

**HOUSING SERVICES CORPORATION  
BOARD OF DIRECTORS  
MEETING**

**FRIDAY, JUNE 22, 2018  
9:00 – 2:00 p.m.**

**Housing Services Corporation  
Stakeholder Room  
30 Duncan Street, Suite 500, Toronto, ON**

**MINUTES OF MEETING**

**Attendees:** The following Directors were present:

- Bill Bradica, Chair
  - Rick Farrell
  - Stéphane Giguère\*
  - Graeme Hussey
  - Renée Kominek
- Catherine Matheson
  - Jim Steele
  - Mike Trojan\*
  - Shelley Wilkins
  - Debbie Zock

**Regrets:** The following Directors sent regrets:

- Ana Bailão
  - Ron Holman
- David Szwarc

**Staff:** The following staff were present:

- Howie Wong
- Sarah Baker
- Mara Di Pasquale
- Brian Laur
- Judy Lightbound
- Jane Davies

\*Attended via teleconference

	<b>ADENDA DETAILS</b>	<b>ACTION</b>	<b>STATUS</b>
<b>1.0</b>	<b>CALL TO ORDER</b>		
	<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 requested that Board members declare any real or perceived 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>The Chair drew the Board’s attention to a handout, noting that a matter was added to the in camera agenda.</p> <p><i>It was moved by C. Matheson and seconded by J. Steele that:</i></p>		

	<p><i>“The Board of Directors approve the regular and in camera meeting agendas as amended.”</i></p> <p style="text-align: right;"><b>MOTION CARRIED</b></p>		
<b>2.0</b>	<b>BUSINESS ARISING</b>		
	<p><u>Minutes of Previous Meeting</u></p> <p>The Chair drew the Board’s attention to the minutes of the April 6, 2018 Board of Directors’ meetings and invited comments.</p> <p><i>It was moved by G. Hussey and seconded by R. Farrell that:</i></p> <p><i>“The Board of Directors approve the minutes of the April 6, 2018 meeting.”</i></p> <p style="text-align: right;"><b>MOTION CARRIED</b></p>		
<b>3.0</b>	<b>REPORTS FROM COMMITTEE</b>		
	<p>The Chair drew the Board’s attention to a Report from the Organizational Performance Committee, acting as the Audit Committee. The Chair stated that at the June 1<sup>st</sup> meeting, the audited financial statements were reviewed; and will be considered later on this agenda.</p>		
	<p><u>Report from the Organizational Performance Committee:</u></p> <p><i>It was moved by R. Kominck and seconded by S. Wilkins that:</i></p> <p><i>“The Board of Directors acknowledge receipt of the minutes of the Organizational Performance Committee meeting held on March 29, 2018.”</i></p> <p style="text-align: right;"><b>MOTION CARRIED</b></p>		
<b>4.0</b>	<b>CORE PROGRAMS</b>		
	<p><u>Presentation – Natural Gas Market Conditions &amp; Forecast</u></p> <p>M. Di Pasquale, at the invitation of the Chair, provided the Board with a short presentation regarding market conditions and forces that influence the natural gas market forecast and therefore, the HSC Natural Gas Program. She noted that historically low gas prices led to an early renewal for 2019.</p> <p><i>It was moved by J. Steele and seconded by D. Zock that:</i></p> <p><i>“The Board of Directors receive this Presentation for information.”</i></p>		

	<b>MOTION CARRIED</b>		
	<p><u>2019 Natural Gas Rates</u></p> <p>The Chair noted that the Board was previously circulated with a Report regarding the final 2019 natural gas program rates.</p> <p>M. Di Pasquale provided a short presentation and reviewed the five options available to participants; and reviewed commitment in the Gas Program for 2019 and beyond.</p> <p><i>It was moved by G. Hussey and seconded by J. Steele that:</i></p> <p><i>“The Board of Directors receive this Report for information.”</i></p> <p style="text-align: center;"><b>MOTION CARRIED</b></p>		
<b>5.0</b>	<b>FINANCIALS</b>		
	<p><u>Consolidated Financials: Q1 2018</u></p> <p>The Board was previously circulated with the consolidated financial statements for Q1 2018 and associated schedules and statements.</p> <p>M. Di Pasquale provided the Board with a short presentation reviewing the contents of the report and all variances.</p> <p><i>It was moved by J. Steele and seconded by C. Matheson that:</i></p> <p><i>“The Board of Directors approve the following:</i></p> <ul style="list-style-type: none"> <li>• <i>Consolidated Statements of Revenue and Expenditures for the three months ended March 31, 2018; and</i></li> <li>• <i>Balance Sheet for the three months ended March 31, 2018.”</i></li> </ul> <p style="text-align: center;"><b>MOTION CARRIED</b></p>		
	<p><u>Reserves and Investments: Q1 2018</u></p> <p>The Chair drew the Board’s attention to a Report updating them on the status of the reserves as of Q1 2018.</p> <p>M. Di Pasquale, with the aid of a presentation, noted that the updated policy will be reviewed later on this agenda; and that a previously Board-approved amount from reserve would be invested with Encasa Financial</p>		

	<p>Inc. by mid-summer.</p> <p><i>It was moved by S. Wilkins and seconded by D. Zock that:</i></p> <p><i>“The Board of Directors approve the Q1 2018 Statement and Report on Reserves and Investments.”</i></p> <p style="text-align: right;"><b>MOTION CARRIED</b></p>		
	<p><u>Certification and Governance Compliance Statements: Q1 2018</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 R. Kominek and seconded by R. Farrell that:</i></p> <p><i>“The Board of Directors receive the Certification Statement and the Governance Compliance Checklist for the period January to March 2018.”</i></p> <p style="text-align: right;"><b>MOTION CARRIED</b></p>		
<b>6.0</b>	<b>PARTNERSHIPS</b>		
	<p><u>Encasa Financial Inc.: Q1 2018</u></p> <p>The Chair drew the Board’s attention to a Quarterly Update Report from Encasa Financial Inc., a standing item of the Board.</p> <p>M. Di Pasquale reviewed the balance sheet and AUM and noted variances.</p> <p>Questions of the Board were answered to their satisfaction.</p> <p><i>It was moved by C. Matheson and seconded by R. Farrell that:</i></p> <p><i>“The Board of Directors receive the Encasa Quarterly Shareholders’ Report ended March 31, 2018 for information.</i></p> <p style="text-align: right;"><b>MOTION CARRIED</b></p>		
	<p><u>CIH Canada: Q1 2018</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 S. Wilkins and seconded by D. Zock that:</i></p>		

	<p><i>“The Board of Directors receive the Q1 2018 CIH Canada Report for information.”</i></p> <p style="text-align: right;"><b>MOTION CARRIED</b></p>		
<b>7.0</b>	<b>2017 AUDIT</b>		
	<p>The Chair noted that the 2017 audited financial statements and correspondence were reviewed and received by the HSC Organizational Performance Committee, acting as the Audit Committee, on June 1, 2018.</p>		
	<p><u>Draft Final 2017 Audited Financial Statements and Correspondence</u></p> <p>The Chair noted that the Board was previously circulated with the corporation’s 2017 audited consolidated and non-consolidated financial statements; as well as audit correspondence including: the Audit Findings Letter, Independence Letter, Representation Letter, and Management Letter and Response to Management Letter.</p> <p>He then turned the Item to M. Trojan as the Chair of the Committee, who provided the Board with a synopsis of the meeting’s proceedings, noting that the corporation received a clean audit opinion.</p> <p>M. Di Pasquale then led the Board through a review of the statements and correspondence with the aid of a presentation, noting that a classified balance sheet differentiating between current and longer-term assets had been introduced.</p> <p>She noted that the agreement to proceed with GreenON was signed in December 2017 and therefore was included in the 2017 audit.</p> <p>In response to a question, it was noted that the consolidated audited financial statement for 2017 will be publicly posted.</p> <p><b><i>It was moved by S. Giguère and seconded by D. Zock that:</i></b></p> <p><b><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, 2017, subject to such minor amendments as the Treasurer and CFO of the Corporation shall jointly approve.”</i></b></p> <p><b><i>AND FURTHERMORE THAT;</i></b></p> <p><b><i>“The Board of Directors receive the Independence Letters, Representation Letters, and Management Letter and Response to</i></b></p>		

	<p><i>Management Letter for information.”</i></p> <p style="text-align: right;"><b>MOTION CARRIED</b></p>		
<p><b>8.0</b></p>	<p><b>SHAREHOLDER REPORTS</b></p>		
	<p><u>Report to Shareholder: HSC Insurance Inc.</u></p> <p>The Chair noted that the Board had before it the Shareholders’ Report from HSC Insurance Inc.; and a Report forwarded from the HSC Insurance Inc.’s Board meeting for their information.</p> <p>H. Wong provided introductory remarks to the annual resolutions.</p> <p><i>It was moved by M. Trojan and seconded by G. Hussey that:</i></p> <p style="padding-left: 40px;"><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 style="padding-left: 40px;"><i>B. The Board of Directors authorizes the Chief Executive Officer, on behalf of HSC as sole shareholder, to approve the 2017 annual shareholder proceedings of HSC Insurance Inc. as outlined in the attached report; and</i></p> <p style="padding-left: 40px;"><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;"><b>MOTION CARRIED</b></p>		
	<p><u>Report to Shareholder: CIH Canada</u></p> <p>The Chair noted that the Board was previously circulated with a Report that sought approval of the 2017 annual shareholder proceedings for the Chartered Institute of (CIH) Canada Inc.</p> <p><i>It was moved by R. Kominek and seconded by S. Wilkins that:</i></p> <p style="padding-left: 40px;"><i>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 2017 annual proceedings as outlined in this report;</i></p> <p style="padding-left: 40px;"><i>B. The Chief Executive Officer is authorized to sign all documents and do all things necessary to implement the above resolution.”</i></p>		

	<b>MOTION CARRIED</b>		
<b>9.0</b>	<b>SECTOR OUTREACH</b>		
	<p><u>2019 Regeneration Forum</u></p> <p>The Chair noted that a Report regarding the Regeneration Forum was previously circulated to the Board for their information.</p> <p><i>It was moved by S. Giguère and seconded by R. Farrell that:</i></p> <p><i>“The Board of Directors receive the Report regarding the 2019 Regeneration Forum.”</i></p> <p style="text-align: right;"><b>MOTION CARRIED</b></p>		
<b>10.0</b>	<b>GOVERNANCE</b>		
	<p><u>Report on Governance</u></p> <p>The Chair noted that, at its April 6<sup>th</sup> meeting, the Board reviewed policies and committee TOR and deferred approval of certain items to this meeting.</p>		
	<p><u>Annual Approval of Board and Corporate Policies</u></p> <p>J. Lightbound drew attention to the blacklined versions of three policies in the package. Additional comment from the Board was invited.</p> <p><i>It was moved by S. Giguère and seconded by S. Wilkins that:</i></p> <p><i>“The Board of Directors acknowledge that they have reviewed, updated as necessary, and approved the following Corporation policies as amended:</i></p> <ul style="list-style-type: none"> <li>• <i>Investment Policy</i></li> <li>• <i>Procurement Policy</i></li> <li>• <i>Contract Management Protocols Policy.”</i> <p style="text-align: right;"><b>MOTION CARRIED</b></p> </li></ul>		
	<p><u>Revised Confirmation of Officers and Signing Authorities</u></p> <p>J. Lightbound noted that the discussion at the April 6<sup>th</sup> Board meeting revealed the Board’s desire to engage in a risk conversation which will be on the agenda at the October meeting of the Board of Directors.</p> <p><i>It was moved by C. Matheson and seconded by J. Steele that:</i></p>		




	<p><i>“The current resolution, as passed at the April 6, 2018 Board meeting, stand as approved.</i></p> <p><i>It is further recommended that the Board of Directors direct staff to develop a risk management approach.”</i></p> <p style="text-align: right;"><b>MOTION CARRIED</b></p>		
	<p><u>Committees</u></p> <p>The Chair noted that the Board had before it revised Terms of Reference for the Executive and Audit Committees; and that the Board was asked to name three individuals to the Audit Committee.</p> <p>Following a discussion, during which the Board confirmed their decision to continue to act as a committee of the whole, G. Hussey, M. Trojan and J. Steele offered to serve on the Audit Committee; and G. Hussey agreed to act as Chair.</p> <p><i>It was moved by S. Giguère and seconded by D. Zock that:</i></p> <p><i>“The Board of Directors approve the Terms of Reference for the Audit Committee and the amended Terms of Reference for the Executive Committees of the Board of Directors as presented.”</i></p> <p><b>AND THAT;</b></p> <p><i>“The Board of Directors appoint the following individuals to the Executive and Audit Committees for a term beginning June 22, 2018 and ending March 31, 2019, or until their successors are named:</i></p> <p><u>Executive Committee:</u></p> <ul style="list-style-type: none"> <li>○ <i>Bill Bradica (Chair),</i></li> <li>○ <i>Ronald Holman (Vice Chair)</i></li> <li>○ <i>Mike Trojan (Treasurer)</i></li> <li>○ <i>Catherine Matheson, and</i></li> <li>○ <i>Jim Steele.</i></li> </ul> <p><u>Audit Committee:</u></p> <ul style="list-style-type: none"> <li>○ <i>Graeme Hussey (Chair),</i></li> <li>○ <i>Jim Steele, and</i></li> <li>○ <i>Mike Trojan.”</i></li> </ul> <p style="text-align: right;"><b>MOTION CARRIED</b></p>		
	<p><u>HSC’s Requirements under FLSA</u></p>		



	<p>The Chair drew the Board’s attention to a Report that responded to direction to investigate HSC’s requirements under the French Language Services Act.</p> <p>J. Lightbound stated that staff investigated and then engaged legal counsel to confirm that Housing Services Corporation is not subject to the French Language Services Act (FLSA).</p> <p><i>It was moved by G. Hussey and seconded by R. Kominek that:</i></p> <p><i>“The Board of Directors receive this Report – HSC’s Requirements Under FLSA – for information.”</i></p> <p style="text-align: right;"><b>MOTION CARRIED</b></p>		
<b>11.0</b>	<b>OTHER BUSINESS</b>		
	<p><u>2017 Annual Report</u></p> <p>It was noted that the Board had before it for review the draft HSC 2017 Annual Report.</p> <p>S. Baker stated that the Board had drawn attention to errors in the Report which would be amended.</p> <p>The Board discussed their wish that the Annual Report provide more graphic representation to make the Report more engaging. Staff took direction for the 2018 Annual Report.</p> <p><i>It was moved by G. Hussey and seconded by C. Matheson that:</i></p> <p><i>“The Board of Directors:</i></p> <ul style="list-style-type: none"> <li><i>• Approve the 2017 Annual Report as amended; and</i></li> <li><i>• Authorize the CEO to publicly release the Report.”</i></li> </ul> <p style="text-align: right;"><b>MOTION CARRIED</b></p>		
	No further business		
<b>12.0</b>	<b>IN CAMERA SESSION</b>		
	<p><i>It was moved by S. Giguère and seconded by M. Trojan 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;"><b>MOTION CARRIED</b></p>		
	<p><i>It was moved by S. Wilkins and seconded by R. Farrell 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;"><b>MOTION CARRIED</b></p>		
	<p><u>Decisions Arising from the In Camera Meeting</u></p> <p><u>2019 Natural Gas Renewal</u></p> <p><i>It was moved by R. Kominek and seconded by C. Matheson that:</i></p> <p><i>“The Board of Directors approve the following resolutions:</i></p> <ul style="list-style-type: none"> <li><i>• HSC offer 2019 natural gas rates so long as these rates are at or below the Maximum targeted price set (Chart A), as outlined in this report; and that</i></li> <li><i>• The CEO is authorized to do all things and sign all documents to implement the above resolution.”</i></li> </ul> <p style="text-align: right;"><b>MOTION CARRIED</b></p> <p><u>2019 Insurance Program Renewal</u></p> <p><i>It was moved by G. Hussey and seconded by D. Zock that:</i></p> <p><i>“The Board of Directors:</i></p> <ul style="list-style-type: none"> <li><i>• Approve the 2019 Insurance Program Renewal Terms as outlined in this Report; and</i></li> <li><i>• Authorize the CEO to execute all agreements and do all things necessary to implement the above resolution.”</i></li> </ul> <p style="text-align: right;"><b>MOTION CARRIED</b></p>		

	<p><u>Transitional Expense Policy</u></p> <p><i>It was moved by S. Giguère and seconded by M. Trojan that:</i></p> <p><i>“The Board of Directors approve the adoption of the Transitional Expense Policy.”</i></p> <p style="text-align: right;"><b>MOTION CARRIED</b></p> <p><u>CIH Canada Update</u></p> <p><i>It was moved by R. Farrell and seconded by S. Wilkins that:</i></p> <p><i>“The Board of Directors:</i></p> <ul style="list-style-type: none"> <li>• <i>Approve the CIH Canada transition plan as outlined in this Report; and</i></li> <li>• <i>Authorize the CEO to execute all documents and do all things necessary to implement the transition plan.”</i></li> </ul> <p style="text-align: right;"><b>MOTION CARRIED</b></p> <p><u>Receipt of In Camera Items</u></p> <p><i>It was moved by J. Steele and seconded by R. Kominek that:</i></p> <p><i>“The Board of Directors receive the following items considered in camera:</i></p> <ul style="list-style-type: none"> <li>• <i>Organizational Performance In Camera Committee Meeting Minutes – March 29, 2018;</i></li> <li>• <i>Sector Bank Update;</i></li> <li>• <i>GreenON Fund Update;</i></li> <li>• <i>Encasa Shareholders’ Update;</i></li> <li>• <i>Presentation – Risk Management Discussion – Provincial; Organization Work Plan: Q1 2018;</i></li> <li>• <i>ERM Dashboard: Q1 2018; and</i></li> <li>• <i>Verbal Update – Legal Matter.”</i></li> </ul> <p style="text-align: right;"><b>MOTION CARRIED</b></p>		
<b>11.0</b>	<b>OTHER BUSINESS</b>		
	There was no additional business.		

12.0	<b>ADJOURNMENT</b>  There being no further business, the meeting was adjourned.  <i>It was moved by G. Hussey that:</i>  <i>“The Board of Directors Meeting be adjourned.”</i>  <b>MOTION CARRIED</b>		
<b>Signed:</b>  William Bradica, Chair		 Howie Wong, CEO	 Judy Lightbound, Corporate Secretary