

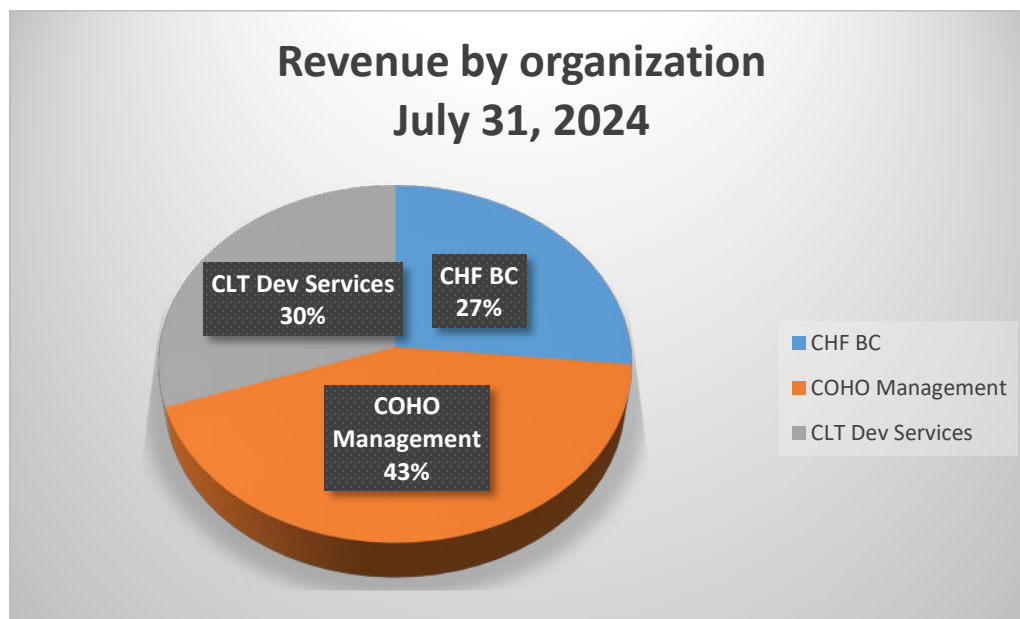
## Report from the Treasurer to the 2024 Annual General Meeting

I am pleased to report to the annual general meeting the financial highlights of the CHF BC group for the year ending July 31, 2024.

CHF BC, along with its affiliated entities, COHO Management Services and the Community Land Trust forms a comprehensive support system for housing co-op across British Columbia. The scale and complexity of our operations have expanded significantly in the last ten years. We have adopted an approach that will maximize our impact and allow us to address the diverse needs of co-ops, from supporting their day-to-day operations, to enabling their long-term growth and sustainability.

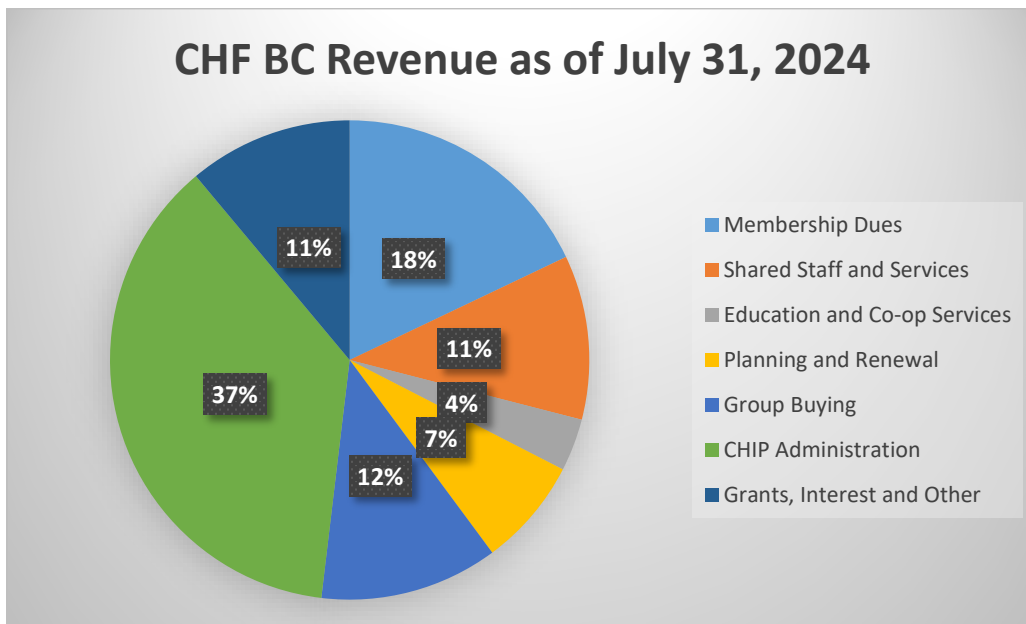
We are building a legacy that matters for people who choose living in a housing co-op to thrive and build community. My role as your treasurer is to connect our financial health with our ambitious goals so that members know we are on solid ground for long-term success to support housing co-ops now and long into the future.

As of July 31, 2024, our three organizations recorded just over \$16M in revenue and \$14.8M in expenses. Collectively we employed 152 staff, operating effectively and efficiently while each entity posted a surplus and maintained a strong financial position. Here is a look at the revenue by organization:



As you can see, the revenue from both COHO and CLT Development Services has now exceeded that of CHF BC. This is good news! Each business unit is self-sustaining, and we are adding new revenue sources and creating greater financial resilience for the co-op housing sector in BC. At our AGM on November 17, I will be asking you to receive the financial statements for CHF BC and appoint the auditor for the current year.

CHF BC maintained a strong financial position during the year with revenues of \$4.26M. This exceeded the previous year’s revenue by 20% and is the third consecutive report of year-over-year revenue increase. While this is largely due to our loyal members who continued to use our programs and services, it’s important to note that the high-interest-rate environment was a significant contributor to our revenue. The chart below shows that the Co-op Housing Interest Pool (CHIP) program administration represented 37% of our revenue. As interest rates drop and the CHIP program evolves, we can expect a corresponding drop in revenue. Thankfully, we are well positioned to respond.



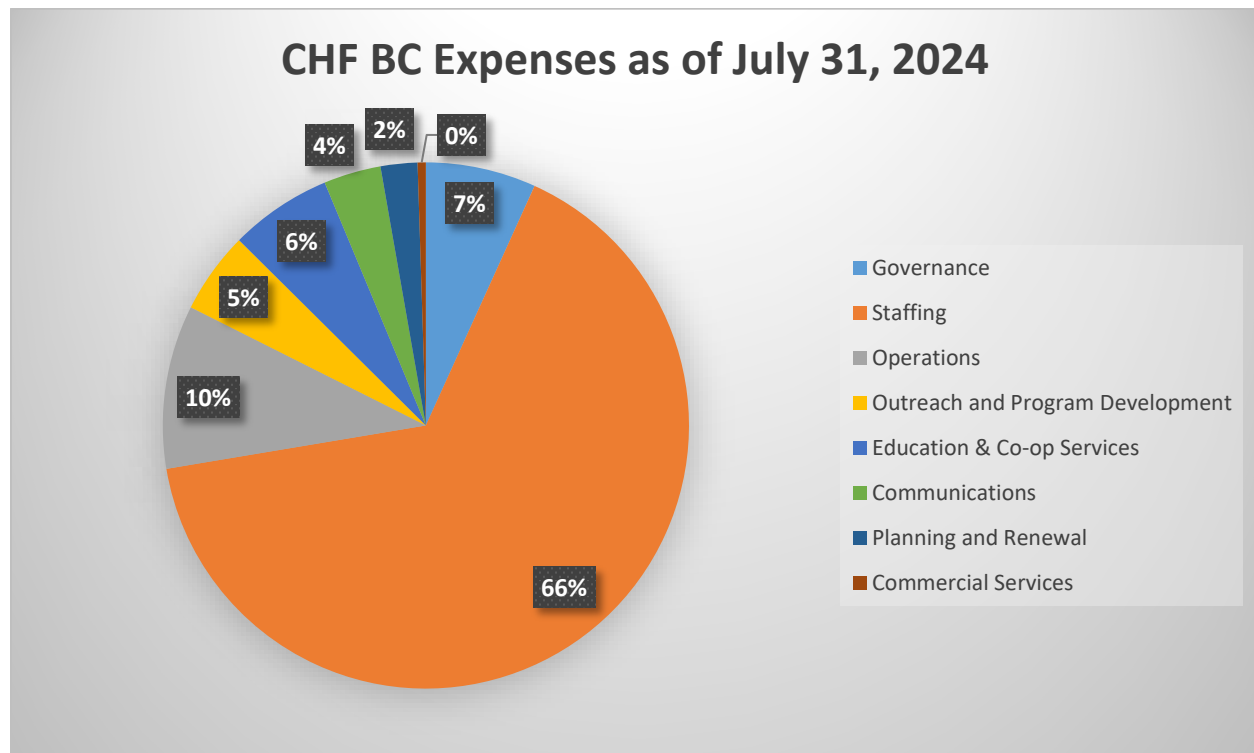
It is noteworthy that membership dues represent less than 20% of our revenue. Over the year, we maintained or increased the number of co-ops using programs like CHIP, waste management, appliances, flooring, and kitchen cabinets. By combining the purchasing power of 266 housing co-ops, we generated savings to members and diversified our revenue to keep membership dues affordable.

Furthermore, the work to successfully shape the future of co-op housing continues to increase in complexity. It is important that we are not overly reliant on membership dues or government funding to do that work. Instead, we have a diverse revenue stream from programs, services and investments. Additionally, since we operate as a group of entities, we share staffing costs, office space and other services with our subsidiaries, COHO and CLT.

We continue to see increasing numbers of members using our online resources and templates and contacting our staff via phone or [members@chf.bc.ca](mailto:members@chf.bc.ca) to request advice on issues related to the governance and management of their co-ops. Our staff respond to hundreds of requests throughout the year, and this direct connection to our members adds tremendous value to their day-to-day operations.

Subscriptions to our website and electronic newsletters increased significantly over the year – a direct result of significant investments in our communications and web platforms. While these services do not produce direct revenue for CHF BC, they are strong indicators of growing member engagement and the value that members are receiving for their membership dues.

Expenses for CHF BC also increased this year because of investments in governance, staffing and outreach and program development. Providing support to individual co-ops through services, tools and resources is the cornerstone of our membership model, as is elevating public awareness of the value of co-ops while advocating for policies and conditions to expand our housing model. Partnerships through Housing Central and the larger community housing sector, plus relationships with all three levels of government, had a major impact this year on our sector’s success. The chart below shows that the staffing (66%), operational costs (10%) and governance (7%) together accounted for 83% of our expenses in the last year.



We are reporting \$2.61M in staffing costs. In addition to signing a new three-year collective agreement, we invested in professional development opportunities for our team. This investment will increase their knowledge in the complex environment of community housing. We are pleased to report less than 1% turnover in staff at CHF BC in this last year.

CHF BC posted a surplus of \$298,900 at July 31 in a year with a projected surplus of \$20,000.

On February 16, 2024, we closed on the sale of our equity investment in Encasa Financial Inc. We advised you at our last AGM that a process was underway to redeem our shares, and together with our partners at BC Non-Profit Housing Association, we concluded an agreement to return ownership of the company to Housing Services Corporation (Ontario) and CHF Canada.

All parties have maintained an amicable and constructive relationship throughout the process, and CHF BC will be working diligently to advise member co-ops that opportunities to invest in Encasa funds are still available to them. Indeed, CHF BC has maintained its own investments in Encasa while realizing more than \$887,000 in revenue from the transaction, which you will see in the financial statements as a transfer from the Encasa Equity Investment Fund into our Operating Reserves.

As noted earlier in my report, all of CHF BC's subsidiaries closed the fiscal year in a strong financial position. I am pleased to present another clean, unqualified auditor's opinion to our members at this annual meeting. The board is also recommending that you reappoint Grant Thornton to serve as our auditor for another year. We have tendered our audit services for the year ending July 2026 and will present those results and accompanying recommendations at the next AGM.

Members can be confident that the board of directors will continue to steward CHF BC's resources prudently and strategically in the best interests of the Federation and its members.

Thank you for your support and confidence.

Respectfully submitted,

Eric Finkel  
Treasurer

Please note: The auditor's report, statement of financial position, and statement of operations and changes in fund balances for the year ending July 31, 2024 are attached. The full audited financial statements, including notes, are available on request.