civil Service Act</i>	Number
Specialized Professional, Scientific or Technical	An appointment may be made without competition when a position requires: <ul style="list-style-type: none"> <li>• A high degree of expertise and training</li> <li>• A high degree of technical skill</li> <li>• Recognized experts in their field</li> </ul>	15(1)	20
Equal Employment Opportunity Program	Provides Aboriginals, persons with disabilities and members of a visible minority group with equal access to employment, training, and advancement opportunities.	16(1)(a)	0
Department Talent Management Program	Permanent employees identified in corporate and departmental talent pools, who meet the four-point criteria for assessing talent, namely performance, readiness, willingness, and criticalness.	16(1)(b)	0
Lateral transfer	The GNB transfer process facilitates the transfer of employees from within Parts I, II (school districts) and III (hospital authorities) of the Public Service.	16(1) or 16(1)(c)	0
Regular appointment of casual/temporary	An individual hired on a casual or temporary basis under section 17 may be appointed without competition to a regular properly classified position within the Civil Service.	16(1)(d)(i)	0
Regular appointment of students/apprentices	Summer students, university or Community college, co-op students or apprentices may be appointed without competition to an entry level position within the Civil Service.	16(1)(d)(ii)	3

Pursuant to section 33 of the *Civil Service Act*, 0 complaints alleging favouritism were made to the Deputy Head of New Brunswick Housing Corporation and submitted to the Ombud.

# Summary of legislation and legislative activity

Please note that both pieces of legislation listed below were sponsored by Service New Brunswick when introduced and both are also listed in their annual report.

Bill #	Name of Legislation	Section of the <i>Civil Service Act</i>	Number
53	<b>An Act Respecting the New Brunswick Housing Corporation</b>	The Bill received Royal Assent on June 16, 2023, and came into force retroactively on April 1, 2023.	The purpose of this Bill is to transition the New Brunswick Housing Corporation to the Minister responsible for the New Brunswick Housing Corporation including the responsibility for the administration of the <i>Residential Tenancies Act</i> .
55	<b>An Act to Amend The Residential Tenancies Act</b>	The Bill received Royal Assent and came into force on June 16, 2023.	The purpose of the Bill is to strengthen and streamline regulations within the Act such as changing the name of the Residential Tenancies Tribunal to the Tenant and Landlord Relations Office; requiring landlords to apply for approval to terminate tenancies for renovations; extending rent increase protections and termination limitations to fixed term tenancies; and, allowing landlords to dispose of abandoned belongings worth less than \$500 after storing them for 10 days.

The acts for which the department was responsible in 2023-24 may be found at:

***New Brunswick Housing Act***

***Residential Tenancies Act***

# Summary of Official Languages activities

## INTRODUCTION

The corporation is developing an action plan that includes strategic means for each of the four sectors of activity (focus) found in the *Plan on Official Languages – Official Bilingualism: A Fundamental Value*. As the corporation grows and becomes more stable, this action plan will continue to be monitored, updated, and finalized.

HNB ensures access to service of equal quality in English and French throughout the province in our central and regional office locations and beyond those office borders to the properties we manage and with our clients.

- The revitalized corporation will be undertaking an assessment of the current state of Official Languages activity.
- With a new Board of Directors in place, efforts to ensure language equality is in place for those Board members have been maintained, with a review taking place for enhancement opportunities. An enhanced protocol for document delivery in both Official Languages was put in place when an online collaborative workspace was created for the Board.

## FOCUS 1

Ensure access to service of equal quality in English and French throughout the province:

- The development of the first two non-profit partnership contracts including ensuring that the non-profit provider had capability to support households in their language of choice.
- The Rent Bank was launched with the capability to fully serve households throughout the application in both official languages, including ensuring front-line staff were able to interview and effectively support households in their preferred language.

- As part of the onboarding process, new employees are required to complete the mandatory e-learning modules for Language of Service and Language of Work offered through the GNB Knowledge Center.
- Continuously trying to improve linguistic team capacity through the hiring process and second-language training.

## FOCUS 2

An environment and climate that encourages, for all employees, the use of the Official Language of their choice in their workplace:

- All communications and training to all staff is offered in both Official Languages.
- There is a section on the intranet including information on second-language training and links to tools and resources to help employees practice their second official language.

## FOCUS 3

The corporation continues to promote Official Languages through employee engagement sessions and surveys. It is important to the corporation to establish and enhance current-state baseline minimum standards and requirements for language of choice.

## FOCUS 4

Ensure Public Service employees have a thorough knowledge and understanding of the *Official Languages Act*, relevant policies, regulations, and the province's obligations with respect to Official Languages:

- The corporation emphasizes an employee's obligations under the *Official Languages Act* and provided them with the links for the e-learning





modules Language of Work and Language of Service found on the GNB Knowledge Center.

## CONCLUSION

The corporation's action plan demonstrates a commitment to fostering official bilingualism across all its sectors. With a focus on ensuring equitable access to services in both English and French, the corporation has made significant strides since its revitalization. Initiatives such as the Rent Bank's bilingual capabilities and comprehensive onboarding processes underscore the importance of language equality. Furthermore, the emphasis on creating a supportive workplace environment, alongside ongoing employee engagement and training, highlights a dedication to nurturing a

culture where both official languages thrive. By continuously assessing and enhancing its practices, the corporation not only meets its obligations under the *Official Languages Act* but also reinforces its fundamental value of bilingualism as it grows and stabilizes.

# Summary of recommendations from the Office Of The Auditor General

Name and year of audit area	Recommendations
	Total
2024 V1 Chapter 4: <b>NB Housing Strategy: Housing for All — New Brunswick Housing Corporation</b>	7

Implemented Recommendations	Actions taken
2024 V1 Chapter 4: <b>NB Housing Strategy: Housing for All — New Brunswick Housing Corporation</b>  4.20 We recommend the New Brunswick Housing Corporation include baseline data for the established targets in the ‘NB Housing Strategy: Housing for All’.	Multi-year baseline data trends were used to establish housing targets in May 2023. These charts were provided to the AG.

Recommendations with Implementation in Progress	Considerations
2024 V1 Chapter 4: <b>NB Housing Strategy: Housing for All — New Brunswick Housing Corporation</b>  4.36 We recommend the New Brunswick Housing Corporation establish proposed timelines and calculate overall costs to government for all actions in the housing strategy.	The budget for all initiatives were included in the 3-year plan. Timelines have also been established for all initiatives. These were provided to the AG. A few initiatives are in planning stages and have only broad timelines assigned (i.e. by year).

Recommendations Not Implemented	Considerations
2024 V1 Chapter 4: <b>NB Housing Strategy: Housing for All — New Brunswick Housing Corporation</b>  4.22 We recommend the New Brunswick Housing Corporation publish linkages between the stated actions and the targets they support within the ‘NB Housing Strategy: Housing for All’.	HNB publishes the “Housing NB Results Update” and “Detailed status of NB housing strategy initiatives” each month. These documents are used by HNB, departments and other stakeholders to monitor strategy implementation. HNB will improve communication to the public about strategy implementation and results.

Recommendations Not Implemented (Continued)	Considerations
<p>2024 V1 Chapter 4:  <b>NB Housing Strategy: Housing for All — New Brunswick Housing Corporation</b></p> <p>4.25 We recommend the New Brunswick Housing Corporation define what New Brunswick household income levels are considered high, medium, or low to enhance clarity, accountability, and transparency.</p>	<p>HNB will establish measures that enable better clarity across the household income spectrum. For pillar 1, HNB uses the “per cent of households in core housing need” to measure the number of vulnerable low-income households.</p>
<p>2024 V1 Chapter 4:  <b>NB Housing Strategy: Housing for All — New Brunswick Housing Corporation</b></p> <p>4.28 We recommend the New Brunswick Housing Corporation clearly document how each action impacts targeted income levels within each strategic pillar.</p>	<p>HNB established monthly performance measures/dashboards to track the contribution of initiatives and programs to higher level strategic targets. HNB will continue to expand this approach to all areas of the housing strategy.</p>
<p>2024 V1 Chapter 4:  <b>NB Housing Strategy: Housing for All — New Brunswick Housing Corporation</b></p> <p>4.38 We recommend the New Brunswick Housing Corporation ensure project plans and status tracking tools include key milestone information, start and end dates, and budgeted to actual costs.</p>	<p>HNB recognizes the need to improve project management practices.</p>
<p>2024 V1 Chapter 4:  <b>NB Housing Strategy: Housing for All — New Brunswick Housing Corporation</b></p> <p>4.46 We recommend the New Brunswick Housing Corporation establish a performance reporting strategy, that includes frequency, content, and communication channels (internal and external).</p>	<p>HNB has established a strategy performance monitoring system, used primarily for communication within HNB and GNB. HNB will report on performance in our Annual Report as required under the <i>Accountability and Continuous Improvement Act</i> (ACIA). HNB will provide better information to the public and stakeholders.</p>

\*Note the addition of the recommendations not implemented table is discretionary.

Name and Year of Audit Area	Recommendations	
	Total	Implemented
<p>2020 V3 Chapter 8:  <b>Risk of Contamination in Public Housing Units</b></p>	7	2

# Report on the *Public Interest Disclosure Act*

As provided under section 18(1) of the *Public Interest Disclosure Act*, the chief executive shall prepare a report of any disclosures of wrongdoing that have been made to a supervisor or designated officer of the portion of the public service for which the chief executive officer is responsible. The New Brunswick Housing Corporation received 0 disclosure(s) of wrongdoing in the 2023–24 fiscal year.

# Appendix A – Auditor general’s report

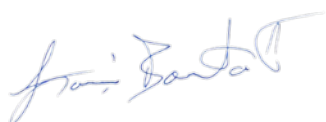
## New Brunswick Housing Corporation

### Management Report

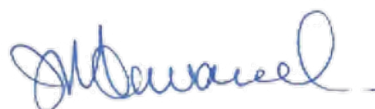
The preparation of financial information is an integral part of management's responsibilities, and the accompanying financial statements are the responsibility of the management of the Corporation. This responsibility includes the selection of appropriate accounting policies and making judgments and estimates consistent with Canadian Public Sector Accounting Standards (PSAS).

The Corporation maintains accounting systems and related controls to provide management and the Board of Directors with reasonable assurance that transactions are executed and recorded as authorized, that assets are properly safeguarded and accounted for, and that financial records are reliable for the preparation of financial statements in accordance with PSAS.

It is the responsibility of the Board of Directors to oversee management's performance of its financial reporting responsibilities and to review and approve the financial statements. It is assisted in its responsibilities by the Audit and Finance Committee. This committee reviews and recommends approval of the financial statements and meets periodically with management and the external auditors concerning internal controls and matters related to financial reporting. Upon the recommendation of the Audit and Finance Committee, these financial statements for the year ended March 31, 2024, are approved by the Board of Directors.



François Boutot, Chief Executive Officer



Janice Howard, CPA, Chief Financial Officer

Fredericton, N.B., Canada  
April 29, 2025



## INDEPENDENT AUDITOR'S REPORT

To the Chairperson and Board of Directors of the New Brunswick Housing Corporation

### Report on the Audit of the Financial Statements

#### *Qualified Opinion*

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

In my opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of my report, the accompanying financial statements present fairly, in all material respects, the financial position of the New Brunswick Housing Corporation as at March 31, 2024, and the results of its operations, changes in accumulated surplus, changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### *Basis for Qualified Opinion*

As described in Note 1 to the financial statements, the New Brunswick Housing Corporation has not presented comparative figures. Not presenting a comparison of current period amounts with those of the prior period constitutes a departure from Canadian public sector accounting standards. As a result, users of these financial statements are not able to identify trends and make comparisons from one period to the next on the statement of financial position, the statements of operations and change in accumulated surplus, change in net financial assets, cash flows or in the notes to the financial statements.

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

#### *Other Matter*

No financial statements were prepared by the New Brunswick Housing Corporation for the year ended March 31, 2023, and as such they were not audited. I was not engaged to report on the comparative information for the year ended March 31, 2024. Accordingly, I do not express an opinion or any other form of assurance on the comparative information for the year ended March 31, 2024. As part of my audit of the financial statements of the New Brunswick Housing Corporation, I obtained sufficient appropriate audit evidence over opening balances which affect the March 31, 2024 financial statements.

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

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

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

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

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

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

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

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

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




Paul Martin, FCPA, FCA  
Auditor General

*Fredericton, New Brunswick, Canada*  
April 29, 2025

**NEW BRUNSWICK HOUSING CORPORATION**  
**STATEMENT OF FINANCIAL POSITION**  
**As at 31 March**

	Note	(thousands) 2024
<b>FINANCIAL ASSETS</b>		
Due From Province of New Brunswick	4	\$ 26,602.9
Accounts Receivable	5	46,725.3
Loans Receivable	6	<u>23,137.5</u>
<b>TOTAL FINANCIAL ASSETS</b>		<u>96,465.7</u>
<b>LIABILITIES</b>		
Accounts Payable and Accrued Expenses	7	6,293.1
Deferred Revenue	8	8,555.3
Liability for Asset Retirement Obligations	9	55,809.6
Deposits Held in Trust		453.0
Long Term Debt	10	<u>19,153.9</u>
<b>TOTAL LIABILITIES</b>		<u>90,264.9</u>
<b>NET FINANCIAL ASSETS</b>		<u>6,200.8</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible Capital Assets	11	<u>28,067.5</u>
<b>TOTAL NON-FINANCIAL ASSETS</b>		<u>28,067.5</u>
<b>ACCUMULATED SURPLUS</b>		<u>\$ 34,268.3</u>

Contractual Rights (Note 12), Contractual Obligations (Note 13), Contingencies (Note 14)



\_\_\_\_\_  
 Hon. David Hickey  
 Minister Responsible for the New Brunswick  
 Housing Corporation



\_\_\_\_\_  
 François Boutot  
 President and CEO

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



**NEW BRUNSWICK HOUSING CORPORATION**  
**STATEMENT OF OPERATIONS AND CHANGE IN ACCUMULATED SURPLUS**  
for the fiscal year ended 31 March

		(thousands)	
	Note	2024 Budget	2024 Actual
<b>REVENUES</b>			
Provincial Sources			
Interest on Loans		\$ 1,000.0	\$ 990.9
Recoveries - Loans and Guarantees		1,310.0	1,052.1
Administration Fees - CMHC		90.0	31.0
Capital Recoveries		50.0	56.5
Rents		17,800.0	22,283.6
Other Revenues		-	2,699.6
Grants from Province of New Brunswick	15	109,435.0	64,712.5
		<u>129,685.0</u>	<u>91,826.2</u>
Federal Sources			
Recoveries - CMHC	15	36,226.0	39,927.7
<b>TOTAL REVENUES</b>		<u>165,911.0</u>	<u>131,753.9</u>
<b>EXPENSES</b>			
Corporate and Other Services	17	2,000.0	3,521.6
Housing Program Delivery		123,466.0	127,061.4
Tenant Landlord Relations Office		1,935.0	2,391.3
Special Purpose Account	16	6,200.0	3,157.9
Public Housing Capital Maintenance		5,000.0	3,883.7
Amortization of Tangible Capital Assets		7,284.0	8,223.0
<b>TOTAL EXPENSES</b>		<u>145,885.0</u>	<u>148,238.9</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>		20,026.0	(16,485.0)
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>		<u>50,753.3</u>	<u>50,753.3</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>		<u>\$ 70,779.3</u>	<u>\$ 34,268.3</u>

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

**NEW BRUNSWICK HOUSING CORPORATION**  
**STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**for the fiscal year ended 31 March**

	(thousands)	
	2024 Budget	2024 Actual
	<u>          </u>	<u>          </u>
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	\$ 21,895.5	\$ 21,895.5
Annual Surplus (Deficit)	20,026.0	(16,485.0)
Acquisition of Tangible Capital Assets	(33,000.0)	(7,432.7)
Amortization of Tangible Capital Assets	7,284.0	8,223.0
<b>DECREASE IN NET FINANCIAL ASSETS</b>	<u>(5,690.0)</u>	<u>(15,694.7)</u>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<u>\$ 16,205.5</u>	<u>\$ 6,200.8</u>

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

**NEW BRUNSWICK HOUSING CORPORATION**  
**STATEMENT OF CASH FLOW**  
for the fiscal year ended 31 March

	(thousands) 2024 <u>Actual</u>
<b>OPERATING ACTIVITIES</b>	
Annual Deficit	\$ (16,485.0)
Non Cash Items	
Amortization of Tangible Capital Assets	8,223.0
Decrease in Deferred Revenue	(930.6)
Increase in Liability for Asset Retirement Obligations	1,528.6
Changes in Working Capital	
Increase in Accounts Receivable	(27,394.3)
Decrease in Accounts Payable and Accrued Expenses	(668.1)
Increase in Deposits Held in Trust	33.9
Net Cash From Operating Activities	<u>(35,692.5)</u>
<b>INVESTING ACTIVITIES</b>	
Decrease in Loans Receivable	<u>5,947.0</u>
<b>CAPITAL ACTIVITIES</b>	
Acquisition of Tangible Capital Assets	<u>(7,432.7)</u>
<b>FINANCING ACTIVITIES</b>	
Retirement of Long Term Debt	<u>(6,989.3)</u>
<b>DECREASE IN CASH DURING THE YEAR</b>	<b>(44,167.5)</b>
<b>CASH AND CASH EQUIVALENTS , BEGINNING OF YEAR</b>	<b>70,770.4</b>
<b>CASH AND CASH EQUIVALENTS , END OF YEAR</b>	<b><u>\$ 26,602.9</u></b>
<b>CASH AND CASH EQUIVALENTS IS REPRESENTED BY</b>	
Due from Province of New Brunswick	<u>\$ 26,602.9</u>

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

**NEW BRUNSWICK HOUSING CORPORATION  
NOTES TO THE FINANCIAL STATEMENTS  
31 MARCH 2024**

**NOTE 1 - NATURE OF OPERATIONS**

The New Brunswick Housing Corporation (the Corporation) is a non-taxable Crown Corporation operating under the authority of the *New Brunswick Housing Act* (the Act). The purpose of the Corporation is to improve housing options for New Brunswickers, to develop and maintain subsidized housing programs and facilities, and to regulate and enforce the *Residential Tenancies Act*. Its affairs are governed by a Board of Directors appointed by the Lieutenant-Governor in Council.

On February 13, 2023, the Province of New Brunswick's Policy and Priorities Board and Treasury Board approved the renewal of the New Brunswick Housing Corporation. As a result of this decision, amendments were made to the Act effective April 1, 2023. These amendments transferred responsibility for the Act from the Minister of Social Development to the minister responsible for housing. These amendments also transferred responsibilities under the Act to the Corporation from those previously administered by the Department of Social Development. Further transfers relating to this renewal are described in Note 4 – Related Party Disclosures.

Prior to April 1, 2023, financial statement information of the Corporation was included within the Department of Social Development and separate financial statements for the Corporation were not prepared. As a result, the Corporation has decided not to present comparative figures in these financial statements.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****Basis of Accounting**

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards (PSAS) as issued by the Public Sector Accounting Board.

**Adoption of New Accounting Standards**

Effective 1 April 2023, the Corporation adopted Public Sector Guideline PSG 8 – Purchased Intangibles. The Corporation has no purchased intangibles, and no additional recognition or disclosures were required because of the adoption of this standard.

Effective 1 April 2023, the Corporation adopted Public Sector Accounting Standard PS3160 – Public Private Partnerships. The Corporation has no public private partnerships, and no additional recognition or disclosures were required because of the adoption of this standard.

Effective 1 April 2023, the Corporation adopted Public Sector Accounting Standard PS3400 – Revenue. The new standard establishes a single framework to categorize revenue to enhance the consistency of revenue recognition and its measurement, presentation, and disclosure. The Corporation has assessed the implementation of PS 3400 and determined that the adoption of the standard had no significant impact on the financial statements.

**Budget Figures**

The budget figures included in these financial statements are the amounts presented in the Province's Main Estimates.

**NEW BRUNSWICK HOUSING CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**31 MARCH 2024**

**Asset Classification**

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not to be consumed in the normal course of operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible capital assets.

**Financial Assets**Due from Province of New Brunswick

The Corporation does not have a separate bank account. Expenses and revenues flow through the Province of New Brunswick's (the Province) bank accounts. These funds represent the Corporation's cash and cash equivalents.

Accounts Receivable and Loans Receivable

Accounts receivable and loans receivable are initially recorded at cost and reported at lower of cost and net recoverable value through a valuation allowance. Changes in the valuation allowance are recognized in expense. Amounts due to the Corporation but deemed uncollectible are written off from the accounts of the Corporation once the write-off has been approved by either Treasury Board or the Secretary to Treasury Board depending on the dollar value involved.

Subsequent recoveries of amounts previously allowed for or written off are recognized as other revenue and recoveries in the Statement of Operations and Accumulated Surplus.

Interest revenue is recognized on a loan when earned and ceases to be accrued when the collectability of either the principal or interest is not reasonable assured.

**Liabilities**Asset Retirement Obligations

A liability for asset retirement costs is recognized when there is a legal obligation to incur retirement costs for a tangible capital asset, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of costs can be made. The liability is based on information available at the financial statement date and on costs directly attributable to asset retirement activities. The carrying amount of the liability is reviewed at each financial statement date, and any revisions to the amount previously recognized are accounted for in the period in which revisions are made.

Deferred Revenue

The Corporation defers revenues received or receivable when an associated performance obligation of the Corporation has not been met by the financial reporting date. The liability is discharged and recognized in revenue as the performance obligation is met. Deferred revenue includes amounts received from CMHC under various agreements that stipulate how funds are to be spent.

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**Non-Financial Assets**

Tangible Capital Assets

Tangible capital assets are assets owned by the Corporation which have useful lives greater than one year. Certain dollar thresholds for capitalization have been established for practical purposes. The costs recorded for tangible capital assets include those incurred for the acquisition or construction, as well as an estimate of the costs that will be legally required to retire the asset. These costs are amortized on a straight-line basis over the estimated useful life of the asset. In the year of acquisition and disposal, one half of the annual amortization expense is recorded. Costs for assets under construction are not amortized until the asset is available to be put into service.

**Thresholds and Estimated Useful Lives**

Asset Class	Cost Threshold	Estimated Useful Life
Buildings	\$100,000	25-40 years
Computer Software	\$100,000	5 years

**Revenues**

Public Housing Revenue

Revenues from public housing rental revenue, other rental revenue, and other revenue and recoveries are recognized on an accrual basis as the Corporation fulfills its performance obligation by providing the promised goods or services to the payor over time, and future economic benefits are measurable and expected to be obtained. An allowance is established for any amounts deemed not recoverable through bad debt expense. Public housing leases are on a month-to-month basis.

Interest

Interest income is recognized on an accrual basis using the effective interest method.

Government Transfers

Government transfers are recognized as revenue in the period during which the transfer is authorized, and all eligibility criteria have been met, except when and to the extent that the transfer gives rise to an obligation that meets the definition of a liability. Transfers meeting the definition of a liability are recorded as deferred revenue and are recognized as revenue when transfer stipulations are met.

Government transfers are provided by the Province in accordance with the Main Estimates process and by CMHC in accordance with the Social Housing Agreement and the Bilateral Agreement Under the 2017 National Housing Strategy.

Other Revenue

Non-recurring revenues included in Other Revenue are \$0.4 Million for recoveries on prior period expenses.

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## Expenses

### Government Transfers

Government transfers are transfers of money, such as grants, to individuals or organizations for which the Corporation does not directly receive any goods or services in return. Government transfers are recognized as expense in the period during which the event giving rise to the transfer occurred, provided that the transfer has been authorized and all eligibility criteria have been met by the recipient. Major government transfers during the period include grants to tenants, landlords and not-for-profit organizations for social housing programs and homeowners for homeownership programs.

### Pension Contributions

The New Brunswick Public Service Pension Plan (NBPSPP) is a shared risk pension plan in accordance with New Brunswick's *Pension Benefits Act*. Certain employees of the Corporation are entitled to receive benefits under the NBPSPP. This plan requires all employer classified full-time employees participate in the plan, which is funded by both the employee and employer. Employer pension contributions are paid and expensed by the Province on behalf of the Corporation. The Corporation is not responsible for any unfunded liability, nor does it have access to any surplus with respect to its employee pensions.

### Retirement Allowances

Certain long-serving employees receive a retirement allowance upon retirement from public service. The plan is funded by the Province. The Province made changes to its retirement allowance program in 2013 where management and non-union employees of the Corporation will no longer accumulate retirement allowance credits. Employees who were participating in this program were offered a choice of pay-out in lieu of a retirement allowance or the options to defer the pay-out until retirement. The costs and liability associated with the plan is not the responsibility or obligation of the Corporation and is recorded by the Province in its financial statements.

### Expenses Paid by Others

Certain employer costs are paid and expensed by the Province on behalf of the Corporation. Sick leave liability is accounted for by the Province in its financial statements. These expenses and the related liability balances are not presented in these financial statements. Certain operating expenses are provided by the Province without charge as discussed in Note 4.

## Financial Instruments

The Corporation's financial instruments and their measurement bases are as follows:

<b>Financial Instrument</b>	<b>Measurement Basis</b>
Due from Province of New Brunswick	Cost
Accounts Receivable	Amortized Cost
Loans Receivable	Cost
Accounts Payable and Accrued Expenses	Cost
Deferred Revenue	Cost
Deposits Held in Trust	Cost
Long Term Debt	Amortized Cost

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Financial instruments are initially recognized at fair value when the Corporation becomes a party to the contractual rights and obligations of the financial instrument and are subsequently carried at cost or amortized cost. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Financial instruments are derecognized when the contractual rights to the cash flows from the financial asset have expired or have been transferred, and the Corporation has transferred substantially all risks and rewards of ownership or when the contractual obligation has been discharged, cancelled, or has expired.

The Corporation does not own any derivatives, portfolio investments or other financial instruments designated in the fair value category and as such has not included a Statement of Remeasurement Gains and Losses.

**Measurement Uncertainty**

The preparation of financial statements in accordance with PSAS requires the Corporation to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses in the financial statements. By their nature, these estimates and assumptions are subject to measurement uncertainty. The effect on the financial statements of changes to such estimates and assumptions in future periods could be significant, although at the time of preparation of these financial statements the Corporation believes the estimates and assumptions to be reasonable.

Measurement uncertainty exists with respect to the reported amounts for:

- i. Accounts receivable and loans receivable; due to the estimation of the valuation of allowances for uncollectible balances.
- ii. Tangible capital assets; due to the estimation of the expected useful lives of the assets.
- iii. Asset retirement obligations; as asset retirement costs are based on long term estimates that rely on assumptions about the timing and cost of future asset retirement activities and other elements such as inflation and interest rates.

**NOTE 3 - RISK MANAGEMENT**

The Corporation is exposed to risks from its use of financial instruments. An analysis of significant risk from the Corporation's financial instruments is provided below:

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation. The risk arises most significantly in accounts receivable and loans receivable. To mitigate risks, accounts receivable risks are monitored with outstanding balances pursued for payment and loans receivable are backed by a mortgage or promissory note.

The Corporation is exposed to credit risk through its financial assets and the maximum exposure to credit risk is as follows:



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	(thousands) 2024
Financial Assets:	
Due From Province of New Brunswick	\$ 26,602.9
Accounts Receivable	46,725.3
Loans Receivable	23,137.5
	\$ 96,465.7

Accounts receivable and loans receivable include amounts that are past due and considered to be impaired. Allowances recorded to reflect the impairments are provided in Notes 5 and 6.

Liquidity Risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations. The Corporation manages liquidity risk through its Due from Province of New Brunswick to ensure sufficient cash availability to meet financial obligations. A maturity analysis of long-term debt is presented in Note 10. Accounts payable are short term in nature, with payment generally due within 30 days after receipt of a payment request.

Interest Rate Risk

Interest rate risk is the risk that the future cash flows related to financial instruments will fluctuate due to changes in interest rates. The Corporation's rate of interest applicable to loans receivable and long term debt are fixed as stated in legal agreements. Any change in market interest rates during the period would have no effect on the Corporation's cash flows unless a debt instrument were restructured or refinanced.

**NOTE 4 - RELATED PARTY DISCLOSURES AND INTER-ENTITY TRANSACTIONS**

(i) Renewal of the New Brunswick Housing Corporation

As described in Note 1 – Nature of Operations, amendments were made to the Act effective April 1, 2023 which transferred the administration and responsibilities under the Act to the Corporation. The transfers noted below were the result of amendments in legislation and deemed effective April 1, 2023:

- The transfer from the Department of Social Development (the Department) included the transfer of responsibility for housing activities with 158 positions and their related budget for the 2023-24 fiscal year. It also included the transfer of capital funding and recoveries originally budgeted under the Department. No assets or liabilities were included in this transfer, as these remained title to the Corporation while under the administration of the Department.
- The transfer from Service New Brunswick included the transfer of responsibility for the Residential Tenancies Tribunal with 27 positions and their related budget for the 2023-24 fiscal year. No assets or liabilities were included in this transfer.
- The transfer from the Department of Transportation and Infrastructure included the transfer of five positions and their related budget for the 2023-24 fiscal year. No assets or liabilities were included in this transfer.

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The associated dollar value of these transfers is noted below in section (ii).

(ii) Inter-entity transactions

Inter-entity transactions are transactions between commonly controlled entities. When transactions are undertaken on similar terms and conditions to those adopted if the entities were dealing at arm’s length, or where the costs of goods or services provided are recovered, they are measured at the exchange amount. All other inter-entity transactions are recorded on a gross basis and are measured at the carrying amount as recorded in the accounts of the provider.

The Corporation is owned by the Province of New Brunswick and is therefore related to all departments, agencies, commissions and Crown corporations under common control of the Province of New Brunswick.

Transactions with the Province of New Brunswick and entities under common control of the Province are settled in normal trade terms, with the exception of the items noted below:

- The Corporation is economically dependent on the Province. During the fiscal year, the Corporation received \$64.7 million in grants from the Province.
- The Corporation uses some office space for which rent is paid for by the Province.
- The Province contributes certain other services, such as legal and personnel services pending subsequent transfer to the Corporation.
- The Province records the employer expenses for the following: Pension contributions, Canada Pension Plan contributions, Retirement Allowance payments, Group Life Insurance, and Supplementary Employee Retirement Program on behalf of the Corporation. These expenses along with Sick Leave Liability Accrual and Worksafe Liability Accrual are not presented in these financial statements. Under the agreed operating terms of the Corporation, these benefit plan balances are obligations/assets of the Province and are not assumed by the Corporation.
- Employees of the Department of Social Development also provide support to the Corporation such as human resource services support and records support.

There are no contractual obligations or contingent liabilities with related entities.

The Statement of Financial Position contains the following related entity amounts.

	<b>(thousands)</b> <b>2024</b>
Due from the Province of New Brunswick	\$ 26,602.9
Loans Receivable	3,169.1
Accounts Payable and Accrued Liabilities	<u>(1,595.1)</u>
Net Due to the Corporation	<u>\$ 28,176.9</u>

The Statement of Operations and Change in Accumulated Surplus contains the following amounts that were received from or paid to the Province of New Brunswick related entities:

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	<b>(thousands)</b>
	<b>2024</b>
Revenue	\$ 66,715.4
Expense	13,814.3
	<b>\$ 52,901.1</b>

(iii) Other related party transactions

Other related parties are key management personnel and their close family members and any entities affiliated with them. Key management personnel have the authority and responsibility for planning, directing, and controlling the activities of the New Brunswick Housing Corporation, and have been identified as the Minister, Chief Executive Officer, Executive Assistants to Ministers, and the directors of the Corporation's Board of Directors. For the year ended 31 March 2024, there were no material transactions that occurred at a value other than fair market value between the Corporation and key management personnel, their close family members, or any entities with which they are affiliated.

**NOTE 5 - ACCOUNTS RECEIVABLE**

Accounts receivable are reported at their net realizable value. The Corporation reviews the aging of receivables, collection trends, and other relevant factors to estimate an allowance for doubtful accounts. Accounts that are deemed uncollectible are written off in accordance with established procedures.

	<b>(thousands)</b>
	<b>2024</b>
Accounts Receivable from Housing Clients	\$ 12,455.0
Less Allowance for Doubtful Accounts	11,353.0
	1,102.0
Due from CMHC	45,623.3
	<b>\$ 46,725.3</b>

Receivables:

Include rental charges, recoverable maintenance costs, and other amounts owed by tenants. Outstanding balances are subject to collection policies.

Allowance for Doubtful Accounts:

The allowance is determined based on historical collection data and management's assessment of tenant payment risk. Accounts with no repayment activity for three years may be recommended for write-off, subject to approval by the Corporation's Board of Directors and the Department of Finance and Treasury Board.

Due from CMHC:

This represents contributions and reimbursements under agreements with CMHC. These amounts relate to jointly funded programs for housing and are settled regularly.

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**NOTE 6 - LOANS RECEIVABLE**

Loans receivables are recorded at amortized cost and include amounts due from homeowners under various housing assistance programs. The Corporation reviews loans on an ongoing basis to assess collectability, and an allowance for doubtful accounts is recorded to reflect expected losses. Loans deemed uncollectible are written off upon approval.

	<b>(thousands)</b>
	<b>2024</b>
Loans Receivable	\$ 34,100.3
Less Provision for Impaired Loans	10,962.8
	<b>\$ 23,137.5</b>

**Loan Terms and Security:**

Housing programs loans are issued with terms of up to 30 years, with interest rates ranging from 0% to the provincial borrowing rate. Loans may be secured by a mortgage for amounts exceeding \$10,000 or a promissory note for amounts below \$10,000.

**Matured Loans:**

Loans that have reached maturity with outstanding balances are subject to renegotiation or collection activities. Borrowers are contacted prior to maturity to arrange repayment plans. Repayment terms are based on financial analyses of borrowers' capacities to pay and may extend up to a maximum of 10 years. Interest is applied at the current provincial borrowing rate.

**Allowance for Doubtful Accounts:**

The allowance reflects management's estimate of potential losses based on historical trends, borrower circumstances, and specific account reviews. Loans with no repayment activity for an extended period are reviewed for potential write-off, subject to Board of Directors' approval and the GNB deletion of debts policy.

**NOTE 7 - ACCOUNTS PAYABLE AND ACCRUED EXPENSES**

Accounts payable as of March 31, 2024, represent the Corporation's obligations to service providers, accrued employee entitlements, and funds withheld under construction contracts. All accounts payable are non-interest bearing and are settled within standard payment terms. The accounts payable balance is categorized as follows:

	<b>(thousands)</b>
	<b>2024</b>
General Accounts Payable	\$ 5,848.8
Employee Benefits	285.6
Contract Holdbacks	158.7
	<b>\$ 6,293.1</b>

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**NOTE 8 - DEFERRED REVENUE**

In 2016 the Corporation entered into the Social Infrastructure Fund Agreement (SIF) with CMHC to improve the quality and increase the supply of affordable housing and to support economic growth in New Brunswick. The SIF agreement provided \$40.2 million in contributions over two years. All contributions were claimed by March 31, 2018.

Undisbursed contributions of CMHC funding related to this agreement are as follows:

	<b>(thousands)</b>
	<b>2024</b>
CMHC - SIF Agreement	<u>\$ 8,555.3</u>

**NOTE 9 - ASSET RETIREMENT OBLIGATIONS**

The Corporation recognizes a liability for legal obligations associated with the disposal of regulated materials such as asbestos, lead, mercury, and refrigerants associated with housing buildings. The liability is based on management's best estimate. In 2024, a liability of \$55,809,600 has been accrued for these costs. Due to the uncertainty of timing for the settlement of obligations no costs have been discounted.

	<b>(thousands)</b>
	<b>2024</b>
Opening asset retirement obligations	\$ 54,281.0
Additions	-
Disposals	-
Settlements	-
Accretion Expense	1,528.6
Closing asset retirement obligations	<u>\$ 55,809.6</u>

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**NOTE 10 - LONG TERM DEBT**

	<b>(thousands)</b> <b>2024</b>
Mortgages and debentures are payable to CMHC with maturity dates ranging from 2024 to 2034 and interest rates ranging from 0.65% to 17.50%. Debentures are not secured and can be retired prior to maturity.	
Mortgages payable	\$ 10,147.9
Debentures payable	9,006.0
	\$ 19,153.9

Anticipated annual principal repayments over the next five years and thereafter are as follows:

2024-2025	\$ 5,588.5
2025-2026	4,520.0
2026-2027	2,936.8
2027-2028	2,026.8
2028-2029 and thereafter	4,081.8
	\$ 19,153.9

Interest expense for the year on outstanding debt totaled \$1,822.1.

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**NOTE 11 - TANGIBLE CAPITAL ASSETS**

	(thousands)		
	Buildings	Computer Software	Total
<b>Cost</b>			
Opening Costs	\$ 117,490.6	\$ 27,941.0	\$ 145,431.6
Additions	7,432.7	-	7,432.7
Disposals	-	-	-
Adjustments	-	-	-
Impairments	-	-	-
Closing Costs	<u>124,923.3</u>	<u>27,941.0</u>	<u>152,864.3</u>
<b>Accumulated Amortization</b>			
Opening Accumulated Amortization	99,205.0	17,368.8	116,573.8
Amortization	3,260.5	4,962.5	8,223.0
Disposals	-	-	-
Adjustments	-	-	-
Closing Accumulated Amortization	<u>102,465.5</u>	<u>22,331.3</u>	<u>124,796.8</u>
Net Book Value	<u>\$ 22,457.8</u>	<u>\$ 5,609.7</u>	<u>\$ 28,067.5</u>
Assets Under Construction Included in Closing Costs	<u>\$ 2,991.0</u>	<u>\$ 3,128.4</u>	<u>\$ 6,119.4</u>

**NOTE 12 - CONTRACTUAL RIGHTS**

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

The nature of the Corporation's activities results in significant multi-year contracts and rights. The Corporation currently has outstanding contractual rights of \$171.2 million.

	(millions)					
	2025	2026	2027	2028	2029+	Total
National Housing Strategy Agreement <sup>1</sup>	\$ 29.3	\$ 31.5	\$ 35.4	\$ 37.2	\$ -	\$ 133.4
Social Housing Agreement	11.0	8.8	6.1	3.8	8.1	37.8
	<u>\$ 40.3</u>	<u>\$ 40.3</u>	<u>\$ 41.5</u>	<u>\$ 41.0</u>	<u>\$ 8.1</u>	<u>\$ 171.2</u>

<sup>1</sup> The Federal/Provincial Agreements includes claim-based agreements. The totals represent the maximum amount of eligible future costs that could be claimed through these agreements.

The Corporation is party to numerous housing and residential unit leases, which entitle the Corporation to revenue over the term of the agreements.

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**NOTE 13 - CONTRACTUAL OBLIGATIONS**

Contractual obligations represent a legal obligation of the Corporation to others and will become liabilities in the future when the terms of the contract are met.

The Corporation currently has outstanding contractual commitments, other than operating leases, as follows:

	(thousands)					Total
	2025	2026	2027	2028	2029+	
National Housing Strategy Agreement	\$ 29,349	\$ 31,978	\$ 35,860	\$ 37,668	\$ -	\$ 134,855
Construction Contracts	24,457	-	-	-	-	24,457
Various Service Agreements	1,265	989	-	-	-	2,254
	<u>\$ 55,071</u>	<u>\$ 32,967</u>	<u>\$ 35,860</u>	<u>\$ 37,668</u>	<u>\$ -</u>	<u>\$ 161,566</u>

In addition to the above, the Corporation has other commitments for which measurement uncertainty exists and are not disclosed in the totals above, including but not limited to rent supplement agreements and agreements with non-profit agencies.

The Corporation enters into other contractual arrangements on a regular basis in its normal course of operations.

**NOTE 14 - CONTINGENCIES****a) Contingent Liabilities**Insurance

The Corporation does not carry general liability insurance or property insurance on its assets. Any successful liability claims against the Corporation and any replacement of lost or damaged property are charged to expense in the year of settlement or replacement.

Legal Actions

The Corporation is involved in various legal proceedings arising from government activities. No amounts have been accrued the financial statements which represents management's best estimate of the likely losses due to legal actions. The Corporation is also involved in various legal actions, some of which may be significant, the outcome of which is not determinable.

**NOTE 15 - REVENUE FROM GOVERNMENT TRANSFERS**

The Province includes appropriations for the Corporation in its Main Estimates and Capital Estimates. Expenditures from these appropriations are recognized as grants from the Province to the extent that actual expenditures exceed the Corporation's other sources of revenue.



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In 2018 the Corporation entered into the Bilateral Agreement Under the 2017 National Housing Strategy (NHS Bilateral) with CMHC to increase the supply of social housing, preserve existing social housing, and support housing affordability. The NHS Bilateral agreement is scheduled to provide funding over ten years ending in 2028.

In 1997 the Corporation entered into the Social Housing Agreement (SHA) with CMHC to transfer full responsibility for the management of various public housing programs to the Corporation. CMHC provides annual funding to the Corporation to manage these programs. The SHA and related funding expire in 2034.

Government transfers included in revenue are as follows:

	<b>(thousands)</b>
	<b>2024</b>
Operating funding from the Province	\$ 57,673.3
Capital funding from the Province	7,039.2
CMHC - SHA	13,868.7
CMHC - NHS Bilateral	25,128.4
CMHC - Other	930.6
	<u>\$ 104,640.2</u>

**NOTE 16 - SPECIAL PURPOSE ACCOUNT**

Special purpose account revenue earned but not spent accumulates as a surplus in that account and may be spent in future years for the purposes specified. The accumulated special purpose account surplus is a component of net financial assets and accumulated surplus.

The Corporation's special purpose account tracks CMHC funding provided for the operation of programs that fall under the administration of the Social Housing Agreement. Fund revenues include interest earned on the fund, interest earned from second mortgages, and the cumulative excess of funding for social housing not spent to date. Expenditures from the fund are for approved CMHC program funding, any annual excess of which may be carried over for future program expenditures until the agreement expiration date in 2034.

The following table summarizes the change in the accumulated special purpose account surplus:

	<b>(thousands)</b>
	<b>2024</b>
Opening accumulated surplus	\$ 13,163.1
Revenues	550.0
Expenditures	3,157.9
Closing accumulated surplus	<u>\$ 10,555.2</u>

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**NOTE 17 - EXPENSES BY OBJECT**

	<b>(thousands)</b>
	<b>2024</b>
Grants and Subsidies	\$ 69,562.6
Operating and Maintenance Services	21,710.2
Utilities and Real Property Taxes	17,295.7
Compensation and Benefits	14,154.3
Amortization of Tangible Capital Assets	8,223.0
Bad Debt Expense	5,871.0
Other Services	5,857.1
Debt and Other Charges	3,632.0
Materials and Supplies	1,933.0
	<b>\$ 148,238.9</b>

