



Policy Name: Asset Limits

Policy Number AH-001-2019

Administrative Approval Date: 2021-02-01

Council Approval Date: NA

Most Recent Amendment Date: 2021-02-01

Effective Date: 2019-11-06

By-law reference: N/A

Supersedes: 2019-06-17

1. Policy:

The District Municipality of Muskoka has established a local eligibility rule limiting the amount of assets that a household may have and still be eligible for Affordable Housing assistance. This is referred to as an asset limit.

2. Purpose:

To establish asset limits for Affordable Housing applicants / households.

3. Application:

This policy applies to all Affordable Housing applicants, tenants and households.

4. Definitions:

a) Affordable Housing – housing that is provided through one of the District of Muskoka’s affordable housing buildings or programs (does not include Rent Geared to Income Units in Community Housing buildings)

5. Administration:

5.1 Asset Limits – the maximum aggregate household asset limits in the District of Muskoka are as follows:

- i. Single member households: \$50,000.
- ii. Family/multiple member households: \$75,000.

5.2 Determining the Value of Assets:

- i. The aggregate value of the household assets on a given date is the sum of the values of the interests in the assets of each member of the household on that date.
- ii. The District will determine the value of the assets of the household
- iii. The household may be required to provide written verification in a form specified by the District of the value of any of its assets.

5.3 **Excluded Assets** - All excluded assets are listed for reference in Appendix A – Excluded Assets

5.4 **Effective date - these asset limits come into effect on June 1, 2019:**

- i. The asset limits in this policy do not apply to households already residing in an affordable housing unit on this effective date. Those households will remain eligible even if the value of their household assets increases above the asset limits established in this policy.
- ii. If the value of the assets of a grandfathered household subsequently falls below the asset limits in this policy, they will no longer be grandfathered and the asset limits in this policy will apply going forward.

6. **Appendix A – Excluded Assets**

The following types of assets are not included when determining the total assets of the household in relation to the asset limits in this policy:

6.1 **Business Assets:**

- i. Tools of the trade that are essential to continue employment;
- ii. Assets that are necessary for the operation of a business to a maximum of \$20,000 per business.

6.2 **Compensation payments:**

- i. An amount received as damages or compensation for:
 - o Pain and suffering due to the injury or death of a household member
 - o Expenses reasonably incurred as a result of the injury or death of a household member
- ii. A government compensation payment received under any of the following plans:
 - o Helpline Reconciliation Model Agreement
 - o Multi-Provincial / Territorial Assistance Program Agreement
 - o Grandview Agreement
 - o Ontario Hepatitis C Assistance Agreement
 - o 1986-1990 Hepatitis C Settlement Agreement
 - o Walkerton Compensation Plan
 - o Compensation for Sterilization from the Government of Alberta
 - o Extraordinary Assistance Plan (Canada)
 - o Other government compensation payment plans as provided by the HSA

6.3 **Disability related funds:**

- i. A trust fund of up to \$100,000 for a disabled person if the fund was derived from an inheritance or a life insurance policy
- ii. A Registered Disability Savings Plan (RDSP) for a member of the household
- iii. A loan taken against a life insurance policy for disability related items or services

6.4 Educational assets:

- i. That portion of a payment received through Ontario Works under the Learning Earning and Parenting Program (LEAP) to be used for the household member's post-secondary education
- ii. Registered Education Savings Plan (RESP) for a child in the household

6.5 Investments and retirement savings

- i. Registered Retirement Savings Plan (RRSP)
- ii. Registered Retirement Income Fund (RRIF)
- iii. Life Income Fund (LIF)
- iv. Life Retirement Income Fund (LRIF)
- v. A life or survivor annuity

6.6 Personal possessions

- i. Motor vehicles that are not used primarily for the operation of a business, to a limit of one vehicle per member of the household
- ii. Clothing, jewelry or other personal effects
- iii. Furniture, appliances, furnishings, and decorative items (excluding business assets) located in accommodation occupied by the household

6.7 Other

- i. Prepaid funeral
- ii. Cash surrender value of a life insurance policy up to \$100,000 for the household

Related Policies/Procedures:

Reference: (approval and amendment details, legal references)