



Staff Report

Corporate & Financial Services – Finance

Report To: COW- Admin, Corp and Finance, SI, Comm. Services
Meeting Date: October 6, 2025
Report Number: CFS.25.050
Title: Blue Mountains Attainable Housing Corporation Financial Analysis
Prepared by: Monica Quinlan, Director of Corporate & Financial Services

A. Recommendations

THAT Council receive Staff Report CFS.25.050, entitled “Blue Mountains Attainable Housing Corporation Financial Analysis” for information.

B. Overview

This report is provided in response to the following Council motion:

“The Blue Mountain Attainable Housing Corporation (BMAHC) has incurred costs since 2019, throughout 2024 and continues to in 2025. Not since the approved 2022 budget has the BMAHC expenses been outlined in the annual budget; THEREFORE, in the absence of this information, Council direct staff to provide a full cost accounting outlining all expenses and funding sources, including those associated (i.e. Strategy Corp, SHS consulting, Buttcon, Pre-Development Works, Studies, Legal, staff time etc.) incurred by the previous Council – to date, including potential financial exposure arising from the 2024 auditors statement); AND THAT Council direct staff to provide costs under category headings in a spreadsheet format for transparency as opposed to aggregated numbers.”

In preparing this information, staff have gathered expenses, along with the related funding sources, and have also reviewed potential financial exposures noted in the 2024 Auditors’ Statement. It is noted that the auditors are currently working to file the 2022 T2 along with beginning the audit engagement for both 2023 and 2024. The financial information included in this report is considered to be unaudited at this time following the year 2022.

In addition, staff continue to work on the process of dissolving the BMAHC. While this process has proven more complex than originally anticipated—due to outstanding commitments, financial reconciliations, and corporate wind-up requirements—the intent remains to complete the dissolution prior to the end of Q1 2026.

C. Background

The Blue Mountain Attainable Housing Corporation (BMAHC) was incorporated in 2013 as a not-for-profit municipal services corporation under the Municipal Act, 2001. The mandate of the BMAHC was to facilitate and deliver attainable housing opportunities within the Town of The Blue Mountains, recognizing the significant housing affordability challenges faced by the community.

At the time of its creation, Council identified the need for a dedicated corporation that could focus on the planning, development, and operation of attainable housing projects, while operating at arm's length from the municipality. The BMAHC was envisioned as a vehicle to leverage municipal support alongside external funding opportunities, partnerships with private developers, and senior government programs.

Between 2019 and 2022, the BMAHC undertook various pre-development activities, including feasibility studies, business planning, and initial project scoping. The corporation engaged consultants to assist with communications, housing strategy, and project management, and entered into discussions with potential development partners. Costs associated with these activities were funded through a combination of municipal contributions, external grants, and in-kind staff support.

As directed by Council, staff have undertaken a detailed review of all expenses, funding sources, and outstanding commitments tied to the BMAHC since its establishment. It is important to note that the figures presented in this report represent the best available information at this time, but will continue to evolve as staff work through the complexities of dissolving the corporation. Updated numbers will be provided to Council as the dissolution process moves forward, with the intent to complete the wind-up before the end of Q1 2026.

D. Analysis

The attached (Attachment #1) Profit and Loss statement for the Blue Mountain Attainable Housing Corporation (BMAHC) outlines revenues and expenses from 2019 through to 2025 (year-to-date/unaudited). Revenues primarily reflect municipal contributions, rental income, and investment interest, while expenses capture consulting, pre-development works, legal costs, and general administration associated with the corporation's operations. Over the period, expenses have consistently exceeded revenues, resulting in a cumulative deficit position.

The accompanying Trial Balance (Attachment #2) further highlights the position of the corporation, including work-in-progress amounts for the Gateway Project, prepaid deposits, accounts payable, and outstanding liabilities. These balances illustrate that, while certain assets and prepayments are carried on the books, the net financial position of the corporation remains negative.

Finally, Attachment #3, provides detailed information of expenses by supplier.

As noted in a previous staff report, Council has already been requested to fund the BMAHC deficit through Town reserves. This approach ensures that the corporation's liabilities are addressed as part of the dissolution process, without creating additional exposure or unfunded obligations for the municipality. The use of reserves to offset the accumulated shortfall also provides a clean and transparent mechanism to reconcile the corporation's accounts prior to wind-up.

It is important to emphasize that the figures presented are subject to refinement as staff continue to reconcile transactions and finalize the dissolution of the corporation. Outstanding invoices, staff time allocations, and adjustments identified during the 2024 audit process may result in changes to the final cost accounting. Updated schedules will be brought forward to Council as the wind-up process progresses, with the intent to have the corporation fully dissolved by the end of Q1 2026.

E. Strategic Priorities

1. Communication and Engagement

We will enhance communications and engagement between Town Staff, Town residents and stakeholders

2. Organizational Excellence

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

F. Environmental Impacts

N/A

G. Financial Impacts

As noted above.

H. In Consultation With

N/A

I. Public Engagement

The topic of this Staff Report has not been the subject of a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required. However, any comments regarding this report should be submitted to Monica Quinlan, Director of Corporate & Financial Services directorcfs@thebluemountains.ca.

J. Attached

1. Attachment 1 – BMAHC Unaudited Profit & Loss
2. Attachment 2 – BMAHC Unaudited Trial Balance
3. Attachment 3 – BMAHC Unaudited Expense by Supplier

Respectfully submitted,

Monica Quinlan,
Director of Corporate & Financial Services

For more information, please contact:
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Report Approval Details

Document Title:	CFS.25.050 BMAHC Financial Analysis.docx
Attachments:	- Att 1 - The Blue Mountains Attainable Housing Corporation Profit and Loss.pdf - Att 2 - The Blue Mountains Attainable Housing Corporation Trial Balance.pdf - Att 3 - Expenses.pdf
Final Approval Date:	Sep 26, 2025

This report and all of its attachments were approved and signed as outlined below:

Monica Quinlan - Sep 26, 2025 - 2:53 PM