

**HOUSING SERVICES CORPORATION
BOARD OF DIRECTORS
MEETING**

WEDNESDAY, JUNE 19, 2019

1:00 – 4:08 p.m.

4:08 – 4:13 p.m.

**The Chelsea Hotel
Scott Room
33 Gerrard Street West, Toronto, ON**

MINUTES OF MEETING

Attendees:

The following Directors were present:

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| <ul style="list-style-type: none"> ▪ Bill Bradica, Chair ▪ Zoran Churchin ▪ Stéphane Giguère ▪ Ron Holman ▪ Graeme Hussey* | <ul style="list-style-type: none"> ▪ Brian Marks ▪ Janice Sheehy ▪ Jim Steele ▪ Shelley Wilkins |
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Regrets:

The following Directors sent regrets:

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| <ul style="list-style-type: none"> ▪ Renée Kominek ▪ Sheldon Laidman ▪ Gord Perks | <ul style="list-style-type: none"> ▪ Michael Duben ▪ Debbie Zock |
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Staff:

The following staff were present:

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| <ul style="list-style-type: none"> ▪ Howie Wong ▪ Sarah Baker ▪ Mara Di Pasquale | <ul style="list-style-type: none"> ▪ Brian Laur ▪ Jane Davies |
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*Attended via teleconference

	ADENDA DETAILS	ACTION	STATUS
1.0	CALL TO ORDER		
	<p>A quorum of the Directors being present and Notice having been properly given, the Chair declared the meeting to be regularly constituted and called the meeting to order.</p> <p>The Chair noted that the Board has six new board members and welcomed B. Marks, J. Sheehy and Z. Churchin. He noted that additional new members, G. Perks, M. Duben and S. Laidman had sent regrets. He further noted that M. Trojan, who had served on the Board for nine years and was Treasurer, had left the Board and thanked him for his contribution. He then led a roundtable of introductions.</p> <p>Before continuing with the meeting, he informed the Board that the next meeting will take place on Thursday, October 10, 2019 at the HSC offices.</p> <p>The Chair then requested that Board members declare any real or perceived</p>		

	<p>conflicts with regards to the Items on the Agendas. Hearing none, the Chair then noted that all materials presented at this meeting are confidential.</p>		
	<p><u>Approval of the Agendas</u></p> <p><i>It was moved by B. Marks and seconded by J. Sheehy that:</i></p> <p><i>“The Board of Directors approve the regular and in camera meeting agendas as presented.”</i></p> <p style="text-align: right;">MOTION CARRIED</p>		
2.0	BUSINESS ARISING		
	<p><u>Minutes of Previous Meeting</u></p> <p>The Chair drew the Board’s attention to the minutes of the March 27, 2019 Board of Directors’ meetings and invited comments.</p> <p><i>It was moved by R. Holman and seconded by J. Steele that:</i></p> <p><i>“The Board of Directors approve the minutes of the March 27, 2019 meeting as presented.”</i></p> <p style="text-align: right;">MOTION CARRIED</p>		
3.0	REPORTS FROM COMMITTEE		
	<p><u>Reports from Executive Committee</u></p> <p>The Chair noted that the Board had previously been circulated with minutes approved by the Executive Committee.</p> <p><i>It was moved by Z. Churchin and seconded by S. Giguère that:</i></p> <p><i>“The Board of Directors acknowledge receipt of the minutes of the Executive Committee held on January 23 and April 12, 2019.”</i></p> <p style="text-align: right;">MOTION CARRIED</p>		
	<p><u>Report from the Audit Committee</u></p> <p>The Chair turned to the Chair of the Audit Committee, J. Steele, who noted that the Committee met on March 29, 2019 with the corporation’s auditors, and reviewed the 2018 audited financial statements and correspondence, previously circulated to the Board in the meeting package.</p> <p>J. Steele then turned to M. Di Pasquale who spoke to key notes and</p>		

	<p>observations.</p> <p><i>It was moved by G. Hussey and seconded by J. Sheehy that:</i></p> <p><i>“The Board of Directors approve the draft final audited Consolidated and Non-Consolidated Financial Statements of the Corporation for the fiscal year ending December 31, 2018, subject to such minor amendments as the Treasurer and CFO of the Corporation shall jointly approve.”</i></p> <p><i>AND FURTHERMORE THAT;</i></p> <p><i>“The Board of Directors receive the Independence Letters, Representation Letters, and Management Letter and Response to Management Letter for information.”</i></p> <p style="text-align: right;">MOTION CARRIED</p>		
4.0	2018 & Q1 2019 FINANCIALS		
	<p><u>Presentation – 2018 Financials and Annual Report, Q1 2019 Financials</u></p> <p>M. Di Pasquale provided the Board with a presentation regarding the 2018 year end financials, noting variances. She then turned to the 2019 budget and the Q1 2019 consolidated financial statements.</p> <p>H. Wong drew attention to the decreased revenue from the Natural Gas Program administrative fee, and how the corporation’s operations had adapted to this decrease.</p> <p>M. Di Pasquale then responded to questions of the Board.</p>		
	<p><u>Consolidated Financials: Q1 2019:</u></p> <p><i>It was moved by S. Wilkins and seconded by J. Sheehy that:</i></p> <p><i>“The Board of Directors approve the following:</i></p> <ul style="list-style-type: none"> <i>• Consolidated Statements of Revenue and Expenditures for the three months ended March 31, 2019; and</i> <i>• Balance Sheet for the three months ended March 31, 2019.”</i> <p style="text-align: right;">MOTION CARRIED</p>		
	<p><u>2018 Annual Report</u></p> <p>The Chair drew the Board’s attention to the 2018 Annual Report in the</p>		

	<p>meeting package.</p> <p><i>It was moved by R. Holman and seconded by Z. Churchin that:</i></p> <p><i>“The Board of Directors approve the 2018 Annual Report.”</i></p> <p style="text-align: center;">MOTION CARRIED</p>		
5.0	2019 PRIORITIES		
	<p><u>Verbal Update – 2019 Strategic Plan</u></p> <p>H. Wong discussed HSC’s 2019 Strategic Plan which was approved by the HSC Board in the fall of 2018. He drew attention to a communications piece distributed to the Board that outlined HSC’s objectives and mission and framed the Plan and staff presentations that will follow.</p>		
	<p><u>Presentation – Insurance Program Strategy</u></p> <p>B. Laur presented to the Board on a number of Group Insurance Program matters including the Tenant Insurance Program, the upcoming renewal process with underwriters, risk management tools and services, the role of the claims trust fund, and how global events affect the insurance market and the Program renewal process. He also reviewed potential plans to expand the Program to other provinces as was briefly discussed at a previous board meeting.</p> <p>B. Laur then turned to a new dashboard that will soon be available to Service Managers, noting that the dashboard will allow Service Managers to create reports relevant to their needs.</p>		
	<p><u>Presentation – Energy Services</u></p> <p>S. Baker presented to the Board regarding the Energy Service Division’s priorities, including the 2020 Pricing Strategy; transportation strategy; and the provision of the Utility Management Program (UMP) and other value-added services offered to HSC Natural Gas Program participants.</p>		
	<p><u>Presentation – Encasa Financial Inc.</u></p> <p>H. Wong presented to the Board on Encasa Financial Inc.’s financial performance and strategic plan for 2019.</p> <p>For the new Board members, he described Encasa’s shareholder structure and Encasa’s new business model.</p>		
	<u>Presentation – Business Solutions</u>		

	<p>J. Lightbound presented to the Board on HSC’s broad business solution services.</p> <p>She stated that the service is designed to fill capacity gaps for Service Manager and housing provider clients. She then reviewed the three key business areas and activity anticipated for the next year, noting that outreach is being undertaken over the course of the summer.</p>		
	<p><u>Presentation – HPC Housing Investment Corporation (HiC)</u></p> <p>H. Wong presented HPC HiC’s Strategic Plan to the Board, noting that marketing and outreach in Ontario are the focus for the remainder of 2019; and reviewed the pipeline of work anticipated to 2021 and beyond.</p> <p>In response to a question from the Board, H. Wong stated that HPC Hi-C’s mission statement states that currently only the non-profit sector or partnerships controlled by non-profits can participate in Hi-C offerings.</p>		
	<p><u>Presentation – Sector Engagement</u></p> <p>S. Baker presented to the Board regarding a number of Sector Engagement opportunities, and reviewed HSC-hosted events such as the 2019 Regeneration Forum, and All-Service Manager meeting and SHARE Event that took place on June 18 and 19.</p> <p>Those who attended the meetings on June 18 and 19 stated that the content was excellent and that they looked forward to events to be planned for the fall.</p> <p>S. Baker reviewed internal and external outreach and events as well as the advisory committees and stakeholder groups run by HSC to engage Service Managers across the province.</p> <p>She drew attention to a report in the package regarding the Community Housing Transformation Centre and described HSC’s involvement as a founding member. It was noted that the Board will be informed when more is known about the Centre.</p> <p>The Chair drew the Board’s attention to the following Reports and a Province-Wide HSC Fact Sheet included in the package.</p>		
	<p><u>2019 HSC Regeneration Forum and Community Housing Transformation Centre</u></p> <p><i>It was moved by Z. Churchin and seconded by S. Wilkins that:</i></p>		

	<p><i>“The Board of Directors receive the 2019 HSC Regeneration Forum and Community Housing Transformation Centre Reports for information.”</i></p> <p style="text-align: right;">MOTION CARRIED</p>		
6.0	FINANCIALS		
	<p><u>Reserves and Investments: Q1 2019</u></p> <p>The Chair noted that the Board had before it a Report updating them on the status of the reserves as of Q1 2019.</p> <p>M. Di Pasquale reviewed the Board-approved reallocation of investments to Encasa Financial Inc., and noted that the reserves are now funded to the levels established by the Board.</p> <p>She reviewed the Encasa funds and noted possible market fluctuations. She stated that the Audit Committee will be asked to review risk tolerance and the reserves level; and return to the Board with recommendations.</p> <p><i>It was moved by R. Holman and seconded by B. Marks that:</i></p> <p><i>“The Board of Directors approve the Q1 2019 Statement and Report on Reserves and Investments.”</i></p> <p style="text-align: right;">MOTION CARRIED</p>		
	<p><u>Reserve and Investment Strategy Review</u></p> <p><i>It was moved by B. Marks and seconded by J. Steele that:</i></p> <p><i>“The Board of Directors delegates the review of the corporation’s reserve and investment strategy to the Audit Committee and directs that the Committee report back to the Board before the end of the year.”</i></p> <p style="text-align: right;">MOTION CARRIED</p>		
7.0	PARTNERSHIPS		
	<p><u>Encasa Financial Inc.: Q1 2019</u></p> <p>The Chair noted that the Board had before it a Quarterly Update Report from Encasa Financial Inc., a standing item of the Board.</p> <p>At the Chair’s invitation, M. Di Pasquale reviewed the Report with a presentation.</p> <p><i>It was moved by S. Wilkins and seconded by J. Sheehy that:</i></p>		

	<p><i>“The Board of Directors receive the Encasa Quarterly Shareholders’ Report ended March 31, 2019 for information.”</i></p> <p style="text-align: right;">MOTION CARRIED</p>		
	<p><u>CIH Canada: Q1 2019</u></p> <p>The Chair noted that the Board was in receipt of a Quarterly Update Report from CIH Canada, a standing item of the Board.</p> <p><i>It was moved by J. Steele and seconded B. Marks that:</i></p> <p><i>“The Board of Directors receive the Q1 2019 CIH Canada Report for information.”</i></p> <p style="text-align: right;">MOTION CARRIED</p>		
8.0	GOVERNANCE		
	<p><u>Report to Shareholder: HSC Insurance Inc.</u></p> <p>The Chair stated that the Board had before it the Shareholders’ Report from HSC Insurance Inc.</p> <p><i>It was moved by Z. Churchin and seconded by S. Wilkins that:</i></p> <p><i>A. “The Board of Directors endorses the appointment of HSC Board member, Jim Steele, as a director of HSC Insurance Inc. to hold office until the close of the next annual meeting of the Shareholder or until his successor is elected or appointed;</i></p> <p><i>B. The Board of Directors authorizes the Chief Executive Officer, on behalf of HSC as sole shareholder, to approve the 2018 annual shareholder proceedings of HSC Insurance Inc. as outlined in the attached report; and</i></p> <p><i>C. The Chief Executive Officer is authorized to sign all documents and do all things necessary to implement the above resolution.”</i></p> <p style="text-align: right;">MOTION CARRIED</p>		
	<p><u>Independent Auditors’ Report</u></p> <p>For the Board’s information, the Chair noted that a Report was forwarded from the HSC Insurance Inc.’s Board meeting as a Supplementary Item regarding Independent Auditors’ Reports.</p> <p><i>It was moved by J. Steele and seconded by R. Holman that:</i></p>		

	<p><i>“The Board of Directors receive the Independent Auditors’ Report for the HSC Insurance Inc.’s 2014-15 and 2015-16 Claims Trust Funds.”</i></p> <p style="text-align: right;">MOTION CARRIED</p>		
9.0	OTHER BUSINESS		
	<p><u>Certification and Governance Compliance Statements: Q1 2019</u></p> <p>The Chair noted that the Board was in receipt of the standing item: Certification Statement of HSC’s statutory payment requirements; and Governance Compliance Checklist.</p> <p><i>It was moved by J. Sheehy and seconded by J. Steele that:</i></p> <p><i>“The Board of Directors receive the Certification Statement and the Governance Compliance Checklist for the period January to March 2019.”</i></p> <p style="text-align: right;">MOTION CARRIED</p>		
	There was no further business		
10.0	IN CAMERA SESSION		
	<p><i>It was moved by Z. Churchin and seconded by B. Marks that:</i></p> <p><i>“The Board of Directors agrees to move into an in camera session of the Board.”</i></p> <p style="text-align: right;">MOTION CARRIED</p>		
	<p><i>It was moved by J. Steele and seconded by J. Sheehy that:</i></p> <p><i>“The Board of Directors agrees to terminate the in camera session and resume the Board of Directors meeting.”</i></p> <p style="text-align: right;">MOTION CARRIED</p>		
	<p><u>Decisions Arising from the In Camera Meeting</u></p> <p><u>Report from the Executive Committee In Camera Meeting</u></p> <p><i>It was moved by S. Giguère and seconded by G. Hussey that:</i></p> <p><i>“The Board of Directors confirms receipt of the following resolutions passed in camera by the Executive Committee related to:</i></p>		

- *In Camera Meeting Minutes, January 23 and April 12, 2019;*
- *HPC Housing Investment Corporation (HPC HIC) Loan;*
- *Termination of InSite Consultant Agreement;*
- *Insurance Adjuster RFP Recommendation; and*
- *2020 Gas Rates and Transportation Strategy.”*

MOTION CARRIED

2020 Insurance Program Renewal Strategy and Claims Trust Fund
Independent Review Letters

It was moved by B. Marks and seconded by S. Wilkins that:

“The Board of Directors:

- *Approve the 2020 Insurance Program Renewal Strategy as outlined in this report; and*
- *Approve the 2014-15 and 2015-16 Claims Trust Fund Engagement and Representation Letters.”*

MOTION CARRIED

CIH Canada Transition Plan Approvals

It was moved by R. Holman and seconded by J. Sheehy that:

“The Board of Directors:

- *Approve the Share Purchase Agreement, substantially in the form attached, with any amendments by the CEO deemed approved; and*
- *Authorize the CEO to execute all documents and do all things necessary to implement the above resolution.”*

MOTION CARRIED

Report to the Shareholder: CIH Canada

It was moved by R. Holman and seconded by J. Steele that:

- A. “The Board of Directors authorizes the Chief Executive Officer,*

on behalf of HSC as a shareholder of CIH Canada Inc., to attend and approve the CIH Canada 2018 annual proceedings as outlined in this report;

B. The Chief Executive Officer is authorized to sign all documents and do all things necessary to implement the above resolution.”

MOTION CARRIED

CRM (Salesforce) Contract Renewal

It was moved by S. Wilkins and seconded by S. Giguère that:

“The Board of Directors approve the following resolutions:

- Extend the customer relations management contract with Salesforce.com Canada for a further five years comprised of 5 one- year term renewals at the sole discretion of HSC (as determined by the CEO); and*
- Authorize the CEO (or his designate) to execute all agreements and do all things necessary to implement the above resolutions.”*

MOTION CARRIED

Receipt of In Camera Items

It was moved by R. Holman and seconded by B. Marks that:

“The Board of Directors receive the following items considered in camera:

- Organization Report Card: Q1 2019;*
- ERM Dashboards: Q1 2019;*
- Verbal Report – Legal Matter;*
- Reports and Minutes from Executive In Camera Committee Meeting.”*

MOTION CARRIED

11.0 ADJOURNMENT

There being no further business, the meeting was adjourned.

<p><i>It was moved by Z. Churchin that:</i></p> <p><i>“The Board of Directors Meeting be adjourned.”</i></p> <p>MOTION CARRIED</p>		
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<p>Signed:</p> <p> William Bradica, Chair</p>	<p> Howie Wong, CEO</p>	<p> Judy Lightbound, Corporate Secretary</p>
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