



Date: September 29, 2020

Report to: Board of Directors
CityHousing Hamilton Corporation

Submitted by: Tom Hunter
Chief Executive Officer

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Chief Financial Officer

CityHousing Hamilton No Cash Policy (Report #20014)

RECOMMENDATION:

That the Board of Directors approve a No Cash Policy for CityHousing Hamilton effective January 1st, 2021.

A handwritten signature in blue ink that reads "Tom Hunter".

Tom Hunter
Chief Executive Officer

BACKGROUND:

CityHousing Hamilton (CHH) has traditionally accepted cash for rental payments. The current cash policy has not been reviewed by CHH for many years (last reviewed in 2010). The main reason for continuing to accept cash payments for rent has been the premise that many tenants do not have bank accounts and are therefore unable to provide cheques.

With the ongoing technical changes in the banking industry, there are several methods of bill payment including rental payments. In addition, the cost of purchasing a money order can add a pressure to individual's who have limited incomes.



DISCUSSION:

Between January 1, 2020 and March 31st, 2020 CHH processed \$539,922.95 cash payments (Appendix A) and this represented 6% of all rental receipts. Between April 1, 2020 and June 30, 2020 this figure decreased to \$275,786.25 or 2% of all rental receipts. Accepting cash takes a great deal of staff time to provide receipts, count and prepare deposits ready for Brinks to pick up and deposit to our bank. The risks involved in accepting cash include robbery and fraud and can present a health and safety risk to CHH staff. Staff time can be better used to ensure a higher rate of accuracy when posting to tenant ledgers.

CityHousing Hamilton's plan is to provide each tenant paying cash a notice of the changing policy. This will occur in October with an effective date of January 1, 2021. It is expected that this notice will go to approximately 223 tenants. That is the number of tenants that paid cash in August 2020. Staff will advise tenants of their tenant account number and of the various methods to pay rent:

- 1) Cheque or money order (Seniors do not have to pay for money orders)
- 2) Interac Debit at the CityHousing Hamilton office at 181 Main Street
- 3) Post-dated cheques
- 4) Pre-authorized Payments
- 5) Telephone/Internet Banking
- 6) Tenants with no bank account can set up a savings account at the Royal Bank and pay from that account. Does not have bank charges. Or can use a Credit Union where there are only member fees and no bank charges using their tenant account number
- 7) Tenants with bank accounts can pay their rent at their Bank using their tenant account number
- 8) Tenants in receipt of Ontario Works (OW) or Ontario Disability Support Program (ODSP) can opt for direct payment of their rent

The No Cash Policy will be noted in the Tenant Newsletter, new tenants will be advised of the No Cash Policy prior to signing their lease agreement.

Special arrangements will be made with staff to ensure tenants who are in arrears and present with cash will not be turned away. It is expected that this process will take some time to roll out and there will be extenuating circumstances when cash will be accepted. CHH will report back to the Board throughout 2021 on the progress and challenges that will be encountered with the implementation of the policy.



CONCLUSION:

A no cash policy is a positive change to improve risk management at CHH. Our plan is to provide adequate notice to tenants and offer a variety of alternate payment methods. The savings in staff time will be better served by allowing for more time to accurately post rent to tenant ledgers.

ALIGNMENT TO THE 2017-2021 STRATEGIC

This report implements:

Economic Prosperity and Growth

CityHousing Hamilton believes that residents reach their full potential when they have access to employment, entrepreneurship or education opportunities that will contribute to the growth and prosperity of the City of Hamilton.

Built Environment and Social Infrastructure

CityHousing Hamilton is committed to finding new ways to be innovative that will contribute a dynamic City characterized by unique infrastructure, buildings, and public spaces. The maintenance, renewal and new development of our housing stock will ensure that the quality of life, well-being and enjoyment of our residents', influences the design and planning of our homes.

Our People Our Performance

CityHousing Hamilton aims at delivering consistent and excellent service for all its residents, while searching for ways to increase efficiencies and effectiveness in how we operate. To provide the highest quality of service to our residents within current resources, we work to empower staff to deliver on our service commitments by strengthening staff competencies, standardizing operating processes, streamlining services and technology and holding staff accountable to better respond to the needs of residents.

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Mission: We provide affordable housing that is safe, well maintained and cost effective and that supports the diverse needs of our many communities.