



## Corporate Affairs and Audit Committee

931 Yonge Street  
Toronto M4W 2H2

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The Corporate Affairs and Audit Committee of Toronto Community Housing Corporation met on September 29, 2011, in the Main Floor Conference Room, 931 Yonge Street, commencing at 12:06 p.m.

**Committee** Jason Gorel, Chair **Regrets:** none  
**Directors** Brian Kwan  
**present:** Councillor John Parker

**Additional** Norman (Bud) Purves, Chair of the Board of Directors  
**Directors** Ms. Catherine Wilkinson  
**present:**

**Also** Marta Asturi, Assistant Corporate Secretary and Legal Counsel  
**present:** Paul Chisolm, General Manager, Access Housing Connections Inc.  
Michelle Haney-Kileeg, General Manager  
Mitzie Hunter, Chief Administrative Officer  
Len Koroneos, Chief Executive Officer (Interim)  
Bronwyn Krog, Vice President and Chief Development Officer  
Hugh Lawson, Director - Strategic Planning & Stakeholder Relations  
Deborah Simon, Chief Operating Officer  
Howie Wong, Corporate Secretary and General Counsel

Mr. Jason Gorel, the Chair, called the meeting to order and Ms. Mirela Bolentiru served as recording secretary.

### **DECLARATION OF CONFLICT OF INTEREST**

The Chair requested members of the Corporate Affairs and Audit Committee to indicate any agenda item in which they had a conflict of interest, together with the nature of the interest. None were declared.

### **CONFIRMATION OF AGENDA**

*Motion carried* **ON MOTION DULY MADE** by Mr. Norman (Bud) Purves, seconded by Mr. Jason Gorel, the Corporate Affairs and Audit Committee unanimously approved the agenda.

**MINUTES      RECEIPT OF CORPORATE AFFAIRS AND AUDIT COMMITTEE  
MINUTES – NOVEMBER 17, 2010**

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*Motion carried*    **ON MOTION DULY MADE** by Mr. Norman (Bud) Purves, seconded by Mr. Jason Gorel, the Corporate Affairs and Audit Committee received the above-captioned minutes and recommended they be forwarded to the Board of Directors for information subject to the following amendments:

- Page 4, Item 3: Access Housing Connections Q2 2010 Performance Report: replace “73,920 persons” with “73,920 households.”

Mr. Jason Gorel requested a report be brought to a future Corporate Affairs and Audit Committee and Board of Directors meetings on the progress of the implementation of the LeSage Report. The report should highlight the measurable outcomes and should narrow key deliverables attached to key outputs.

**ITEM 1      Q2 2011 QUARTERLY PERFORMANCE AND  
PROGRESS REPORT**

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CAAC:2011-01

*Motion carried*    The Corporate Affairs and Audit Committee had before it the above-captioned report (CAAC:2011-01) from the Interim Chief Executive Officer.

The Committee requested that future reports should show more key metrics in relation to targets set in to the Community Management Plan. The Committee also requested subsidy redeployment in future reports.

Ms. Deborah Simon provided the Committee with an overview of the vacancy loss issue. While staff made some progress on vacancy loss, there are obstacles to meet the Corporation’s goals that are built around bachelor units. In an attempt to make those units rentable, staff has been working and established partnerships with social services agencies. Mr. Norman (Bud) Purves requested that Ms. Deborah Simon report back on the status and vacancy related to bachelor units at the next Committee meeting.

In response to questions raised by Mr. Jason Gorel with respect to the number of RGI units and budget, Mr. Hugh Lawson informed the Committee that the number of RGI units is a legal requirement. Areas

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where the vacancy loss may drop should be identified.

Ms. Catherine Wilkinson suggested converting the units hard to rent by consolidating them. She also suggested that a plan and strategy should be in place to accomplish this task. Mr. Jason Gorel recommended that consolidating units should be considered in the 2012 budget as an option to the vacancy issue.

In response to a question raised by Mr. Brian Kwan, Ms. Mitzie Hunter informed the Committee that by applying the Health and Wellness strategy to achieve the Healthy Workplaces outcome, the Health and Productivity Index is a benchmark measure of similar sized companies. The overall index is derived from the Corporation's performance across six key healthy workplace categories. It is based on a framework of healthy program and workforce effectiveness. The main categories assessed are: Health Programs (Prevent, Return, Support) and Workforce Effectiveness (Reward, Lead, Communicate).

*Motion carried* **ON MOTION DULY MADE** by Mr. Brian Kwan, seconded by Councillor John Parker, the Corporate Affairs and Audit Committee unanimously received the report and recommended to forward the report with performance measures that are below target to the Board of Directors for information.

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**ITEM 2 CORPORATE AFFAIRS AND AUDIT COMMITTEE  
TERMS OF REFERENCE**

CAAC:2011-02

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*Motion carried* The Corporate Affairs and Audit Committee had before it the above-captioned report (CAAC:2011-02) from the Interim Chief Executive Officer.

Mr. Jason Gorel had discussions with the Corporate Governance Committee Chair. The Corporate Governance Committee will re-evaluate the terms of reference for all committees and report back to the Board of Directors at its October 21, 2011 meeting.

Due to an overlap between Corporate Affairs and Audit Committee and the Corporate Governance Committee's responsibilities, Mr. Jason Gorel requested that the Corporate Affairs and Audit Committee review its terms of reference versus those of the Corporate Governance Committee.

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Mr. Jason Gorel requested that quarterly financial performance reports be submitted to the Corporate Affairs and Audit Committee.

*Motion carried* **ON MOTION DULY MADE** by Councillor John Parker, seconded by Mr. Brian Kwan, the Corporate Affairs and Audit Committee unanimously received the report for information.

**ITEM 3 CORPORATE AFFAIRS AND AUDIT COMMITTEE  
FINANCIAL PERFORMANCE REPORT – Q1 AND  
Q2 2011**

CAAC:2011-03

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*Motion carried* The Corporate Affairs and Audit Committee had before it the above-captioned report (CAAC:2011-03) from the Interim Chief Executive Officer.

In response to questions raised by Mr. Norman (Bud) Purves and Councillor John Parker, Mr. Len Koroneos explained to the Committee that the manageable cost is a direct cost of running operations. It is a term that the Corporation uses and it means a controllable cost. Numbers fluctuate due to vacancies.

Mr. Norman (Bud) Purves suggested to split manageable cost into building cost and services cost, since there are items which are part of the manageable cost that are not building related (i.e., overhead costs).

Ms. Catherine Wilkinson requested a copy of the current capital budget approved by the former Managing Director, Mr. Case Ootes.

Mr. Norman (Bud) Purves requested that an update be presented at the October 21, 2011 Board of Directors meeting on the summary of all sales generating revenue (i.e., Sparkle, Roller Rink).

Mr. Jason Gorel requested comprehensive quarterly financial statements, including balance sheet, income statement and cash flow statement, to align them with the Corporation's financial statements. He also requested aligning the 2012 budget with the net operating budget.

Mr. Len Koroneos proposed to use unconsolidated financial

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statements.

The Committee wants to understand the \$650 million capital repair backlog and management's strategy to address this issue.

*Motion carried* **ON MOTION DULY MADE** by Mr. Norman (Bud) Purves, seconded by Councillor John Parker, the Corporate Affairs and Audit Committee unanimously received the report for information.

**ITEM 4 IMPLEMENTATION OF THE AUDITOR  
GENERAL'S RECOMMENDATIONS STATUS  
REPORT**

CAAC:2011-04

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The Corporate Affairs and Audit Committee had before it the above-captioned report (CAAC:2011-04) from the Interim Chief Executive Officer.

Ms. Mitzie Hunter clarified that the staff contact person for the report is Ms. Michelle Haney-Kileeg instead of Mr. Len Koroneos.

The Committee requested that the list of 41 recommendations and a status report be included in future with reports.

*Motion carried* **ON MOTION DULY MADE** by Mr. Norman (Bud) Purves, seconded by Councillor John Parker, the Corporate Affairs and Audit Committee unanimously received the report for information.

**ITEM 5 COMPLIANCE, ETHICS AND ENTERPRISE RISK  
MANAGEMENT OVERVIEW**

CAAC:2011-05

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*Motion carried* The Corporate Affairs and Audit Committee had before it the above-captioned report (CAAC:2011-05) from the Interim Chief Executive Officer.

In response to a question raised by the Committee, Ms. Mitzie Hunter informed the Committee that the Auditor General is aware of the RSM Richter Report.

Staff received a report on the status of the two priority pilot projects (the Eviction Prevention Policy and the Toronto Community Housing

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Corporation Budget Controls) from KPMG on September 28, 2011. Staff will meet with KPMG to discuss the status report and will report back at a future meeting.

The Committee requested that staff report back on the Internal Audit function process.

*Motion carried* **ON MOTION DULY MADE** by Mr. Norman (Bud) Purves, seconded by Mr. Brian Kwan, the Corporate Affairs and Audit Committee unanimously received the report for information and as background to its work plan.

<b>ITEM 6</b>	<b>ACCESS HOUSING CONNECTIONS Q3 AND Q4 2010 AND Q1 2011 QUARTERLY PERFORMANCE REPORTS</b>	CAAC:2011-06a CAAC:2011-06b CAAC:2011-06c
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*Motion carried* The Corporate Affairs and Audit Committee had before it the above-captioned report (CAAC:2011-06a) from the Interim Chief Executive Officer.

Mr. Jason Gorel requested that comprehensive Access Housing Connections' financial statements be submitted to the Committee.

Mr. Jason Gorel highlighted to the Committee that Access Housing Connections is not in congruence with some certain Provincial requirements as per the quarterly performance report. The Committee was informed that the Province is aware of these deficiencies and the workflow is being evaluated. Jason Gorel asked for background information with respect to Access Housing Connections.

Mr. Paul Chisolm presented the Committee with an overview of Access Housing Connections with the following highlights:

- Access Housing Connections was created by the Corporation at the City's request in 2003;
- Administers the centralized waiting list;
- Works with 39 community partners;
- Works with applicants assessing whether they meet the Corporation's criteria to qualify for social housing.

In response to a question raised by Mr. Jason Gorel, Mr. Paul Chisolm Informed the Committee that Access Housing Connections

*Motion carried* communicates with applicants by mail, fax, phone and e-mail as

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follows:

- An average of 70,000 people come each year in person at the Access Housing Connections office;
- 40% of the applications are received by e-mail;
- There is an average of 10,000 e-mails per year from applicants;
- There are many self-serving functions over the Internet that are used by applicants (i.e., updating phone number, e-mail address, changing building, etc.).

In response to a question raised by Mr. Jason Gorel, Mr. Paul Chisolm informed the Committee that Access Housing Connections has one central location with 55 staff members who work at different functional units as follows:

- A group assesses the applications received;
- A group maintains the records;
- A group assesses the eligibility for priority;
- A group works at the call centre;
- A group works at the walk-in centre.

Mr. Jason Gorel raised the issue highlighted in the quarterly performance report on staff shortages affecting service. In response, Mr. Paul Chisolm clarified to the Committee that in that circumstance, Access Housing Connections will be re-organizing internally. It is a small, dynamic organization that can adjust and re-distribute its staff to be able to cover up an increased workload (increased number of applications) and unpredictable situations.

Mr. Jason Gorel emphasized that the Access Housing Connections' workflow process is important and that the Committee should dissect it for better understanding.

Mr. Jason Gorel raised a question with respect to the number of finalized applications and the number of applications that are added to the backlog. He suggested starting to track these indicators. In response, Mr. Paul Chisolm explained that a review process has been started, looking at the workflow. There is an open dialog to getting a realistic point of view from the applicants. Access Housing Connections is looking for different options available to move things along.

Mr. Jason Gorel requested that the Shareholder Direction, as the governing piece outlining the Access Housing Connections' and

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Toronto Community Housing's responsibilities, be part of the material and a copy of it be brought at the next Committee meeting.

Mr. Paul Chisolm informed the Committee that Access Housing Connections does not know the amount of information it needs to manage an application through its life cycle. Many applications are cancelled. An application may be managed for 3 to 5 years and then it disappears. 13,000 applicants per year become inactive. If Access Housing Connections does not hear from applicants for one year it cancels their applications.

In response, Councillor John Parker suggested to explore other ways of keeping the list of applicants fresh and to find a better way for supply and demand to connect.

Councillor Parker requested that Mr. Paul Chisolm bring a PowerPoint presentation on Access Housing Connections work-flow process to a future Committee meeting. Ms. Catherine Wilkinson suggested that the PowerPoint presentation include the entire process from having a unit available for renting up to choosing the person who will be getting the unit.

Mr. Jason Gorel requested that Mr. Paul Chisolm inform the Committee at the November 24, 2011 meeting what the Access Housing Connections' rules are and to define the parameters in the work-flow process.

*Motion carried* **ON MOTION DULY MADE** by Councillor John Parker, seconded by Mr. Brian Kwan, the Corporate Affairs and Audit Committee unanimously received the reports for information.

### ***IN CAMERA* PROCEEDINGS**

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*Motion carried* **ON MOTION DULY MADE** by Councillor John Parker, seconded by Mr. Brian Kwan, the Corporate Affairs and Audit Committee resolved to meet *in camera* to consider items A, B, C, D, E, F, G, H and I.

### **PUBLIC PROCEEDINGS**



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*Motion carried* At 2:20 p.m. the Chair announced the resumption of the public proceedings and the public meeting reconvened at that time.

**ON MOTION DULY MADE** by Mr. Jason Gorel, seconded by Councillor John Parker, the Corporate Affairs and Audit Committee ratified the actions authorized during the *in camera* meeting.

### **ADJOURNMENT**

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The meeting of the Corporate Affairs and Audit Committee was adjourned at 2:20 p.m.

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Secretary

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Chair, Corporate Affairs and Audit Committee