

CO - O P E R A T I V E   H O U S I N G   F E D E R A T I O N   O F   C A N A D A



**2002**  
ANNUAL  
REPORT



**The Co-operative Housing Federation of Canada is the organized voice of the Canadian co-operative housing movement.**

We exist to unite, represent and serve the community of housing co-operatives across Canada and member organizations that support their operation and development. We work actively for the growth, stability and independence of the co-operative housing movement in Canada. As part of the larger co-operative movement, we promote the practice of co-operation in Canada and abroad.



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# Letter from our President

*M*embers of housing co-ops were reminded once again in 2002 that we are stronger when we work together. CHF Canada worked throughout the year to help co-ops through some tough times. From co-ops in British Columbia with leaking buildings to co-ops in Atlantic Canada in financial difficulty, member housing co-ops counted on support from a strong national federation.

Perhaps the biggest challenge we faced was in our Ontario Region, where the Ontario Council and our staff helped 260 provincial-program co-ops to adjust to municipal administration and ill-conceived program changes.

We faced these difficult times united and strong. We celebrated together when, at the end of the year, we learned that the federal Minister Responsible for Canada Mortgage and Housing Corporation had given the green light to the next step in creating a new non-governmental agency that will take on the administration of

federal housing co-op programs. This was a major victory in our seven-year campaign to win the agency.

Our members, Board of Directors, Ontario Council, and staff faced many challenges this year and enjoyed many successes. I want to congratulate you all. In 2003 we will mark our 35th anniversary. It too will be a year to celebrate.



René Daoust  
President

CHF Canada President,  
René Daoust



# Strengthening our community of housing co-ops



More than 800 co-op members from across Canada gathered together in Hamilton, Ontario for the 2002 AGM in June.

*I*n 2002, the Co-operative Housing Federation of Canada helped our nearly 800 member housing co-ops deliver quality housing to their members and bring the benefits of co-operative housing to more Canadians. Here are some of the highlights of the year.

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## Success at last in our seven-year campaign for a national agency

At the end of the year, federal housing co-ops got some very good news. Seven years after CHF Canada first suggested the idea, the federal Minister Responsible for CMHC, the Honourable David Collenette, asked CMHC to negotiate an agreement for an independent co-op program agency. While important issues remain to be settled before an agreement is finalized, CMHC's president has said he wants to launch the agency by January 2004.

CHF Canada and CMHC first discussed the idea of a separate co-op agency in 1995. Talks were put on hold when the 1996 federal budget offered CMHC's social housing programs – including co-ops – to the provinces and territories. Housing co-op members responded with a nation-wide lobby to stop the transfer

of co-ops to provincial administration. The campaign quickly won the support of dozens of members of Parliament. But nearly three years would pass before the minister would agree to stop the transfer of co-ops. Another four years would go by before his successor gave the go-ahead to the agency.

Once up and running, the agency will take on responsibility for administering all federal co-ops in British Columbia, Alberta, Manitoba, Ontario and Prince Edward Island.

CHF Canada provided an expanded calendar of education events in 2002 to give members the training they need to maintain well-run housing co-ops.



Co-ops under provincial or municipal control will not come under the agency. The Quebec co-op housing sector has proposed a parallel agency that would enter into an agreement with the Quebec government and work in partnership with the new national agency.


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## Providing the services housing co-ops need

In 2002, the number of co-ops enrolled in our commercial insurance program reached 663 – 85 per cent of member co-ops. More than 11,000 co-op households used our MemberGuard program to insure their belongings. The number of organizations in our employee benefits plan rose to 335, and 36 housing co-ops offered their members protection under our Housing Charge Life Insurance program.

We developed new resources for housing co-ops, including a replacement reserve planning guide and advice to co-op members on what to do when they and their co-ops disagree. These resources are available to members on the *Members' Network* section of our Web site.

CHF Canada provided an expanding calendar of education events in 2002. Through the Staff Development Conference and Member Education Forum at our annual meeting, education events we hosted in several regions, or through our participation in education conferences organized by member federations of housing co-ops, we worked to equip co-op members and staff with the skills and information they need to run well-managed co-ops.



Margaret Laurence Housing Co-op in Toronto added 16 units to one of its buildings in 2002 with help from a CHF Canada interim-financing loan and the dedication and hard work of co-op staff and members.

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## Working for more co-op housing

Every day, housing co-ops hear from people desperate to find affordable housing. Since the end of the last federal co-op program in 1992 and the Ontario program in 1995, next to no new co-ops have been built in most of the country. Late in 2001, after extensive lobbying by CHF Canada and other concerned organizations, the federal, provincial and territorial governments agreed to fund a new shared-cost affordable housing program. But outside of Quebec, the promised funds have yet to produce any new affordable homes.

Throughout 2002, as Ontario and Ottawa worked on the details of a federal/provincial affordable housing agreement, CHF Canada's Ontario Region pressed hard to make sure that the program would work for co-ops. In the fall, we had some success when the Ontario government agreed to drop the requirement that co-ops invest their own equity. But there are still many problems with the program that will have to be overcome before anyone can use it to build housing co-ops.

Without government support, the co-op housing movement can only advance by very small steps. In 2002, CHF Canada was proud to provide an interim-financing loan to Margaret Laurence Housing Co-op, to help it add 16 units to its building in Toronto.

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## Uniting housing co-ops across Canada

Every year, our annual meeting brings hundreds of housing co-op members together to set CHF Canada's direction for the coming year. The meeting is an opportunity for co-op members and staff to learn new skills, share their experiences and make new friends.

In 2002, 800 co-op members, staff and guests met together in Hamilton, Ontario. We streamlined the annual meeting to make it a better experience for delegates. We introduced a new program to help smaller co-ops attend. And we launched a member task force to consult with our members on our democratic functioning and the composition of our board of directors.



One of many great events in 2002, CHF Canada joined co-op members from Alberta at the joint-federations' Goldeye conference in October.

**A new office in Atlantic Canada.** Spring saw the opening of CHF Canada's fifth office, in Halifax, Nova Scotia. Our two Halifax staff are bringing our services closer to co-ops in Nova Scotia, with a special focus on co-ops with financial problems.

We held education conferences in Newfoundland, New Brunswick and PEI, and gave one-on-one help to co-ops in difficulty throughout the Atlantic provinces.

### **Strengthening the Quebec connection.**

Housing co-ops in Quebec affiliate with CHF Canada indirectly, through their membership in seven regional federations. In 2002, we took steps to establish a new partnership with the Quebec movement that will allow us to work more closely together for the benefit of co-ops everywhere. With our support, the Quebec confederation of housing co-ops secured funding for a project that will link francophone housing co-op members together through the Internet.

**The download in Ontario.** 2002 was another challenging year for the 260 provincial-program housing co-ops in Ontario as they adjusted to municipal administration and tried to come to terms with a badly flawed new program. Facing changes in almost every area of their operations, these co-ops are coping with a new level of government running the program, new program rules (some set by the province and some by municipalities) and financial uncertainty.

Helping provincial co-ops deal with these changes and come through as strong, member-run communities was the Ontario Region's top priority in 2002. During the year we

- presented more than 30 workshops on the new program across the province
- published model by-laws and vital information in our *Downloading Details* series
- helped co-ops negotiate local rules and service agreements
- attended dozens of meetings across the province to support co-ops as they built positive relationships with local service managers, and
- worked with the new Social Housing Services Corporation, set up by the Province, to make sure that it understands co-op housing and supports our work.

While helping co-ops deal with the new program, we pressed for changes to make the program better. The province agreed to a full review of the program rules and Ontario Region staff helped co-ops put forward their views on what needs to be changed.

In 2002, a number of co-ops in Ontario needed one-on-one help to deal with special problems. As municipalities took over, they paid much more attention than the province had to financial problems caused by the old program, such as budget cuts and low capital reserves. Our Ontario Region staff worked with these co-ops, with the support of service managers, to help get them back on their feet.

Meanwhile, our national staff helped a number of federally-funded co-ops to take steps to return their ailing operations to health.

In 2002, as with every year, CHF Canada members decided on the priorities and direction for the organization by voting on resolutions and electing representatives to the Board of Directors at the Annual General Meeting in Hamilton, Ontario.



### **Working with co-ops in the Prairies.**

The year 2002 saw CHF Canada regional education conferences for co-ops in Manitoba and Saskatchewan. Efforts got underway to set up a co-op housing investment program for housing co-ops in Saskatchewan, modeled on the successful program offered to our Manitoba members. Working closely with our two member federation in Alberta, we continued to help co-ops in that province handle difficulties.

### **Support for leaky co-ops in British**

**Columbia.** In British Columbia, as many as 60 housing co-ops are suffering from building envelope failure. Two full-time CHF Canada staff provided technical and financial support to these co-ops, helping them gain approval from CMHC for loans to fix their buildings.

In co-operation with the Co-operative Housing Federation of BC, we pressed the federal government for financial assistance on fairer terms and a faster loan approval process for leaky co-ops.

**And promoting co-op housing around the world.** In 1984, CHF Canada established Rooftops Canada International to promote co-op housing in developing countries. Supported now by a number of different Canadian housing organizations, and with funding from CHF Canada and the Canadian International Development Agency, Rooftops continued in 2002 to provide technical expertise and leadership in low-cost housing and human settlement development around the world. A new four-year, \$2.4 million program was launched in 2002 with CIDA financing to help develop the co-op and social housing sector in South Africa.

An active member of the International Co-operative Alliance's housing committee, CHF Canada produced a report to the committee on how Canadian housing co-operatives have created communities that include and welcome the participation of diverse groups of people. Our report, *Inclusive Communities*, was produced with the support of the Government of Canada, through the Co-operatives Secretariat.

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## Building for the future

In 2003, as we celebrate our 35th anniversary, CHF Canada will continue our fundamental work – pressing for the affordable housing that Canada so badly needs and creating communities that empower people. We will work for a fair and lasting solution for leaky co-ops in British Columbia. We expect to complete the work necessary to make a national co-op program administrative agency a reality. We will work to help older members of housing co-ops continue to live in their communities. And we will continue to strengthen our national network of housing co-ops, making sure our members can provide affordable housing for Canadians for years to come.



# 2002-2003 Board of Directors

## *British Columbia/Yukon*

Tony Legare\*

## *Alberta/Western Arctic*

Emil van der Poorten

## *Saskatchewan*

Laine Braden

## *Manitoba*

Mel Willis

## *Ontario*

Heather Blake

## *Quebec/Eastern Arctic*

René Daoust (President)\*

## *New Brunswick*

Ken Elliott\*

## *Nova Scotia*

Susan Wells

## *Prince Edward Island*

James Clow

## *Newfoundland/Labrador*

David Kelly

## *Aboriginal Community*

Wendy Huggan\*

## *At-large*

Isabel Evans

Vince Hall (Vice President)\*

David Howard (Treasurer)\*

Craig Hunter

Joanne Mick\*

## **ONTARIO COUNCIL**

Tina Stevens (President)

Lori-Anne McDonald (Vice President)

Ivy Tait (Second Vice President)

Heather Blake

Karen Francis

David Howard

Mark Paul

David Spackman

Bob Wiseman

## **FEDERATIONS COMMITTEE**

Jamie Ritchie (Chair)

## **FINANCE COMMITTEE**

David Howard

Donna Charbonneau

Carol Davis

Alexandra Wilson (Executive Director)

\*Executive Committee member.

Shown on opposite page: Members at Stanley Noble Strong Housing Co-op in Vancouver, BC, enjoy each other's company and the peace-of-mind that comes with belonging to an inclusive community.



## MEMBERS AND AFFILIATED HOUSING CO-OPS

As at December 31, 2002

Province/Territory	Co-ops and co-op units by province		CHF Canada members		Other co-ops*		Total co-ops represented by CHF Canada	
	Co-ops	Units	Co-ops	Units	Co-ops	Units	Co-ops	Units
Alberta	61	3,059	46	2,387	0	0	46	2,387
British Columbia	264	14,749	118	6,868	95	4,188	213	11,056
Manitoba	45	2,982	12	1,088	0	0	12	1,088
New Brunswick	22	802	20	619	0	0	20	619
Newfoundland	24	409	23	390	0	0	23	390
Nova Scotia	88	1,917	58	1,454	0	0	58	1,454
Northwest Territories	3	130	2	100	0	0	2	100
Nunavut	1	20	1	20	0	0	1	20
Ontario	551	44,003	484	38,691	16	1,970	500	40,661
Prince Edward Island	13	209	11	189	0	0	11	189
Quebec	1,160	21,424			694	13,009	694	13,009
Saskatchewan	17	840	5	300	0	0	5	300
Yukon	1	12	1	12	0	0	1	12
<b>Total</b>	<b>2,250</b>	<b>90,556</b>	<b>781</b>	<b>52,118</b>	<b>805</b>	<b>19,167</b>	<b>1,586</b>	<b>71,285</b>

<b>Service organizations</b>	<b>33</b>
<b>Federations</b>	<b>21</b>
<b>Staff associations</b>	<b>5</b>
<b>Sponsoring organizations</b>	<b>6</b>
<b>Associates</b>	<b>89</b>

\*Affiliated through member federations.



## CONSOLIDATED BALANCE SHEET

As at December 31, 2002

	2002	2001
<b>Assets</b>	<b>\$ 11,355,473</b>	<b>\$ 11,488,571</b>
<b>Liabilities</b>	<b>1,335,341</b>	<b>1,405,324</b>
<b>Fund Balance</b>		
Unrestricted funds	586,592	656,446
Unrestricted funds invested in reserves	363,868	376,226
Restricted funds	9,069,672	9,050,575
	<b>10,020,132</b>	<b>10,083,247</b>
	<b>\$ 11,355,473</b>	<b>\$ 11,488,571</b>

The complete consolidated financial statements and the auditors' report dated February 27, 2003 are available to our members on our Web site at [www.chfc.coop](http://www.chfc.coop).



**CONSOLIDATED STATEMENT OF REVENUE AND EXPENDITURES OF THE  
UNRESTRICTED FUNDS AND CHANGES IN UNRESTRICTED FUND BALANCE\***

For the year ended December 31, 2002

	<b>Budget 2002</b>	<b>Actual 2002</b>	<b>Actual 2001</b>
Revenue	\$ 2,846,200	\$ 2,785,369	\$ 3,063,462
Allocation to regions	(82,160)	(71,551)	(115,334)
Expenditures	2,764,040	2,713,818	2,948,128
	2,743,500	2,692,273	2,742,463
Excess of revenue over expenditures	20,540	21,545	205,665
Transfers to reserves	(138,740)	(81,581)	(202,734)
Transfer from (to) restricted funds	0	(9,818)	1,750
Net change in fund balance	(118,200)	(69,854)	4,681
Fund balance, beginning of year	789,513	656,446	651,765
<b>Fund balance, end of year</b>	<b>\$ 671,313</b>	<b>\$ 586,592</b>	<b>\$ 656,446</b>

\*Including the operations of Rooftops Financial Services Inc. and including unrestricted funds invested in fixed assets.



## CONSOLIDATED STATEMENT OF CHANGES IN FUND BALANCE INVESTED IN RESERVES

As at December 31, 2002

	Budget 2002	Actual 2002	Actual 2001
Balance, beginning of year	\$ 276,846	\$ 376,226	\$ 237,417
Transfers to reserves	138,740	81,581	202,734
	415,586	457,807	440,151
Net expenditures charged to reserves	(157,770)	(93,939)	(63,925)
<b>Balance, end of year</b>	<b>\$ 257,816</b>	<b>\$ 363,868</b>	<b>\$ 376,226</b>

## CONSOLIDATED STATEMENT OF CHANGES IN FUND BALANCE – RESTRICTED FUNDS

As at December 31, 2002

	Budget 2002	Actual 2002	Actual 2001
Balance, beginning of year	\$ 8,995,540	\$ 9,050,575	\$ 9,062,577
Transfers from (to) unrestricted funds	0	9,818	(1,750)
	8,995,540	9,060,393	9,060,827
Excess of revenue over expenditures (expenditures over revenues)	4,000	9,279	(10,252)
<b>Balance, end of year</b>	<b>\$ 8,999,540</b>	<b>\$ 9,069,672</b>	<b>\$ 9,050,575</b>