



Ministerial Statement
By
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Minister of Public Works
Bermuda Housing Trust Audited Financial Statements
Friday, July 17th, 2020

Good Morning **Mr. Speaker**,

I am pleased to table the Bermuda Housing Trust Audited Financial Statements for the year ended March 31, 2019. The Trust is in a healthy financial position and is up-to-date with their annual audit having received an unqualified opinion from their auditors.

Mr. Speaker, for the sixth consecutive year, the Bermuda Housing Trust has received a clean and unqualified financial audit. For those who may not be aware, an unqualified audit means that financial statements are fairly and appropriately presented, without any identified exceptions, and in compliance with generally accepted accounting principles. This also means that by all appearances, the Trust is in a healthy and strong financial position.

The Trust's financial position strengthened during the year while servicing its long term debt. Cash and cash equivalents increased by forty three percent (43%) on account of sale of portfolio investments in local companies, while accounts receivable, primarily consisting of receivables from rental units, declined by twenty six percent (26%). The Trust also saw rental revenue increase by one percent (1%) in the year with total revenue increasing by twenty one percent (21%) on account of the realized gain on sale of investments as well as other contributions.

Capping off a good performance was less expenditure in general administration and other expenses which resulted in lower total expenditure compared to budget of nine percent (9%). Overall, the surplus for the year was one hundred and sixteen percent (116%) higher than the prior year and two hundred and nine percent (209%) higher than budget.

Mr. Speaker, the Trust continues to pay down on the twelve and a half million dollar loan that was taken out in 2006 to fund the construction of the Dr. Cann Park at Rockaway in Southampton. This loan balance currently stands at \$6 million dollars.

Mr. Speaker, the Trust also maintains a maintenance fund for any unexpected expenses that may occur with properties - some that date back to the 60's and 70's.

Mr. Speaker, the Trust manages five properties from east to west of approximately 180 units, that are home to more than 200 of our Island's seniors. These are rental accommodations that provide a sense of community for Bermuda's seniors but also provides them with a respectable and meaningful quality of life, whilst still affording them their independence. As a result **Mr. Speaker**, there is a constant demand for this type of accommodation and the Trust actually has a waiting list that consistently floats around 50 in number.

At present the Bermuda Housing Trust is nearing completion of the conversion and renovation of a former US Navy home at Ferguson Park. This home has been transformed into two units, which will be made available to deserving seniors. This is significant for two reasons **Mr. Speaker**. First, it represents a public private partnership initiative with the Government. Through the auspices of the Bermuda Housing Corporation, the Trust received technical expertise to oversee the project - free of charge. BHC Project Manager, Mr. Keino Furbert-Jacobs managed the entire project from its initial conceptual drawings to the current construction phase.

Secondly **Mr. Speaker**, the Trust intends to utilize this model, both the actual units and the public private partnership that has developed to serve as a basis for future fund raising as it looks to develop other properties in an effort to meet the need of Bermuda's largest growing demographic, our beloved Seniors.

Mr. Speaker, I am further pleased to report that the Housing Trust and our near two-hundred residents weathered and continue to weather well the challenges presented by the COVID-19 pandemic. Even though this group of seniors are capable of living independently and do so quite well, the Trustees stepped in and went far beyond their legislated mandate as landlords. They wanted to ensure that the residents were as safe as possible and this included but was not limited to funding the purchase and delivery of groceries, so as to obviate where possible their movement within the community, particularly during the height of the shelter in place.

Mr. Speaker, there was also a very generous anonymous donor who along with the Community Emergency Fund, made the purchasing and delivery of groceries possible. In addition, Ignite and Rugged Rentals both offered their services at a discounted rate and there were many community organizations who provided meals and other services and to all of them, I say a huge thank you. I would also like to extend my appreciation to the seniors for the manner in which they have conducted themselves and for following all of the required protocols during this challenge because to date **Mr. Speaker**, we have no reported cases of Covid-19 amongst this group.

Mr. Speaker, none of this would be possible without diligent and prudent management and I must take this opportunity to also acknowledge and thank Chairman of the Bermuda Housing Trust, Mr. John Barritt and his Deputy, Senator Vance Campbell, as well as their fellow committed Directors, Mr. Anthony Mouchette, Mr. Daniel Robinson, Ms. Rochelle Simons, Ms. Geraldine Smith, Mr. Juan Smith, Mr. Scott Stewart, Mr. Bruce Wilkie, Mrs. Cheryl Pooley-Alves. In addition, to those Board members, it would be remiss of me not to express my gratitude to Ms. Sharon Smith, Office Administrator and the one full time employee of the Trust along with part-time staff, Ms. Judy Knights, Ms. Rhonda Smith-Simmons and Mr. Gordon Johnson, all of whom went above and beyond the call of duty during this pandemic.

Mr. Speaker, I have every confidence that this dedicated team will continue to manage the Bermuda Housing Trust with efficiency and an ever abiding commitment to the welfare of our seniors.

Thank you, **Mr. Speaker**.