

**TORONTO SENIORS HOUSING CORPORATION**

**Public Meeting Package**

**Date:** February 23, 2022

**Time:** 8:30 A.M. – 11:30 A.M.

**Location:** WebEx

## Table of Contents

|  |           |
|--|-----------|
| <b>TSHC Board Item 2 –Public Meeting Agenda – February 23, 2022.....</b>               | <b>5</b>  |
| TSHC Board Item 15 –Attachment 1 – Public Meeting Agenda.....                          | 5         |
| <b>TSHC Board Item 6 – Public Board Meeting Minutes - January 21, 2022.....</b>        | <b>9</b>  |
| TSHC Board Item 15 –Attachment 2 – Public Board Meeting Minutes.....                   | 9         |
| <b>TSHC Board Item 15 –December 31, 2021 – KPMG Audit Findings Report.....</b>         | <b>22</b> |
| TSHC Board Item 15 –Attachment 3 – KPMG Audit Findings Report.....                     | 23        |
| <b>TSHC Board Item 16 –December 31, 2021 – Audited Financial Report.....</b>           | <b>24</b> |
| TSHC Board Item 16 –Attachment 4 – Representation Letter.....                          | 26        |
| TSHC Board Item 16 –Attachment 5 – December 31, 2021 Audited Financial Statements..... | 31        |
| <b>TSHC Board Item 23 –Matters Arising – Action Items.....</b>                         | <b>32</b> |
| TSHC Board Item 23 –Attachment 6 – Action Items List.....                              | 32        |
| <b>TSHC Board Item 25 –CGHRC Report.....</b>   | <b>33</b> |
| TSHC Board Item 25 –Attachment 7– Conflict of Interest Policy.....                     | 36        |
| <b>TSHC Board Item 26 –Tenant Engagement and Communications Report.....</b>            | <b>48</b> |
| <b>TSHC Board Item 27 –Financial Results Report – January 31, 2022.....</b>            | <b>52</b> |
| TSHC Board Item 27 –Attachment 8– Preliminary Statement of Operations.....             | 54        |
| TSHC Board Item 27 –Attachment 9– Preliminary Statement of Financial Position .....    | 55        |
| <b>TSHC Board Item 27 –Delegation of Authority for June 1, 2022.....</b>               | <b>56</b> |
| <b>TSHC Board Item 28 –Planning and Reporting.....</b>                                 | <b>59</b> |
| TSHC Board Item 28 –Attachment 10– Presentation.....                                   | 62        |
| <b>TSHC Board Item 28 –TSHC Transition Plan Update.....</b>                            | <b>63</b> |
| TSHC Board Item 28 –Attachment 11– Transition Plan.....                                | 64        |
| <b>TSHC Board Item 28 –TSHC Transition Status and Risk Report.....</b>                 | <b>67</b> |
| TSHC Board Item 28 –Attachment 12– Project Status & Risk Report .....                  | 68        |

|   |           |
|---|-----------|
| <b>TSHC Board Item 28 –TSHC Status Update to Executive Committee of City of Toronto.....</b>            | <b>69</b> |
| TSHC Board Item 28 –Attachment 13– Councillor Ainslie’s Letter.....                                     | 71        |
| TSHC Board Item 28 –Attachment 14– Status Update to the Executive committee of the City of Toronto..... | 72        |

## Supporting Documents

| Item | Attachment | Description  | Pg |
|------|------------|--|----|
| 2    | 1          | Public Meeting Agenda  | 5  |
| 6    | 2          | Public Meeting Minutes – January 21, 2022  | 9  |
| 15   | 3          | KPMG Audit Findings  | 23 |
| 16   | 4          | Representation Letter  | 26 |
| 16   | 5          | December 31, 2021 Audited Financial Statements   | 31 |
| 23   | 6          | Matters Arising – Action Items List  | 32 |
| 25   | 7          | Conflict of Interest Policy  | 36 |
| 27   | 8          | Preliminary Statement of Operations  | 54 |
| 27   | 9          | Preliminary Statement of Financial Position  | 55 |
| 28   | 10         | Presentation   | 62 |
| 28   | 11         | Transition Plan  | 64 |
| 28   | 12         | Project Status & Risk Report   | 68 |
| 28   | 13         | Councillor Ainslie's Letter  | 71 |
| 28   | 14         | Status update to the Executive Committee of the City of Toronto<br>(provided separately) | 72 |

**TORONTO SENIORS HOUSING CORPORATION  
PUBLIC BOARD OF DIRECTORS MEETING AGENDA**

**Date:** Wednesday, February 23, 2022

**Time:** 8:30AM-11:30AM

**Location:** Webex

**AGENDA**

|    | Time          | Description   | Action      | Supporting Documents                      | Presenter                             |
|----|---------------|---|-------------|---|---------------------------------------|
| 1. | 8:30<br>2min  | Chair's Remarks   | Information | NA  | Lawrence D'Souza,<br>Board Vice Chair |
| 2. | 8:32<br>1min  | Approval of Public Meeting Agenda                               | Approval    | Agenda                                    | Vice Chair                            |
| 3. | 8:33<br>1min  | Chair's Poll re: Conflict of Interest                           | Declaration | NA  | Vice Chair                            |
| 4. | 8:34<br>2min  | Approval of Closed Session Meeting Minutes of December 14, 2021 | Approval    | N/A                                       | Vice Chair                            |
| 5. | 8:36<br>2min  | Approval of Closed Session Meeting Minutes of January 7, 2022   | Approval    | N/A                                       | Vice Chair                            |
| 6. | 8:38<br>2min  | Approval of Public Meeting Minutes of January 21, 2022          | Approval    | Public Meeting Minutes – January 21, 2022 | Vice Chair                            |
| 7. | 8:40<br>2min  | Approval of Closed Session Meeting Minutes of January 21, 2022  | Approval    | NA  | Vice Chair                            |
| 8. | 8:42<br>2 min | Motion to move into Closed Session                              | Approval    | N/A                                       | Vice Chair                            |
| 9. | 8:44<br>2min  | Approval of Closed Session agenda                               | Approval    |   | Vice Chair                            |

## Toronto Seniors Housing Corporation

|     |                |  |                             |   |                 |
|-----|----------------|--|-----------------------------|---|-----------------|
| 10. | 8:46<br>12min  | <i>Confidential report dealing with matters that are not required to be disclosed under the municipal Freedom of Information and Protection of Privacy Act including but not limited to personal matters about identifiable individuals, a proposed or pending transaction with a third party, and recommendations of proposed policy or processes</i> | Information                 | N/A   | Vice Chair      |
| 11. | 8:58<br>10min  |  | Approval                    | N/A   | Warren Law      |
| 12. | 9:08<br>20min  |  | Approval<br><br>Information | N/A   | Helena Ferreira |
| 13. | 9:28<br>15min  |  | Information<br>Approval     | N/A   | Michael Sherar  |
| 14. | 9:43<br>2min   | Motion to move into Public Session   | Approval                    | N/A   | Vice Chair      |
| 15. | 9:45<br>20min  | December 31, 2021 – KPMG Audit Findings Report   | Information                 | <ul style="list-style-type: none"> <li>• Board Report</li> <li>• KPMG Audit Findings Report</li> </ul>  | KPMG            |
| 16. | 10:05<br>10min | December 31, 2021 audited financial statements   | Approval                    | <ul style="list-style-type: none"> <li>• Board Report</li> <li>• December 31, 2021 audited financial statements</li> <li>• Representation Letter</li> </ul> | Norman Rees     |
| 17. | 10:15<br>1 min | Motion to move into Closed Session   | Approval                    | NA  | Vice Chair      |
| 18. | 10:16<br>1min  | Approval of Closed Session Agenda  | Approval                    | N/A   | Vice Chair      |
| 19. | 10:17<br>10min | In-Camera meeting with the Auditors  | Information                 | N/A   | KPMG            |
| 20. | 10:27<br>1min  | Motion to move into public session   | Approval                    | N/A   | Vice Chair      |

## Toronto Seniors Housing Corporation

|     |                |  |                             |   |                |
|-----|----------------|--|-----------------------------|---|----------------|
| 21. | 10:28<br>1min  | Motion to approve closed session decisions   | Approval                    | NA  | Vice Chair     |
| 22. | 10:29<br>1min  | Motion to approve the December 31, 2021 audited financial statements   | Approval                    | N/A   | Vice Chair     |
| 23. | 10:30<br>2min  | Matters arising – Action Items   | Information                 | Action Items List   | Vice Chair     |
| 24. | 10:32<br>10min | Transitional Lead's Report   | Information                 | Verbal Report   | Michael Sherar |
| 25. | 10:42<br>10min | CGHRC Report<br>• Conflict of Interest Policy  | Approval                    | • Board Report<br>• Conflict of Interest Policy   | Warren Law     |
| 26. | 10:52<br>10min | Tenant Engagement and Communication<br>• Update on accomplishments<br>• Preview into planned upcoming activities | Information                 | Board Report  | Arlene Howells |
| 27. | 11:02<br>10min | Financial<br>• January 31, 2022 Financial Results<br><br>• Delegation of Authority for June 1, 2022              | Information<br><br>Approval | • Board Report<br>• Preliminary Statement of Operations<br>• Preliminary Statement of Financial Position<br>• Board Report on Delegation of Authority | Norman Rees    |
| 28. | 11:12<br>18min | Planning and Reporting<br>• The Year Ahead: Planning for Success<br>• Transition Plan Update                     | Information                 | • Board Report<br>• Presentation<br><br>• Board Report<br>• Transition Plan   | Mary Tate      |

## Toronto Seniors Housing Corporation

|     |       |   |          |   |            |
|-----|-------|---|----------|---|------------|
|     |       | <ul style="list-style-type: none"> <li>• TSHC Transition Status and Risk Report</li> <li>• TSHC Status Update to City of Toronto</li> </ul> |          | <ul style="list-style-type: none"> <li>• Board Report</li> <li>• Status Report</li> <li>• Councillor Ainslie's letter</li> <li>• Status update to the Executive Committee of the City of Toronto</li> </ul> |            |
| 29. | 11:30 | Adjournment   | Approval | N/A   | Vice Chair |



## **Board of Directors**

### **Toronto Senior Housing Corporation**

The Board of Directors (“Board”) of the Toronto Senior Housing Corporation (“TSHC”) held its eighth public meeting on January 21, 2022 at 8:30 a.m. (EDT) via video conference. The meeting was live streamed on YouTube and subsequently posted to the City's [website for TSHC](#).

#### **Directors in Attendance:**

Maureen Quigley (Chair)  
Councillor Paul Ainslie  
Lawrence D’Souza  
Councillor Paula Fletcher  
Linda Jackson  
Warren Law  
Carrie MacNeil  
Jim Meeks  
Brenda Parris  
Paul Johnson, City of Toronto, Ex-Officio

#### **TSHC representatives present:**

Michael Sherar, *Interim Transitional Lead and Chief Corporate Officer*  
Rajni Vaidyaraj, *Interim Executive Assistant*  
Mary Tate, *Interim Project Management Lead*  
Helena Ferreira, *Interim Human Resources Lead*  
Norman Rees, *Interim Financial Lead*  
Arlene Howells, *Interim Communications and Stakeholder Relations Lead*  
Ishmail Ibrahim, *Legal Counsel*

#### **City of Toronto representatives present:**

Jenn St. Louis, Manager, Tenants First – Social Development, Finance and Administration

Board Secretary present:

Monique Hutchins, *Managing Director – DSA Corporate Services Inc.*

Anjali Chauhan, *Account Executive – DSA Corporate Services Inc.*

## **CONSTITUTION AND NOTICE OF MEETING**

---

Ms. Quigley served as Chair of the Meeting and Ms. Hutchins served as recording secretary.

All the Directors being present with notice of the Meeting being given, the Chair declared the Meeting to have been properly called and constituted for the transaction of business.

## **ITEM 1: CHAIR'S REMARKS**

---

The Chair welcomed everyone to the second Board meeting of 2022 and stated that the meeting was being live streamed on YouTube. The Chair noted the Acknowledgement of the Land. The Chair provided an overview of the significant work to be completed in 2022 toward transition of TSHC to an operating corporation on June 1 and beyond. She also asked Directors to resolve to work together respectfully as a team within the Board and with staff to ensure a positive, healthy and constructive working environment and to safeguard the reputation of the Board and TSHC in both our Public and closed session meetings. She provided an overview of the agenda and noted that this was the first Board meeting at which the new Board Standing Committees would be reporting. Finally, she stated that one deputation request was received in relation to agenda Item 24 and the deputant will join via phone.

## **ITEM 2: APPROVAL OF PUBLIC MEETING AGENDA**

---

The Chair noted that the usual order of the agenda had been amended to enable Councillor Ainslie and Paul Johnson to participate prior to leaving the meeting at

9:30. The Chair asked that item 20 on the agenda pertaining to Conflicts of Interest be discussed prior to moving into closed session. She also asked that item 25 be deferred to a later meeting. Councillor Ainslie asked that moving forward minutes of the meetings be discussed at the beginning of each meeting prior to going into a closed session, and that the Chair table her Acknowledgement to the Land as a standalone item prior to or immediately following the Chair's remarks. The Chair took the requests under advisement. She then asked for approval of the public meeting agenda as amended.

*Motion carried*      **UPON MOTION**, duly made by Councillor Ainslie, and seconded by Councillor Fletcher **IT WAS RESOLVED THAT** the public meeting agenda, as amended, is hereby approved.

### **ITEM 3:      CHAIR'S POLL RE: CONFLICT OF INTEREST**

---

The Chair requested that members of the Board declare whether they were in conflict of interest, together with the nature of the interest, with any public agenda item.

**No conflicts were declared.**

### **ITEM 13:      APPROVAL OF PUBLIC MEETING MINUTES OF DECEMBER 14, 2021**

---

The Chair tabled the minutes of the public meeting held on December 14, 2021 and asked that they be taken as read.

*Motion carried*      **UPON MOTION**, duly made by Ms. MacNeil and seconded by Councillor Ainslie, **IT WAS RESOLVED THAT** the public meeting minutes of December 14, 2021, as tabled, are hereby approved.

### **ITEM 16:      APPROVAL OF PUBLIC MEETING MINUTES OF JANUARY 7, 2022**

---

The Chair tabled the minutes of the public meeting held on January 7, 2022 and asked that they be taken as read.

*Motion carried*      **UPON MOTION**, duly made by Ms. Jackson, and seconded by Ms. MacNeil, **IT WAS RESOLVED THAT** the public meeting minutes of January 7, 2022, as tabled, are hereby approved.

## **ITEMS 14-15: CLOSED SESSION**

---

*Motion carried*      **UPON MOTION**, duly made by Ms. MacNeil and seconded by Mr. Law, **IT WAS RESOLVED THAT** the Board move into a closed session.

## **ITEM 20: CORPORATE GOVERNANCE AND HUMAN RESOURCES COMMITTEE (CGHRC) MOTIONS - BOARD POLICY ON CONFLICT OF INTEREST**

---

At the invitation of the Chair, Mr. Law provided a review of report (BD:2022-06). He indicated that the Committee met on January 10, 2022 to review the draft policy and the specific wording that was included in section 7(d) because TSHC and Toronto Community Housing Corporation (“TCHC”) are deemed affiliate corporations, owned by the City of Toronto. He noted there was one unresolved item, namely the requirement for a Director to disclose a conflict of interest set out in the Ontario Business Corporations Act (“OBCA”) and that the Chair had requested additional guidance from the City of Toronto for this meeting.

Mr. Johnson confirmed that a Director who serves on both the TSHC and TCHC Boards is required to declare the conflict at least on an annual basis. However, this does not preclude the Director participating in discussion and voting on matters between the two corporations.

Councillor Ainslie and Ms. Parris commented on the language used in the policy noting it was not similar to the TCHC policy. The Chair indicated that the language was different due to the guidance that was provided to the TSHC Board by the City Manager on December 21, 2021 and Paul Johnson’s additional guidance at this

meeting. Paul Johnson noted that the going forward, subject to discussion with TCHC, the procedure for both the TCHC and TSHC should be the same and similar language should be used in each corporation's policy.

Ms. Parris suggested some additions to the policy respecting tenant Directors and it was suggested that the policy be referred back to the Committee to revise.

*Motion carried*      **UPON MOTION**, duly made by Ms. Parris and seconded by Councillor Ainslie and unanimously carried, **IT WAS RESOLVED THAT** the Conflicts of Interest policy be referred back to the CGHRC for revisions.

### ITEMS 5-11: CLOSED SESSION

---

*Motion carried*      **UPON MOTION**, duly made by Councillor Fletcher and seconded by Councillor Ainslie, **IT WAS RESOLVED THAT** the Board move into a closed session.

### ITEM 12: MOTION TO APPROVE CLOSED SESSION DECISION

---

Councillor Fletcher and Ms. Parris abstained from the vote regarding the Joint Transition Workgroup.

*Motion Carried by Majority*      **UPON MOTION**, duly made by the Chair and seconded by Mr. D'Souza and carried by majority, **IT WAS RESOLVED THAT** the Board of Directors appoint Maureen Quigley, Carrie MacNeil and Warren Law to the Joint Transition Workgroup (JTW).

*Motion carried*      **UPON MOTION**, duly made by Ms. MacNeil and seconded by Ms. Parris and unanimously carried, **IT WAS RESOLVED THAT** the Board of Directors:

1. Approve the interim staff contracts as presented to the Board in report (BD: 2022-03); and
2. Approve HR Associates as a vendor for the purpose of sourcing interim staff through June 30, 2022.

*Motion  
carried*

**UPON MOTION**, duly made by Councillor Fletcher and seconded by Ms. Jackson and unanimously carried, **IT WAS RESOLVED THAT** the Directors receive the report and:

1. Ratify and approve the Memorandum of Agreement between TSHC, TCHC, and CUPE, Local 416, to affect a new Collective Agreement between TSHC and CUPE local 416; and
2. Authorize the appropriate staff to take all necessary actions identified as agreed in the MOA, including the notification of ratification by the Board to the other two parties to this MOA as soon as possible and execute all necessary documents to implement the above recommendation.

*Motion  
carried*

**UPON MOTION**, duly made by Councillor Fletcher and seconded by Ms. MacNeil and unanimously carried, **IT WAS RESOLVED THAT**

1. the Directors receive the report and approve the executive compensation salary ranges contained in report (BD: 2022-05)
2. the Directors defer approval of the ELT structure and bring a preliminary shared services model to the next Board meeting.

---

**ITEM 14: APPROVAL OF CLOSED SESSION MINUTES OF DECEMBER 14, 2021**

---

The Chair tabled the minutes of the last closed session meeting held on December 14, 2021 and indicated that the Board have discussed changes during

the closed session and certain minor amendments were proposed and accepted, however the Chair asked that these minutes be deferred to the next Board meeting.

*Motion carried*      **UPON MOTION**, duly made by Ms. Parris and seconded by Ms. MacNeil, **IT WAS RESOLVED THAT** the approval of closed session meeting minutes of December 14, 2021, be deferred for approval at the next Board meeting.

### **ITEM 15:      APPROVAL OF CLOSED SESSION MINUTES OF JANUARY 7, 2022**

---

The Chair tabled the minutes of the last closed session meeting held on January 7, 2022. Following discussion during today's closed session, the Chair asked that the approval of these minutes be deferred to the next Board meeting.

*Motion carried*      **UPON MOTION**, duly made by Ms. Parris and seconded by Ms. Jackson, **IT WAS RESOLVED THAT** the approval of closed session meeting minutes of January 7, 2022, be deferred for approval at the next Board meeting.

### **ITEM 17:      MATTERS ARISING – ACTION ITEMS**

---

It was noted that item 12 referring to the amended principles in report (BD:2021-29) and item 20 regarding the signing of the MOU from the action items list have been completed.

### **ITEM 18:      TRANSITIONAL LEAD'S REPORT**

---

At the invitation of the Chair, Mr. Sherar provided a verbal update. He first thanked City of Toronto staff members for work on the transition which will enable the transition on June 1, 2022.

He provided an update on meetings with local unions and indicated that Helena Ferreira was instrumental in negotiating with the unions.

He noted that the team is in the process of negotiating the TCHC lease agreements to ensure there is minimum disruption to tenants. Ms. Parris indicated that staff training and development should be a focus during the transition at the tenant buildings. Mr. Sherar noted that the Board will be able to visit some of the buildings however due to current conditions, it is put on hold but as conditions improve he will advise the Board as to timing.

He indicated that the transition workplan update and risk assessment will be presented at the next Board meeting because these were currently being re-assessed in the context of the latest Covid-19 wave.

### **ITEM 19: CORPORATE GOVERNANCE AND HUMAN RESOURCES COMMITTEE**

---

At the invitation of the Chair, Mr. Law provided a verbal update noting that the CGHRC met for the first time on January 10, 2022 to review the proposed approach to policy development, and a draft conflict of interest policy that was previously discussed under item 20 in this meeting.

Mr. Law also noted that the CGHR Committee would be considering a draft Code of Conduct and procedures for Board and Committee meetings. This would potentially include a facilitated Board workshop. Ms. Parris provided an overview of her expectations for the workshop and noted that the focus was not only on governance but also on the Board working effectively together.

A discussion ensued regarding the approach to be used for by Board Standing Committees for reporting to the Board of Directors. Noting that this was the first cycle of Standing Committee meetings, the Board Chair advised that pending further advice from the CGHR Committee, the procedure would include a verbal report from the Standing Committee Chair followed by a written report on each matter for decision by the Board including the issues discussed by the committee and recommendations for Board approval. She also indicated that Standing Committee minutes would not be included in the Board package because they were



not yet approved by the Standing Committee but that salient matters arising from Committee discussion would be included in the specific reports for discussion by the Board. Councillor Ainslie asked that his disagreement with this approach be registered in the minutes. He proposed that the minutes of all committees be provided to the Board at each meeting. Councillor Ainslie and Councillor Fletcher asked that the CGHRC review the format of all committee reports, agendas, minutes and procedural rules to align with the standard used at the City of Toronto and clarify that board members can attend any committee meetings.

### **ITEM 20: CORPORATE GOVERNANCE AND HUMAN RESOURCES COMMITTEE MOTIONS - APPROACH TO APPROVAL OF POLICIES**

---

The Chair tabled to the meeting the policy on Approach to Approval of Policies. Ms. Parris noted that per report (BD: 2022-06) a list of policies will be provided to the Board in February 2022.

|                   |   |
|-------------------|---|
| <i>Motion</i>     | <b>UPON MOTION</b> , duly made by Mr. Law and seconded by           |
| <i>Carried by</i> | Ms. Parris and carried by majority, <b>IT WAS RESOLVED THAT</b> the |
| <i>Majority</i>   | Board of Directors approve the Approach to Approval of Policies.    |

### **ITEM 21: AUDIT & FINANCE AND RISK COMMITTEE REPORT**

---

At the invitation of the Chair, Mr. D'Souza provided a verbal report. He indicated that the first meeting of the Audit & Finance and Risk Committee ("AFRC") was held on January 6, 2022. He provided an overview of the role of the Committee and items discussed at that meeting, including Terms of Reference and minor amendments proposed by management and the Committee workplan. He noted that the AFRC has the overall board accountability for reviewing and approving the Corporation's enterprise-wide risk governance framework. He indicated that the AFRC agreed it will act as an overall coordinator and reporter of risk to the Board but that each individual committee is responsible to review and report on the specific risks in context of its committee's mandate. Other items discussed were

the annual business cycle, annual reporting requirements, the City of Toronto budget timelines and workplan creation.

Ms. Parris inquired about the different types of perceived risks. Mr. Sherar indicated that the Committee is establishing a risk framework, level of risk tolerance and how to mitigate the risks and report through the committees and to the Board.

### **ITEM 22: AUDIT & FINANCE AND RISK COMMITTEE MOTIONS**

---

At the invitation of the Chair, Mr. D'Souza tabled to the meeting report (BD: 2022-07).

*Motion carried*      **UPON MOTION**, duly made by Mr. D'Souza and seconded by Mr. Meeks and carried unanimously, **IT WAS RESOLVED THAT** the Board of Directors:

1. Approve the amended Audit, Finance and Risk Committee Terms of Reference and,
2. Approve that the Audit, Finance and Risk Committee be the coordinator and reporter of risk to the full Board, but that individual Board Committees be accountable for monitoring and assessing risk within their spheres of activities.

### **ITEM 23: FINANCIAL UPDATE AND INTERIM BOARD EXPENDITURE POLICY**

---

At the invitation of the Chair, Mr. Rees provided a review of informational report (BD:2022-08). He provided a financial update including an overview of the updated budget through to transition on June 1, 2022. He indicated that the audit being performed by KPMG will begin shortly and he will bring the results of the audit in February 2022.

Through discussion, Ms. Parris asked that the Board be provided with an overview of the flow of funds including subsidy information.

Mr. Rees provided a summary of the Interim Board Expenditure Policy.

*Motion carried*      **UPON MOTION**, duly made by Ms. Parris and seconded by Mr. D’Souza and unanimously carried, **IT WAS RESOLVED THAT** the Board of Directors approve the interim expense reimbursement policy for Board Members as follows:

- TSHC will reimburse reasonable out of pocket expenses incurred by Board members in the performance of their duties as TSHC Board members.
- The Chair of the Board will approve all reasonable out of pocket expenses incurred by Board members.
- The Transition Lead and Chief Corporate Officer will approve all reasonable out of pocket expenses incurred by the Board Chair

## **EXTENSION OF TIME**

---

The Chair requested that the meeting be extended by 15 minutes in order to cover the last two items on the agenda.

*Motion carried*      **UPON MOTION**, duly made by Ms. MacNeil and seconded by Ms. Parris, and unanimously carried, **IT WAS RESOLVED THAT** the Board meeting be extended by 15 minutes:

## **ITEM 24:    QUALITY AND TENANT ENGAGEMENT (QTE) REPORT**

---

**DEPUTATION:** The following verbal deputation was received with respect to report (BD: 2021-44).

The Chair welcomed the deputant and indicated that she had five minutes to address the Board after which time the Board may ask questions.

1. Janet MacLeod

Ms. MacLeod referred to her written deputation and discussed the concerns pertaining to tenant safety and how those concerns are regularly dismissed including the lack of responsiveness of the new senior service coordinator, and continued safety concerns including protruding window air conditioning units. She indicated that the current integrated services model is not working.

Ms. Parris noted that the Board needs a broader definition of safety and that it includes not just physical safety but mental health, addition, drug dealing as they have an impact on the other tenants.

At the invitation of the Chair, Ms. Jackson provided a verbal informational report. She noted that the QTE met on January 14, 2022 to review its Terms of Reference and indicated that there were no substantive changes proposed, and review and updated the workplan from now until June 1, 2022. She indicated there was a discussion of forming a sub-committee to participate in the recent initiative of City of Toronto Tenants First regarding the future of STAC and tenant engagement. However, the Committee felt that this would slow down the progress being made. She noted that she and Carrie MacNeil had met with Mr. Johnson recently and from discussions recommended that the Committee members join the work already being done because of time constraints and so as not to slow down the progress being made.

---

**ITEM 25: 2022 – THE YEAR AHEAD: PLANNING FOR SUCCESS**

---

The Chair requested that this item be deferred.

*Motion  
carried*      **UPON MOTION**, duly made by Ms. MacNeil and seconded by Mr. Meeks, **IT WAS RESOLVED THAT** that the presentation regarding planning for success be deferred to the next Board meeting.

**ITEM 26:    TERMINATION**

---

*Motion  
carried*      **UPON MOTION**, duly made by Ms. Parris and seconded by Councillor Fletcher, **IT WAS RESOLVED THAT** the public meeting terminate at 11:46 a.m. (EDT).

---

Maureen A. Quigley, Chair  
Board of Directors

---

Monique Hutchins, Secretary

**Toronto Seniors Housing Corporation  
Board of Directors Meeting  
December 31, 2021, KPMG Audit Findings Report**

Item #15

Date: February 23, 2022

**Report: BD: 2022-16**

**To:** Board of Directors

**From:** Norman Rees, Interim Finance Lead on behalf KPMG

**Date:** February 23, 2022

**INFORMATION UPDATE**

**PURPOSE:**

The purpose of this report is for KPMG to review their audit findings with the Board of Directors.

**Background**

A key component of an annual audit is the delivery to the Board of Directors the external auditor's results of their audit work. Attachment 11 is KPMG's Audit Findings Report.

The report is being presented to the Board by Kevin Travers (Partner) and Rebecca Nunoo (Manager).

ATTACHMENT 3: KPMG Audit Findings Report

**Item 15**

**Attachment 3**

**KPMG Audit Findings Report**

# Toronto Senior Housing Corporation

Audit Findings Report  
for the period ended December 2021

*KPMG LLP*

Licensed Public Accountants

Prepared on February 7, 2022

Released on February 9, 2022

[kpmg.ca/audit](https://kpmg.ca/audit)





# Table of contents

|  |           |
|--|-----------|
| <b>Audit highlights</b>                              | <b>4</b>  |
| <b>Materiality</b>                                   | <b>5</b>  |
| <b>Audit risks and results</b>                       | <b>6</b>  |
| <b>Other areas of focus</b>                          | <b>8</b>  |
| <b>Other matters</b>                                 | <b>12</b> |
| <b>Uncorrected and corrected audit misstatements</b> | <b>13</b> |
| <b>Appendices</b>                                    | <b>14</b> |

# KPMG contacts

The contacts at KPMG in connection with this report are:



Kevin Travers

**Lead Audit Engagement Partner**

Tel: 416-228-7004  
ktravers@kpmg.ca



Rebecca Nunoo

**Audit Manager**

Tel: 416-228-6770  
bnunoo@kpmg.ca

## Our refreshed Values

### What we believe



We do what is right.



We never stop learning  
and improving.



We think and act boldly.



We respect each other  
and draw strength from  
our differences.



We do what matters.

# Audit Quality: How do we deliver audit quality?

Transparency report



**Quality** essentially means doing the right thing and remains our highest priority. Our **Global Quality Framework** outlines how we deliver quality and how every partner and staff member contribute to its delivery.

‘**Perform quality engagements**’ sits at the core along with our commitment to continually monitor and remediate to fulfil on our quality drivers.

Our **quality value drivers** are the cornerstones to our approach underpinned by the **supporting drivers** and give clear direction to encourage the right behaviours in delivering audit quality.

We define ‘**audit quality**’ as being the outcome when:

- audits are **executed consistently**, in line with the requirements and intent of **applicable professional standards** within a strong **system of quality controls**; and
- all of our related activities are undertaken in an environment of the utmost level of **objectivity, independence, ethics, and integrity**.



Visit our [Audit Quality Resources](#) page for more information.

**Doing the right thing. Always.**

# Audit highlights

## Purpose of this report<sup>1</sup>

The purpose of this report is to assist you, as a member of the Board, in your review of the results of our audit of the financial statements as at and for the period from June 23, 2021 (date of formation) to December 31, 2021.

### Status of the audit

As of the date of this report, we have completed the audit of the financial statements, with the exception of certain remaining procedures, which include amongst others:

- Completing our discussions with the Board of Directors
- Completion of subsequent events procedures up to the date of approval of the financial statements
- Receipt of the signed management representation letter (dated upon Board approval of the financial statements)
- Obtaining evidence of the Board of Directors' approval of the financial statements.

We will update the Board, and not solely the Chair, on significant matters, if any, arising from the completion of the audit, including the completion of the above procedures.

Our auditors' report, a draft of which is attached to the draft financial statements, will be dated upon the completion of any remaining procedures.

### Going concern

No matters to report.

### Uncorrected audit misstatements

No matters to report. Refer to page 13.

### Significant risks and other significant matters

Refer to pages 6 to 7 for our response and significant findings for the following significant risk:

- Management override of controls
- Presumptive risk of fraud in revenue recognition

Other areas of focus are discussed on pages 8 to 11.

### Control deficiencies

We did not identify any control deficiencies that we determined to be significant deficiencies in internal control over financial reporting. A significant deficiency in internal control is a deficiency, or combination of deficiencies, in internal control that, in the auditor's professional judgment, is of sufficient importance to merit the attention of those charged with governance.

### Significant accounting policies and practices

There have been no initial selections of, or changes to, significant accounting policies and practices to bring to your attention.

<sup>1</sup> This Audit Findings Report is intended solely for the information and use of Management and the Board of Directors and should not be used for any other purpose or any other party. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.

# Materiality

| Materiality determination                          | Comments  | Amount    |
|--|---|-----------|
| <b>Materiality</b>                                 | Determined to plan and perform the audit and to evaluate the effects of identified misstatements on the audit and of any uncorrected misstatements on the financial statements. | \$19,200  |
| <b>Benchmark</b>                                   | Based on actual revenue for the period  | \$643,212 |
| <b>% of Benchmark</b>                              | This is within the acceptable range.  | 3%        |
| <b>Audit Misstatement Posting Threshold (AMPT)</b> | Threshold used to accumulate misstatements identified during the audit.   | \$960     |

Materiality is used to scope the audit, identify risks of material misstatements and evaluate the level at which we think misstatements will reasonably influence users of the financial statements. It considers both quantitative and qualitative factors.

To respond to aggregation risk, we design our procedures to detect misstatements at a lower level of materiality.

## We have reported to the Board of Directors:



Corrected audit misstatements



Uncorrected audit misstatements

See page 13.

# Audit risks and results

We highlight our significant findings in respect of **significant risks** identified.

| Significant risk                                      | Why is it significant?  | Estimate? |
|---|---|-----------|
| <b>Fraud risk for management override of controls</b> | <ul style="list-style-type: none"> <li>– This is a presumed fraud risk</li> <li>– The risk resides with management’s ability to perpetrate fraud because of its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.</li> </ul> | No        |

## Our response

- We have utilized Data & Analytics (“D&A”) in order to enhance the quality and effectiveness of the audit, specifically with respect to testing journal entries. Using extractions of all journal entries recorded during the period, we selected samples and verified if they were supported by proper documentation and followed the journal entry initiation and approval controls and processes in place.
- We also evaluated the business rationale of significant unusual transactions
- Additionally, we incorporated an element of unpredictability whereby we perform a different procedure each year or make changes to an existing procedure to address the potential risk of fraud and management override.

## Significant findings

- We did not note any significant control deficiencies in our evaluation of the design and implementation of relevant controls over financial reporting.
- We tested manual journal entries and other adjustments by using data & analytic routines. Using extractions from the complete general ledger, we selected a sample of journal entries meeting pre-determined high-risk criteria and verified if they were supported by proper documentation and appropriately recorded in the general ledger.
- We did not identify any significant unusual transactions or any specific additional risks of management override during our audit.
- We did not identify any issues after completing our element of unpredictability. See page 12.

# Audit risks and results (continued)

| Significant risk   | Why is it significant?   | Estimate? |
|--|--|-----------|
| <b>Fraud risk from revenue recognition</b>   | <ul style="list-style-type: none"> <li>– This is a presumed fraud risk</li> <li>– Audit standards require us to assume there are generally pressures &amp; incentives on management to commit fraudulent financial reporting through inappropriate revenue recognition. This can be perpetrated through revenue cut-off or manual journal entries and other adjustments related to revenue recognition.</li> </ul> | No        |
| <b>Our response</b>  |  |           |
| <ul style="list-style-type: none"> <li>– The organisation's main source of revenue for the 2021 fiscal period are funds received from the City of Toronto.</li> <li>– We have rebutted the fraud risk over revenue recognition due to the fact that the organisation's revenue streams are straightforward and there are limited perceived opportunities to commit fraud given that revenue transactions do not involve elements of significant judgment. We have also not identified any indicators that management possesses the attitude, character or ethical values that would result in knowing and intentional dishonesty.</li> <li>– We substantively tested revenues and assessed management's methodology in determining appropriate cut-off at period-end.</li> <li>– Our audit methodology incorporates the required procedures in professional standards to rebut this risk. These procedures include analysing revenue streams, testing of journal entries, testing of significant and other adjustments and evaluating significant unusual transactions.</li> </ul> |  |           |
| <b>Significant findings</b>  |  |           |
| <ul style="list-style-type: none"> <li>– No findings to report.</li> </ul>   |  |           |

# Other areas of focus

We highlight our significant findings in respect of **other areas of focus** identified.

| Other area of focus | Why we are focusing here  | Estimate? |
|---------------------|---|-----------|
| Cash                | This is a material balance that funds your operations. Risk of material misstatement related to the completeness, existence and accuracy of cash. | No        |

## Our response

We have performed the following procedures:

- Confirmation with third parties for cash for period end balances with bank
- Review of bank reconciliations and vouching significant reconciling items to support documents.
- Review of financial statement disclosure for cash equivalents

## Significant findings

- No issues to note



## Other areas of focus (continued)

| Other area of focus  | Why we are focusing here   | Estimate? |
|--|--|-----------|
| <b>Revenue</b><br><b>Deferred funding</b><br><b>Accounts receivable</b>  | Revenue and accounts receivable have material balances and are related to regular operations/activities. | No        |
| <b>Our response</b>  |  |           |
| <ul style="list-style-type: none"> <li>– Review of adherence to revenue recognition policy, revenue restriction, deferral and presentation considerations</li> <li>– Vouch funding received to supporting documentation and cash receipts verifying existence and accuracy</li> <li>– Testing of HST reasonableness</li> </ul>   |  |           |
| <b>Significant findings</b>  |  |           |
| <ul style="list-style-type: none"> <li>– Revenue received from the City of Toronto is \$985K which we confirmed receipt through the organisation's RBC statement and corroborated with other email correspondences. All unspent funds of \$342K have been deferred to the next fiscal period and recognised in the statement of financial position as at December 31, 2021.</li> <li>– No other issues to note.</li> </ul> |  |           |

## Other areas of focus (continued)

| Other area of focus   | Why we are focusing here   | Estimate? |
|---|--|-----------|
| <b>Accounts payable and accrued liabilities<br/>Expenditures (including payroll costs)</b>  | These are material balances. There is an underlying risk that accounts payable and accrued liabilities are not complete and amounts owed are not included. | No        |
| <b>Our response</b>   |  |           |
| <ul style="list-style-type: none"> <li>– Significant accruals vouched to supporting documentation</li> <li>– Review of expense cut-off through the search of unrecorded liabilities</li> <li>– Vouch a selection of expenses to supporting documentation</li> </ul> |  |           |
| <b>Significant findings</b>   |  |           |
| <ul style="list-style-type: none"> <li>– No issues to note</li> </ul>   |  |           |

## Other areas of focus (continued)

| Other area of focus                      | Why we are focusing here   | Estimate? |
|--|--|-----------|
| Manual financial recording and reporting | <ul style="list-style-type: none"> <li>– Newly incorporated</li> <li>– Not fully operational</li> <li>– Manual processing of accounting entries and financial reporting</li> </ul> | No        |

### Our response

In addition to our specific audit procedures performed,

- We took an approach to thoroughly understand the nature and operations of the organisation
- Walked through the design and implementation of internal controls surrounding record keeping and financial reporting
- Performed integrity and reliability checks surrounding financial records and entries made
- Reviewed the entity level controls in place
- Reviewed board packages and minutes

### Significant findings

- Toronto Senior Housing Corporation (TSHC) is incorporated under the Ontario Business Corporations Act, with the City of Toronto as its sole shareholder in June 2021.
- A Council-approved Shareholder Direction sets out TSHC's operating principles, mandate, the relationship between the TSHC and the City, and other governance matters.
- The City of Toronto, Toronto Community Housing Corporation (TCHC) and the new TSHC are working together to implement a plan to transfer responsibility for operating TCHC's 83 seniors-designated buildings to the new corporation.
- A TSHC Transition Team led by an Interim Transitional Lead and Chief Corporate Officer, is working closely with TCHC and the City to ensure a smooth transition for full operationalisation in June 2022.
- Due to its start up nature and non-operationalisation during the fiscal period, financial records had largely been manual since its inception to December 2021. All entries were initiated and posted by one individual in the finance unit in an excel workbook. Financial reporting packages were all prepared with Microsoft excel. Our audit did not indicate any errors involved in the manual posting of entries and reporting.
- All entries are approved by the Interim Transitional Lead and Chief Corporate Officer
- The Board of Directors meet on monthly basis to discuss the financial performance of the organisation and the transitional plan to operationalization in June 2022.
- No other issues to note.

# Other matters

Professional standards require us to communicate to the Board of Directors other matters. We have highlighted the following that we would like to bring to your attention:

| Item                        | Observation  |
|-----------------------------|--|
| Element of unpredictability | <ul style="list-style-type: none"><li>– As part of our audit process, we incorporate an element of unpredictability to address the potential risk of fraud and management override.</li><li>– We performed a vendor search for the element of unpredictability. From a sample selection of vendors from the Accounts payable subledger, we confirmed that each selected vendor exists by checking that they have a valid website, phone number and business location.</li><li>– No issues or concerns were identified in our sample selection for this specific procedure.</li></ul> |

# Uncorrected and corrected audit misstatements

Audit misstatements include presentation and disclosure misstatements, including omissions.

## Uncorrected audit misstatements

We did not identify misstatements that remain uncorrected.

## Corrected audit misstatements

We did not identify any misstatements that were communicated to management and subsequently corrected in the financial statements.

# Appendices

## Content

Appendix 1: Required communications

Appendix 2: Use of technology in the audit

Appendix 3: Audit and Assurance Insights

Appendix 4: Current Developments

Appendix 5: Preparing for Asset Retirement Obligations



# Appendix 1: Other required communications

|  |  |
|--|--|
| <b>Auditor's Report</b>  | <b>Engagement terms</b>  |
| <p>Refer to the draft auditors' report attached to the draft financial statements.</p>   | <p>A copy of the engagement letter has been provided to the Board of Directors.</p>  |
| <b>Reports to the Board of Directors</b>   | <b>Representations of management</b>   |
| <p>As attached</p>   | <p>In accordance with professional standards, copies of the management representation letter are provided to the Board. A copy is available from management.</p>   |
| <b>Audit Quality</b>   | <b>Control deficiencies</b>  |
| <p>The reports available through the following links were published by the Canadian Public Accountability Board to inform Board of Directors and other stakeholders about the results of quality inspections conducted over the past year:</p> <ul style="list-style-type: none"> <li>• <a href="#">Audit Quality Insights Report: 2020 Annual Audit Quality Assessments</a></li> <li>• <a href="#">CPAB 2020 Annual Report - Regulatory Oversight in a Global Pandemic</a></li> <li>• <a href="#">CPAB Audit Quality Insights Report: 2021 Interim Inspections Results</a></li> </ul> <p>Visit our <a href="#">Audit Quality Resources Page</a> for more information including access to our <a href="#">Transparency Report</a>.</p> | <p>Other control deficiencies and other observations identified during the audit, that do not rise to the level of a significant deficiency have been communicated to management where applicable.</p>   |
|  | <b>Matters pertaining to independence</b>  |
|  | <p>We are independent and have extensive quality control and conflict checking processes in place. We provide complete transparency on all services and follow Board of Director approved protocols.</p> |

# Appendix 2: Use of technology in the audit

We have utilized technology to enhance the quality and effectiveness of the audit.

| Technology                    | Areas of the audit where Advanced Technology routines were used  | Applications   |
|-------------------------------|--|--|
| <b>Journal Entry Analysis</b> | <p>We utilized Computer Assisted Audit Techniques (“CAATs”) to analyze journal entries and apply certain criteria to identify potential high-risk journal entries for further testing.</p> <p>We evaluated the completeness of the journal entry population through a roll-forward of the entire GL.</p> <p>We developed a set of high-risk criteria and applied the criteria to the entire population of journal entries.</p> | <p>The GL roll consists of a summation of all manual journal entries posted during the fiscal year and a comparison of the calculated amounts to the account balances as at and for the period ended December 31, 2021 as reported by management.</p> <p>The GL extraction was found to be complete and containing all journal entries recorded during the year. We were able to use this complete extraction for our testing of high-risk journal entries.</p> <p>Journal entries containing high risk conditions were tested to ensure they were supported by proper documentation and followed the journal entry initiation and approval controls and process in place. We did not find any exceptions in our testing over journal entries.</p> <p>Based on the procedures we performed, no issues were identified.</p> |
| <b>Microsoft Teams</b>        | <p>We used Microsoft Teams to obtain certain client assistance documents and to correspond with members of TSHC.</p>   | <p>This tool has proven to be especially useful during this virtual audit, particularly in performing testing and walkthroughs that required audit evidence gathered through screen-sharing capabilities.</p>  |



# Appendix 3: Audit and Assurance Insights

Our latest thinking on the issues that matter most to audit committees, Boards and Management.

| Consideration                                       | Key observations   | Links                              |
|---|--|------------------------------------|
| <b>Audit &amp; Assurance Insights</b>               | Curated thought leadership, research and insights from subject matter experts across KPMG in Canada  | <a href="#"><u>Learn more</u></a>  |
| <b>Momentum</b>                                     | A quarterly Canadian newsletter which provides a snapshot of KPMG's latest thought leadership, audit and assurance insights and information on upcoming and past audit events – keeping management and board members abreast on current issues and emerging challenges within audit.   | <a href="#"><u>Sign-up now</u></a> |
| <b>COVID-19 Financial Reporting Resource Centre</b> | Resource centre on the financial reporting impacts of coronavirus  | <a href="#"><u>Learn more</u></a>  |
| <b>Return to the Workplace</b>                      | As all levels of government begin to take steps toward re-opening the country and restarting our economy, planning for the return to a physical workplace is quickly becoming a top priority for many organizations. With the guidelines for the pandemic continuing to evolve daily, there are many considerations, stages and factors employers need to assess in order to properly develop a robust action plan which can ensure the health and safety of their workforce.  | <a href="#"><u>Learn more</u></a>  |
| <b>Hybrid Workplace Guide</b>                       | <p>In this eBook, you'll discover:</p> <p>The business case for building a hybrid workplace: What are the benefits of a hybrid work model? From employee attraction and retention to achieving enterprise-wide cost efficiencies.</p> <p>The flexibility imperative: How do you create a successful hybrid workplace model that balances employees and organizations' needs and wants? From remote work to safely supporting more face to face interactions.</p> <p>The building blocks of a hybrid workplace: We address human, organizational, regulatory, digital and physical considerations, and aspects such as how do you manage digital and cybersecurity when working from home in a hybrid workplace model? How can management lead by motivation and results for better employee engagement?</p> <p>Returning to the physical workplace: How do you ensure a safe workplace when employees return to the office space in a hybrid workplace model? How can you emphasize safety to instill confidence in your employees?</p> <p>Legal considerations of a hybrid work model: What could the tax implications be for companies if they implement a hybrid workplace model? Considerations to help you navigate the risks of hybrid work, including changing policies, approaches for new vs. existing employees, and security and privacy.</p> | <a href="#"><u>Learn more</u></a>  |

|  |  |                                   |
|--|--|-----------------------------------|
| <b>Board Leadership Centre</b>                                 | Leading insights to help board members maximize boardroom opportunities.   | <a href="#"><u>Learn more</u></a> |
| <b>Going digital, faster in Canada</b>                         | <p>Pre-COVID-19, private and public organizations were moving towards a digital business model, travelling at varying speeds. But the pandemic forced a dramatic acceleration, both in the speed of change and the required investment to digitally transform.</p> <p>According to Canadian insights from KPMG's recent global survey, organizations are investing heavily in technology to address immediate concerns, ranging from falling revenue and interrupted supply chains to building longer-term competitiveness and operational resilience.</p> | <a href="#"><u>Learn more</u></a> |
| <b>The ESG journey: Lessons from the boardroom and C-suite</b> | To build on our work in ESG, strategy and the long view, the Board Leadership Center interviewed directors and officers of major corporations, including Morgan Stanley, Tyson Foods, Ford Motor, Microsoft, Mars, and Whirlpool, among others.  | <a href="#"><u>Learn more</u></a> |
| <b>ESG, strategy, and the long view</b>                        | To help boards understand and shape the total impact of the company's strategy and operations externally—on the environment, the company's consumers and employees, the communities in which it operates, and other stakeholders—and internally, on the company's performance, this paper presents a five-part framework.  | <a href="#"><u>Learn more</u></a> |
| <b>Inclusion and diversity practices</b>                       | Getting started on the inclusion and diversity journey. Unique inclusion and diversity considerations for boards.  | <a href="#"><u>Learn more</u></a> |

# Appendix 4: Current Developments

| Title   | Details  | Link  |
|---|--|---|
| <b>Public Sector Update – connection series</b> | Public Sector Accounting Standards are evolving – Get a comprehensive update on the latest developments from our PSAB professionals. Learn about current changes to the standards, active projects and exposure drafts, and other items. | Contact your KPMG team representative to sign up for these webinars.<br><a href="#">Public Sector Minute Link</a> |

The following are upcoming changes that will be effective in future periods as they pertain to Public Sector Accounting Standards. We have provided an overview of what these standards are and what they mean to your financial reporting so that you may evaluate any impact to your future financial statements.

| Standard  | Summary and implications   |
|---|--|
| <b>Asset Retirement Obligations</b>                           | <ul style="list-style-type: none"> <li>– The new standard is effective for fiscal years beginning on or after April 1, 2022.</li> <li>– The new standard addresses the recognition, measurement, presentation and disclosure of legal obligations associated with retirement of tangible capital assets in productive use. Retirement costs will be recognized as an integral cost of owning and operating tangible capital assets. PSAB currently contains no specific guidance in this area.</li> <li>– The ARO standard will require the public sector entity to record a liability related to future costs of any legal obligations to be incurred upon retirement of any controlled tangible capital assets ("TCA"). The amount of the initial liability will be added to the historical cost of the asset and amortized over its useful life.</li> <li>– As a result of the new standard, the public sector entity will have to: <ul style="list-style-type: none"> <li>• Consider how the additional liability will impact net debt, as a new liability will be recognized with no corresponding increase in a financial asset;</li> <li>• Carefully review legal agreements, senior government directives and legislation in relation to all controlled TCA to determine if any legal obligations exist with respect to asset retirements;</li> <li>• Begin considering the potential effects on the organization as soon as possible to coordinate with resources outside the finance department to identify AROs and obtain information to estimate the value of potential AROs to avoid unexpected issues.</li> </ul> </li> </ul> |
| <b>Financial Instruments and Foreign Currency Translation</b> | <ul style="list-style-type: none"> <li>– The accounting standards, PS3450 <i>Financial Instruments</i>, PS2601 <i>Foreign Currency Translation</i>, PS1201 <i>Financial Statement Presentation</i> and PS3041 <i>Portfolio Investments</i> are effective for fiscal years commencing on or after April 1, 2022.</li> <li>– Equity instruments quoted in an active market and free-standing derivatives are to be carried at fair value. All other financial instruments, including bonds, can be carried at cost or fair value depending on the public sector entity's choice and this choice must be made on initial recognition of the financial instrument and is irrevocable.</li> <li>– Hedge accounting is not permitted.</li> </ul>   |

| Standard                                  | Summary and implications   |
|---|--|
|   | <ul style="list-style-type: none"> <li>— A new statement, the Statement of Remeasurement Gains and Losses, will be included in the financial statements. Unrealized gains and losses incurred on fair value accounted financial instruments will be presented in this statement. Realized gains and losses will continue to be presented in the statement of operations.</li> <li>— In July 2020, PSAB approved federal government narrow-scope amendments to PS3450 <i>Financial Instruments</i> which will be included in the Handbook in the fall of 2020. Based on stakeholder feedback, PSAB is considering other narrow-scope amendments related to the presentation and foreign currency requirements in PS3450 <i>Financial Instruments</i>. The exposure drafts were released in summer 2020.</li> </ul>  |
| <b>Revenue</b>                            | <ul style="list-style-type: none"> <li>— The new standard is effective for fiscal years beginning on or after April 1, 2023.</li> <li>— The new standard establishes a single framework to categorize revenues to enhance the consistency of revenue recognition and its measurement.</li> <li>— The standard notes that in the case of revenues arising from an exchange transaction, a public sector entity must ensure the recognition of revenue aligns with the satisfaction of related performance obligations.</li> <li>— The standard notes that unilateral revenues arise when no performance obligations are present, and recognition occurs when there is authority to record the revenue and an event has happened that gives the public sector entity the right to the revenue.</li> </ul>  |
| <b>Public Private Partnerships (“P3”)</b> | <ul style="list-style-type: none"> <li>— PSAB has introduced Section PS3160, which includes new requirements for the recognition, measurement and classification of infrastructure procured through a public private partnership. The standard has an effective date of April 1, 2023 and may be applied retroactively or prospectively.</li> <li>— The standard notes that recognition of infrastructure by the public sector entity would occur when it controls the purpose and use of the infrastructure, when it controls access and the price, if any, charged for use, and it controls any significant interest accumulated in the infrastructure when the P3 ends.</li> <li>— The public sector entity recognizes a liability when it needs to pay cash or non-cash consideration to the private sector partner for the infrastructure.</li> <li>— The infrastructure would be valued at cost, which represents fair value at the date of recognition with a liability of the same amount if one exists. Cost would be measured in reference to the public private partnership process and agreement, or by discounting the expected cash flows by a discount rate that reflects the time value of money and risks specific to the project.</li> </ul> |
| <b>Purchased Intangibles</b>              | <ul style="list-style-type: none"> <li>— In October 2019, PSAB approved a proposal to allow public sector entities to recognize intangibles purchased through an exchange transaction. Practitioners are expected to use the definition of an asset, the general recognition criteria and the GAAP hierarchy to account for purchased intangibles.</li> <li>— PSAB has approved Public Sector Guideline 8 which allows recognition of intangibles purchased through an exchange transaction. Narrow-scope amendments were made to Section PS 1000 Financial statement concepts to remove prohibition on recognition of intangibles purchased through exchange transactions and PS 1201 Financial statement presentation to remove the requirement to disclose that purchased intangibles are not recognized.</li> <li>— The effective date is April 1, 2023 with early adoption permitted. Application may be retroactive or prospective.</li> </ul>   |

The following are active projects that the Public Sector Accounting Board are currently in the works. We have provided an overview of these projects and potential considerations on financial reporting.

| Accounting project                             | Summary and implications  |
|--|---|
| <b>PSAB's Draft 2022 – 2027 Strategic Plan</b> | <ul style="list-style-type: none"> <li>PSAB's Draft 2022 – 2027 Strategic Plan was issued for public comment in May 2021. Comments were requested for October 6, 2021.</li> <li>The Strategic Plan sets out broad strategic objectives that help guide PSAB in achieving its public interest mandate over a multi-year period and determining standard-setting priorities.</li> <li>The Strategic Plan emphasizes four key priorities: <ul style="list-style-type: none"> <li>Develop relevant and high-quality accounting standards - Continue to develop relevant and high-quality accounting standards in line with PSAB's due process, including implementation of the international strategy (focused on adapting International Public Sector Accounting Standards for new standards) and completion of the Conceptual Framework and Reporting Model project.</li> <li>Enhance and strengthen relationships with stakeholders - Includes increased engagement with Indigenous Governments and exploring the use of customized reporting.</li> <li>Enhance and strengthen relationships with other standard setters – In addition to continued collaboration with other standard setters, this emphasizes strengthened relationship with the IPSASB.</li> <li>Support forward-looking accounting and reporting initiatives – Supporting and encouraging ESG reporting, and consideration of the development of ESG reporting guidance for the Canadian public sector.</li> </ul> </li> </ul>  |
| <b>Government Not-for-Profit Strategy</b>      | <ul style="list-style-type: none"> <li>PSAB is in the process of reviewing its strategy for government not-for-profit (“GNFP”) organizations. PSAB intends to understand GNFPs’ fiscal and regulatory environment, and stakeholders’ financial reporting needs.</li> <li>PSAB released a second consultation paper in January 2021 which summarizes the feedback received to the first consultation paper. It also describes options for the GNFP strategy, and the decision-making criteria used to evaluate the options. PSAB recommends incorporating the PS4200 series with potential customizations into PSAS. This means reviewing the existing PS4200 series to determine if they should be retained and added to PSAS. Incorporating the updated or amended PS4200 series standards in PSAS would make the guidance available to any public sector entity. Accounting and/or reporting customizations may be permitted if PSAB determines there are substantive and distinct accountabilities that warrant modification from PSAS.</li> <li>PSAB is in the process of considering stakeholder comments.</li> </ul>  |
| <b>Employee Future Benefit Obligation</b>      | <ul style="list-style-type: none"> <li>PSAB has initiated a review of sections PS3250 <i>Retirement Benefits</i> and PS3255 <i>Post-Employment Benefits, Compensated Absences and Termination Benefits</i>. In July 2020, PSAB approved a revised project plan.</li> <li>PSAB intends to use principles from International Public Sector Accounting Standard 39 <i>Employee Benefits</i> as a starting point to develop the Canadian standard.</li> <li>Given the complexity of issues involved and potential implications of any changes that may arise from the review of the existing guidance, PSAB will implement a multi-release strategy for the new standards. The first standard will provide foundational guidance. Subsequent standards will provide additional guidance on current and emerging issues.</li> <li>PSAB released an exposure draft on proposed section PS3251, <i>Employee Benefits</i> in July 2021. Comments to PSAB on the proposed section are due by November 25, 2021. Proposed Section PS 3251 would apply to fiscal years beginning on or after April 1, 2026 and should be applied retroactively. Earlier adoption is permitted. The proposed PS3251 would replace existing Section PS 3250 and Section PS 3255. This proposed section would result in organizations recognizing the impact of revaluations of the net defined benefit liability (asset) immediately on the statement of financial position. Organizations would also assess the funding status of their post-employment benefit plans to determine the appropriate rate for discounting post-employment benefit obligations.</li> </ul> |

**Concepts Underlying  
Financial Performance**

- PSAB is in the process of reviewing the conceptual framework that provides the core concepts and objectives underlying Canadian public sector accounting standards.
- PSAB released four exposure drafts in early 2021 for the proposed conceptual framework and proposed revised reporting model, and their related consequential amendments. The Board is in the process of considering stakeholder comments received.
- PSAB is proposing a revised, ten-chapter conceptual framework intended to replace PS 1000 Financial Statement Concepts and PS 1100 Financial Statement Objectives. The revised conceptual framework would be defined and elaborate on the characteristics of public sector entities and their financial reporting objectives. Additional information would be provided about financial statement objectives, qualitative characteristics and elements. General recognition and measurement criteria, and presentation concepts would be introduced.
- In addition, PSAB is proposing:
  - Relocation of the net debt indicator to its own statement and the statement of net financial assets/liabilities, with the calculation of net debt refined to ensure its original meaning is retained.
  - Separating liabilities into financial liabilities and non-financial liabilities.
  - Restructuring the statement of financial position to present non-financial assets before liabilities.
  - Changes to common terminology used in the financial statements, including re-naming accumulated surplus (deficit) to net assets (liabilities).
  - Removal of the statement of remeasurement gains (losses) with the information instead included on a new statement called the statement of changes in net assets (liabilities). This new statement would present the changes in each component of net assets (liabilities), including a new component called “accumulated other”.
  - A new provision whereby an entity can use an amended budget in certain circumstances.
  - Inclusion of disclosures related to risks and uncertainties that could affect the entity’s financial position.



**Toronto Seniors Housing Corporation  
Board of Directors Meeting  
December 31, 2021, Audited Financial Statements**

Item #16

Date: February 23, 2022

**Report: BD: 2022-17**

**To:** Board of Directors

**From:** Norman Rees, Interim Finance Lead

**Date:** February 23, 2022

**FOR APPROVAL**

**PURPOSE:**

The purpose of this report is to provide a recommendation regarding the December 31, 2021, audited financial statements.

**RECOMMENDATION:**

It is recommended that the Board of Directors adopt the following resolution:  
Be it resolved that the Board of Directors approve the December 31, 2021, audited financial statements.

**Background**

Audit Findings Report & Management Representation letter- Attachment 1

Audit Findings Report from KPMG outlines the audit plan, audit materiality and audit results for the year ended December 31, 2021.

Based upon their audit, KPMG is issuing a clean audit opinion. There were no audit adjustments noted.

Management is prepared to sign the Management Representation letter that is dated for February 23, 2022, the date the audited financial statements are being presented for approval to the Board of Directors.



Financial Statements – Attachment 2

The draft December 31, 2021, audited financial statements are attached.

***Statement of Financial Position***

The statement of financial position shows:

Assets equal \$516,520, of which \$479,362 is in cash.

Liabilities amount to \$515,474 and are comprised of \$172,640 in accounts payable and \$342,834 in deferred grant revenue.

Deferred grant revenue represents the 2021 unspent funds from the City of Toronto that has been carried forward into 2022.

Net assets- unrestricted represents income earned in 2021 on cash balances.

***Statement of Operations***

TSHC recognized revenue and incurred expenses from City of Toronto funding of \$642,166.

Interest income on bank balances amounted to \$1,046 and represents TSHC's excess of revenue over expenses.

***Notes to Financial Statements***

The Notes to Financial Statements include the standard required disclosures, including a note related to the impact of COVID-19.

There were minor changes between the preliminary December 31, 2021, financial statements presented at the January 2022 board meeting and the audited financial statements. Deferred grant revenue increased by approximately \$20,000 and revenue and expenses were reduced by a similar amount. The change was attributed to the finalization of year end accounts payable and accrued liabilities.

**ATTACHMENT 4: 2021 Management Representation Letter**

**ATTACHMENT 5: Draft 2021 Audited Financial Statements**

**Item 16  
Attachment 4  
Representation Letter**

KPMG LLP  
Vaughan Metropolitan Centre  
100 New Park Place, Suite 1400  
Vaughan, ON L4K 0J3  
Canada

February 23, 2022

We are writing at your request to confirm our understanding that your audit was for the purpose of expressing an opinion on the financial statements (hereinafter referred to as “financial statements”) of Toronto Seniors Housing Corporation (“the Entity”) as at and for the period ended December 31, 2021.

#### General:

We confirm that the representations we make in this letter are in accordance with the definitions as set out in [Attachment I](#) to this letter.

We also confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

#### Responsibilities:

- 1) We have fulfilled our responsibilities, as set out in the terms of the engagement letter dated June 8, 2021, including for:
  - a) the preparation and fair presentation of the financial statements and believe that these financial statements have been prepared and present fairly in accordance with the relevant financial reporting framework.
  - b) providing you with all information of which we are aware that is relevant to the preparation of the financial statements (“relevant information”), such as financial records, documentation and other matters, including:
    - the names of all related parties and information regarding all relationships and transactions with related parties;
    - the complete minutes of meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of shareholders, board of directors and committees of the board of directors that may affect the financial statements. All significant actions are included in such summaries.
  - c) providing you with unrestricted access to such relevant information.
  - d) providing you with complete responses to all enquiries made by you during the engagement.
  - e) providing you with additional information that you may request from us for the purpose of the engagement.
  - f) providing you with unrestricted access to persons within the Entity from whom you determined it necessary to obtain audit evidence.
  - g) such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We also

acknowledge and understand that we are responsible for the design, implementation and maintenance of internal control to prevent and detect fraud.

- h) ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements.
- i) ensuring that internal auditors providing direct assistance to you, if any, were instructed to follow your instructions and that we, and others within the entity, did not intervene in the work the internal auditors performed for you.

## Internal control over financial reporting:

- 2) We have communicated to you all deficiencies in the design and implementation or maintenance of internal control over financial reporting of which we are aware.

## Fraud & non-compliance with laws and regulations:

- 3) We have disclosed to you:
  - a) the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
  - b) all information in relation to fraud or suspected fraud that we are aware of that involves:
    - management;
    - employees who have significant roles in internal control over financial reporting; or
    - otherswhere such fraud or suspected fraud could have a material effect on the financial statements.
  - c) all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements, communicated by employees, former employees, analysts, regulators, or others.
  - d) all known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements, whose effects should be considered when preparing financial statements.
  - e) all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

## Subsequent events:

- 4) All events subsequent to the date of the financial statements and for which the relevant financial reporting framework requires adjustment or disclosure in the financial statements have been adjusted or disclosed.

## Related parties:

- 5) We have disclosed to you the identity of the Entity's related parties.
- 6) We have disclosed to you all the related party relationships and transactions/balances of which we are aware.
- 7) All related party relationships and transactions/balances have been appropriately accounted for and disclosed in accordance with the relevant financial reporting framework.

## Estimates:

- 8) The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

## Going concern:

- 9) We have provided you with all information relevant to the use of the going concern assumption in the financial statements.
- 10) We confirm that we are not aware of material uncertainties related to events or conditions that may cast significant doubt upon the Entity's ability to continue as a going concern.

## Non-SEC registrants or non-reporting issuers:

- 11) We confirm that the Entity is not a Canadian reporting issuer (as defined under any applicable Canadian securities act) and is not a United States Securities and Exchange Commission ("SEC") Issuer (as defined by the Sarbanes-Oxley Act of 2002).
- 12) We also confirm that the financial statements of the Entity will not be included in the group financial statements of a Canadian reporting issuer audited by KPMG or an SEC Issuer audited by any member of the KPMG organization.

Yours very truly,

---

Norman Rees, Finance Lead

## Attachment I – Definitions

### Materiality

Certain representations in this letter are described as being limited to matters that are material.

Information is material if omitting, misstating or obscuring it could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Judgments about materiality are made in light of surrounding circumstances, and are affected by perception of the needs of, or the characteristics of, the users of the financial statements and, the size or nature of a misstatement, or a combination of both while also considering the entity's own circumstances.

Information is obscured if it is communicated in a way that would have a similar effect for users of financial statements to omitting or misstating that information. The following are examples of circumstances that may result in material information being obscured:

- a) information regarding a material item, transaction or other event is disclosed in the financial statements but the language used is vague or unclear;
- b) information regarding a material item, transaction or other event is scattered throughout the financial statements;
- c) dissimilar items, transactions or other events are inappropriately aggregated;
- d) similar items, transactions or other events are inappropriately disaggregated; and
- e) the understandability of the financial statements is reduced as a result of material information being hidden by immaterial information to the extent that a primary user is unable to determine what information is material.

### Fraud & error

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorization.

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.

## Attachment II – Summary of Audit Misstatements Schedules

We did not identify any misstatements for the period.

**Item 16**

**Attachment 5**

**Audited Financial Statements**

**Item 23**

**Attachment 6**

**Matters Arising – Action Items List**



## **TORONTO SENIOR HOUSING CORPORATION**

### **Action Items List**

|     | <b><u>MEETING<br/>ARISING FROM</u></b> | <b><u>DESCRIPTION</u></b>  | <b><u>RESP.</u></b> | <b><u>STATUS</u></b> |
|-----|--|--|---------------------|----------------------|
| 1.  | June 30, 2021                          | Chair to work with Transitional Lead and Chief Corporate Officer and City staff to amend as necessary and implement the preliminary workplan and re-submit for review by the Board | Maureen             | Completed            |
| 2.  | June 30, 2021                          | Create initial understanding of Board Committee structure and Board policies   | Maureen             | Completed            |
| 3.  | June 30, 2021                          | What are the current processes for tenant engagement? Board needs to understand before shaping.  | Maureen             |                      |
| 4.  | June 30, 2021                          | TCHC have some elected tenants, so need list of current tenants elect and where there are missing positions.   | Maureen             |                      |
| 5.  | June 30, 2021                          | Concern over not meeting until September 28, 2021 therefore meet to engage with senior tenants during summer?  | Maureen             | Completed            |
| 6.  | August 11, 2021                        | Provide detailed budget and capital plan for 83 buildings moving to TSHC   | MS                  |                      |
| 7.  | September 28, 2021                     | N/A  |                     |                      |
| 8.  | October 27, 2021                       | Provide list of outstanding tenant issues sent to TCHC and raised by deputant Mr. Bill Lohman to Mr. Jim Meeks   | MS                  | Completed            |
| 9.  | November 23, 2021                      | Add page number references in the agenda   | Monique             | Completed            |
| 10. | November 23, 2021                      | Board reports to include perceived risks and proposed mitigation   | MS                  | Completed            |
| 11. | November 23, 2021                      | Revise Joint Transitional Workgroup composition to include one tenant representative from each corporation   | Maureen and MS      | Completed            |
| 12. | November 23, 2021                      | Amend Principles in Report BD:2021-29 to include tenants input on areas of the joint transition workplan excluding confidential Board matters                                      | Maureen             | Completed            |
| 13. | November 23, 2021                      | Circulate Mr. Bill Lohman and Ms. Janet McLeod's written deputation to the Board   | Rajni               | Completed            |

## Toronto Seniors Housing Corporation

|     |                   |  |              |           |
|-----|-------------------|--|--------------|-----------|
| 14. | December 14, 2021 | Inquire about the concerns surrounding access to recreational activities   | Mr. Johnson  |           |
| 15. | December 14, 2021 | Discuss the membership consistency issue with the seniors service team and senior housing unit within TCHC and report back with a presentation on various issues       | Mr. Johnson  |           |
| 16. | December 14, 2021 | To replace the term “elected tenant leaders” with “building representatives” on the tenant input plan for transition   | Ms. Howells  | Completed |
| 17. | December 14, 2021 | City Council be advised of the candidate profile and salary range for CEO  | MS           | Completed |
| 18. | December 14, 2021 | To begin preliminary negotiations with TCHC on the functional service delivery agreement that will outline the terms under which TSHC will purchase services from TCHC | MS           | Completed |
| 19. | December 14, 2021 | To enter into preliminary negotiations with TCHC on the lease agreement for the operation of the 83 seniors-designated buildings                                       | MS           | Completed |
| 20. | December 14, 2021 | To sign the Memorandum of Understanding, entitled ‘To Enable Transitional Operating Funding to Support Long-Term Sustainability’ with the City of Toronto              | Maureen & MS | Completed |
| 21. | December 14, 2021 | To ensure that the Senior Tenants Advisory Committee (STAC) has input into the creation of the agendas related to the tenant input plan                                | Mr. Johnson  |           |
| 22. | January 21, 2022  | Update ELT Organizational Chart  | MS           |           |
| 23. | January 21, 2022  | Prepare a Preliminary Shared Services Model  | MS           |           |
| 24. | January 21, 2022  | Provide list of non-unionized employees  | Ms. Ferreira |           |
| 25. | January 21, 2022  | Financial flow of funds from the City and tenants including amount of subsidies; capital repairs   | Mr. Rees     |           |
| 26. | January 21, 2022  | Transition team to bring full list of policies to February 2022 Board meeting  | Mr. Law      |           |
| 27. | January 21, 2022  | List of non-unionized positions  | Ms. Ferreira |           |
| 28. |                   |  |              |           |
| 29. |                   |  |              |           |

**Toronto Seniors Housing Corporation  
Board of Directors Meeting  
Conflict of Interest Policy**

Item #25

February 23, 2022

**Report:**            **BD: 2022-18**

**To:**                Board of Directors

**From:**           Warren Law, Chair Corporate Governance and Human  
Resources Committee

**Date:**            February 23, 2022

**PURPOSE:    APPROVAL**

**RECOMMENDATION:** It is recommended that the Board of Directors adopt the following resolution:

**BE IT RESOLVED THAT** the Board of Directors approve and adopt the TSHC Conflict of Interest Policy.

**REASON FOR RECOMMENDATION:**

The Corporate Governance and Human Resources Committee considered the guidance from the Board given at the January 21<sup>st</sup> Board meeting and made corresponding revisions to the draft conflict of interest policy to address the issues of declaration of interest in the context of Board members serving on the Boards of affiliate corporations, and potential conflicts involving tenant directors.

Attachment #7 – Conflict of Interest Policy

**Item 25**

**Attachment 7**

**Conflict of Interest Policy**

**DRAFT:** Track changes for editorial change have been removed; Yellow highlighted areas indicate new content that is different from the TCHC policy

## Conflict of Interest Policy – Board of Directors

---

**Policy Owner:** Corporate Governance and Human Resources Committee

**Approval:** Board of Directors

First Approved:

**Revision Approval:**

**Effective Date:**

**In this Document:**

“Board” or “Board of Directors” means the board of directors of the Toronto Seniors Housing Corporation;

“CGHRC” means the Corporate Governance and Human Resources Committee of the Board;

“Director” or “Directors” means a director or directors of the Toronto Seniors Housing Corporation;

“Policy” means the Conflict of Interest Policy for the Board of Directors of the Toronto Housing Seniors Corporation;

“Stakeholders” include the tenants, suppliers, employees, the City of Toronto and other individuals, groups and entities that may from time to time interact with the Toronto Seniors Housing Corporation; and,

“TSHC” means the Toronto Seniors Housing Corporation.

## Policy Statement

Promoting public confidence in the Toronto Seniors Housing Corporation is the responsibility of every Director. All Directors must understand that their individual decisions could have an impact on the TSHC’s success and reputation. It follows that in carrying out their duties, Directors are expected to promote the

TSHC's core values and to observe a high standard of honesty, integrity, accountability and ethics.

TSHC Stakeholders have placed their trust in the TSHC. The business decisions of the TSHC Board of Directors must therefore withstand rigorous scrutiny by TSHC Stakeholders. Directors shall act accordingly and shall avoid even the appearance of improper behaviour.

This Policy sets out the expectations placed on Directors related to conflicts of interest, including how to identify and resolve a conflict of interest. The TSHC wishes to establish clear standards to address real, potential and perceived conflicts of interest, to protect the integrity of the TSHC's decision-making processes and to provide a means to identify and resolve such conflicts of interest in favour of the TSHC's best interests.

Although this Policy does not address every issue that could possibly arise, it does set out basic expectations for the Directors and offers guiding principles to achieve these expectations whenever Directors interact with Stakeholders and other Directors.

Conflicts of interest can sometimes be subtle. Directors must therefore act as soon as a situation arises that raises any doubts whatsoever.

Should Directors have any questions or need any clarification about this Policy and its interpretation, they should consult with the Chair of the CGHRC .

## Scope

This Policy applies to all members of the Board of Directors of the TSHC, as well as to non-Director members of any TSHC Committee or Subcommittee.

## Key Definitions

**“Conflict of Interest”** means any situation in which a Director's personal or business interests may compete or appear to compete with her or his duties as a Director of the TSHC, or may cause the Director to act contrary or appear to act contrary to, the best interests of the TSHC.

A conflict of interest can be one or more of the following types:

**Actual Conflict:** a conflict of interest that the Director has, or may have, at the present time;

**Potential Conflict:** any situation which may lead or have the potential to lead to a conflict of interest in the future; or,

**Apparent Conflict:** any situation which could reasonably be perceived as a conflict of interest by others, regardless as to whether or not there is an actual conflict of interest.

**“Personal or Business Interest”** includes any personal gain, benefit, privilege, or advancement that the Director, and/or the Director’s family, friends or business associates (past and present) may receive or expect to receive, whether monetary or non-monetary.

## Policy Details

Directors shall not enter into any situation, arrangement or agreement (collectively referred to in this Policy as “matters and transactions”) that results or could result in a

conflict of interest (actual, potential, or apparent) and Directors shall arrange their personal and business affairs to ensure that conflicts of interest are avoided.

Directors should consider any advantage that their position as TSHC Directors may give them, whether it be the power to influence decisions, their ability to use the organization’s resources or their access to information about the TSHC and others.

In deciding whether their actions could result in a conflict of interest, Directors are expected to consider how their actions will be seen by their colleagues on the Board or by Stakeholders including the general public.

In general, a Director shall not participate in decision-making with respect to a matter or transaction if that Director is in a conflict of interest position. Examples of conflicts of interests are (but are not limited to):

- Directors, or their family or friends, who transact business (funding or contractual arrangements) directly with the TSHC;
- Hiring a Director’s family member or personal friend;
- Directors who accept gifts, entertainment or other personal benefits from an existing

or potential TSHC Stakeholder such as a supplier, tenant, or business partner. This also includes family members of Directors who accept such benefits.

- Working for a supplier while continuing to be a Director of the TSHC;
- Directors who have a financial interest in a supplier or other Stakeholder;
- Directors who give preferential treatment to any person or entity in which the Director has a personal interest;
- Using confidential information to benefit the Director or his/her family or friends;
- Being involved with or employed by, an entity other than the TSHC if such involvement or employment would conflict with or detrimentally affect the Director's performance of his or her duties as a TSHC Director;
- Directors who use the TSHC's property, equipment or resources, other than for TSHC business; or,
- Directors who divert, directly or indirectly, to their own use an opportunity or advantage that belongs to the TSHC.

## **1. Financial and Business Transactions**

Directors shall avoid financial transactions between themselves and the TSHC, between themselves and a third party, or between the TSHC and a third party that may adversely affect the performance of their duties as Directors or confer a personal or business advantage on them. This includes transactions involving entities in which a Director, his or her family member or friend, is a director, trustee, officer, committee member, or has a substantial financial interest through ownership or control.

Directors shall avoid investing, directly or indirectly, in any property managed by the TSHC. A Director shall use special caution to avoid purchases and sales of any property that may be interpreted as attempting to profit from special knowledge of the TSHC's operations, or other confidential information obtained by reason of the Director's TSHC duties.

If a Director is, or seeks to be, a director, officer, or employee of a company (or if the Director has a financial interest in such company) that has business dealings with the TSHC, this could be a conflict of interest.

If a Director (or a family member, friend or business associate of the Director) has a financial interest in a company that has business dealings with the TSHC, and the Director is involved in any process related to a business transaction involving the TSHC, this could be a conflict of interest.



## **2. Gifts or Donations**

Subject to the other provisions in this Policy, Directors shall not solicit or accept any fees, advances, gifts, money, personal discounts, donations, personal benefits, meals, tickets, personal loans or the like from a resident, tenant or any other person or entity that has, or might have, business dealings with the TSHC for the purposes of, or that may be perceived to be for the purposes of, influencing an act or decision of the Directors.

The exceptions are gifts of a nominal value, which do not influence or would not be perceived as influencing, the performance of the Director's duties.

In determining "nominal value", consideration should be given to if the gift could reasonably be seen as an attempt to influence a decision on any matter or transaction. In this regard, consideration should be given, in turn, to the circumstances, nature, and timing of the gift. For example, a Director should not accept:

- any meals;
- offers to make a donation to a charitable cause on the Director's behalf; or
- an invitation to an event at the expense of another individual.

## **3. Personal Relationships**

Directors should always maintain a professional relationship with their colleagues on the Board and with Stakeholders, i.e., individuals, groups and entities with whom the TSHC has dealings including (but not limited to) tenants, contractors, suppliers and vendors. However, the TSHC acknowledges that Directors may have personal relationships with individuals with whom the TSHC has dealings from time to time.

Tenant Directors of TSHC will have ongoing personal relationships with other tenants and with staff as residents of TSHC buildings which do not constitute conflict of interest except as specified in 7 (d) ii below.

Directors shall take all reasonable steps to manage these relationships so as to avoid conflict-of-interest situations (whether actual, potential, or apparent).

An example is if a Director were to have access to a TSHC-operated building and has direct contact with a friend or family member who is a tenant or resident in the building or has access to the information of friends or family because of their position as a TSHC Director, as this could result in a conflict of interest.

As another example, if a Director were to be involved in the TSHC hiring process for, or will supervise, family, friends, or business associates (past or current), this could give rise to a conflict of interest.

#### **4. Handling of Complaints**

The Board of Directors recognizes the value, commitment and support of Stakeholders and it follows that they should welcome Stakeholder comments, suggestions, and complaints provided by them and made in good faith with a view to improving the TSHC.

If a Director receives a Stakeholder complaint or comment, the following steps shall apply:

- a) For complaints or comments about the operations or policies of the TSHC:
  - i. The complaint shall be forwarded to a senior TSHC executive officer for appropriate handling and response. The Director may notify the complainant of such forwarding and the senior TSHC executive officer will inform the Director of the disposition of the complaint.
  - ii. Directors shall not communicate with TSHC staff for the purpose of influencing or interfering in the equal and fair administration of TSHC repairs, programs or operations;
- b) For complaints or comments relating to the integrity of a TSHC staff member, the complaint shall be forwarded to a senior TSHC executive officer; and,
- c) For complaints or comments relating to the integrity of a Director, the complaint shall be forwarded to the Board Chair.

#### **5. Outside Activity**

Reference is also made to paragraph 7 dealing with Reporting and Resolving a Conflict of Interest.

**a) Other Board/Committee Positions**

If a Director accepts a position on a board or committee of a commercial or non profit entity, timely disclosure of this involvement must be made to the TSHC, in order to assist the TSHC in preventing any conflicts of interest between the

two entities. For example, accepting a board position with a TSHC supplier would be a conflict. Reference is made in this regard to paragraph 7 below as to how such matters should be reported.

**b) Political Involvement and Charitable Activity**

The TSHC respects a Director's right to be involved in the political process and community activity, subject to the possible requirement of taking a leave of absence from the Board as outlined in paragraph 10 below. When a Director engages in political or civic affairs, the Director's views and actions are his or her own, not those of the TSHC and any statements made by the Director must not be attributed to the TSHC. Reference is made in this regard to paragraph 7 below as to how such matters should be reported.

### **6. Exclusivity and Business Opportunities**

During the course of his or her tenure on the Board of Directors, a Director may come across business opportunities that have potential for exploitation. However, over the course of her or his tenure on the Board, these opportunities belong to the TSHC and not to the Director personally.

Any business opportunities of any kind whatsoever and howsoever arising and relating to the business of the TSHC that become known to the Director during his or her tenure on the Board shall be pursued for the benefit of the TSHC only.

### **7. Reporting and Resolving a Conflict of Interest**

**a. What should a Director with a conflict of interest do?**

**Reporting the Conflict.** A Director shall make a timely and full disclosure of any actual, potential or apparent conflict of interest.

The Director shall report in writing the facts and circumstances of the matter or transaction to the Board Chair and the Director shall govern himself or herself in accordance with the instructions received from the Board Chair.

**Refraining from participation.** The Director shall not participate in any formal or informal discussion of, any decision or vote on, or any attempt

to exert influence over the contract, relationship, person or organization with respect to which the conflict may relate. A Director in this case, though, may be counted to establish a quorum for meetings.

**Recusal.** The Director shall temporarily recuse himself or herself from meetings in order to allow the remaining members of the Board or a Committee of the Board to engage in a full discussion regarding the impugned matter or transaction.

**Refraining from voting.** If a vote is taken in respect of the impugned matter or transaction, such Director shall abstain from voting and the minutes of the Board or Committee meeting shall record this fact if it has occurred.

**b.** When must Directors disclose conflicts of interest?

When they join the Board of Directors, Directors shall submit a written statement (in paper or digital form) concerning conflicts of interest. The Directors shall disclose in such statement all conflicts of interest that they know about and the nature and extent of such conflicts of interest.

For conflicts of interest after that time, Directors shall disclose them no later than the first Board of Directors meeting following the moment where they realized they had a conflict of interest.

**c.** What information do Directors have to disclose?

Directors shall disclose the nature, value of and any relevant details of the conflict of interest.

**d.** Do these requirements apply to all Conflicts of Interest?

- i)** Subject to the following, the requirements outlined in this paragraph 7 apply whenever there is an actual, potential or apparent conflict of interest unless the matter or transaction giving rise to the conflict of interest is one with an “affiliate”.

In the case of a matter or transaction with an affiliate, the reporting requirement for a conflict of interest that is outlined in this paragraph 7 continues to apply; however, the other requirements (namely, Refraining from Participation, Recusal and Refraining from Voting) do not apply to conflict-of-interest matters or transactions with an “affiliate”.<sup>1</sup> To satisfy the requirement for reporting in the case of a conflict of interest with an “affiliate”, a Director should declare their interest in the “affiliate” immediately and then annually thereafter, in writing, to the Board Chair.

- ii) TSHC, through its Shareholder Direction includes Directors who are tenants of TSHC. In general, tenant Directors are not expected to declare their interests with other tenants and can participate in all discussions and voting at the TSHC Board meetings unless there is an item that is specific to the interests of the tenant Director, or friends or family who are tenants as outlined in paragraph 3. Director should declare their conflict of interest to the Board Chair.

## **8. Documentation of Conflicts**

The minutes of any meeting at which a transaction or matter involving a conflict of interest or an appearance of a conflict of interest is considered shall reflect whether the Director (as the case may be) made disclosure, withdrew himself or herself from the consideration of the transaction or matter, recused him or herself from the meeting room itself and abstained from voting on the impugned transaction or matter.

## **9. Failure to Disclose a Conflict and Remedies**

If the Board of Directors or a Committee has reasonable cause to believe that a Director has failed to disclose a conflict of interest, the Board or Committee (as the case may be) shall inform the Board Chair of the basis for such a belief. The Board Chair shall then afford such Director an opportunity to explain the reported, alleged failure to disclose. If the Board Chair determines, after hearing any response given and making such further investigation as may be warranted by the circumstances, that such Director has in fact failed to disclose a conflict of interest, the Board Chair shall take appropriate action, which may include a recommendation to the Board for the removal of such Director from the Board of Directors, as well as the reconsideration of whether the matter or transaction

was in the best interests of and fair and reasonable to, the TSHC at the time it was undertaken.

### **10. Leave of Absence**

Directors shall notify the Board Chair in order to request a leave of absence. By way of example, Directors must be on an approved leave of absence in order to:

- a. Seek a provincial or federal candidacy nomination or participate as a candidate in a municipal, provincial or federal election campaign, where the nomination process or the candidacy may conflict with the interests of the TSHC or may adversely affect the performance of the Director's duties;
- b. Apply for a position with the TSHC; or,
- c. Any other event that may conflict with the interests of the TSHC or may adversely affect the performance of the Director's duties.

### **Compliance and Monitoring**

Directors must comply with this Policy at all times. Directors should use proper judgment and act in the spirit of this Policy at all times.

Contravention of this Policy is a serious matter. Non-compliance includes failing to declare a conflict of interest in accordance with this Policy. In some cases, non-compliance can also lead to legal action by TSHC.

### **Governing and Applicable Legislation**

- Business Corporations Act, R.S.O. 1990, c.B.16

### **Related Policies and Procedures**

- Code of Conduct for Directors of the Board (Date)
- Code of Conduct (Date..)
- By-Law 1-2021

#### **Commencement and Review**

| Revision | Date | Description of changes | Approval |
|----------|------|------------------------|----------|
|----------|------|------------------------|----------|

## Toronto Seniors Housing Corporation

|                 |                 |  |                    |
|-----------------|-----------------|--|--------------------|
| First approval: | Feb. 8,<br>2022 |  | CGHRC              |
| Final Approval  |                 |  | Board of Directors |
| Last review:    |                 |  |                    |

<sup>1</sup> The TSHC is a corporation organized under and subject to, the provisions in the Business Corporations Act of Ontario. Paragraph (c) of sub-section 132(5) of this legislation provides in part, that a director of a corporation who is party to a material contract or transaction with the corporation or who has a material interest in a material contract of transaction with the corporation shall not attend a meeting of directors during which the impugned contract or transaction is discussed and shall not vote on any resolution to approve the impugned contract or transaction unless the contract or transaction is one with an affiliate. For these purposes and as applied to the TSHC, “affiliate” in the legislation includes the Toronto Community Housing Corporation (“TCHC”) since both the TCHC and the TSHC have the same sole shareholder, i.e., the City of Toronto.

**Toronto Seniors Housing Corporation  
Board of Directors Meeting  
Tenant Engagement & Communications Update**

Item #26

February 23, 2022

**Report: BD: 2022-19**

**To:** Board of Directors

**From:** Arlene Howells, Interim, Communications & Engagement Lead

**Date:** February 23, 2022

**INFORMATION UPDATE**

**RECOMMENDATION:**

It is recommended that the Board of Directors accept this report for information purposes.

**REASON FOR RECOMMENDATION: \**

1. Update on accomplishments for tenant engagement and communications.
2. Preview into planned upcoming activities for tenant engagement and communications.

**Item 1: Update on accomplishments for tenant engagement and communications**

On January 25 and 27 the Joint Communications and Tenant Engagement teams of TSHC and TCHC hosted four regional tenant focus groups. The purpose of the focus groups was to:

- Gather senior tenant input on priorities identified in the ISM Phase 1 Tenant Experience Survey at Toronto Community Housing. The survey was conducted in late 2020 with results shared in late 2021.



- Provide senior tenants an opportunity to reflect on, validate and enhance the findings of the original survey.
- Use the information gathered to ask tenants to prioritize areas of focus for the corporation's first 100 days and beyond through a survey.

Using Toronto Community Housing's tenant engagement channels, resources, and processes; STAC members, tenant representatives, and tenants at large were invited to participate in the focus groups. Through the consultations, we learned that the priorities of the original survey, were still relevant to tenants who participated in the focus groups. Tenants were asked to expand upon suggestions for improvements in the following areas:

- Property Management
- Safety and Security
- Communication with Staff
- Access to Supports & Services
- Community Development
- Tenancy Management
- General Satisfaction

Input was gathered in real-time and added to the focus group materials. Upon completion of all focus groups content was shared to our website. Tenants could access and see the input that was shared in each region.

Following the focus groups, on Tuesday, February 8, a survey was sent to focus group participants to rank in priority order the areas for focus in the first 100 days and beyond. As of report writing time, survey input was still coming in. A fulsome report on the input will be prepared for the next board meeting.

Joint communications activities to support the focus groups included:

- Reaching out to STAC members for input on agenda (no changes)
- Sending posters to managers be put up in all 83 buildings
- Sharing posters with TCHC staff supporting vaccination efforts to put in the vaccination clinic area
- Sending emails to STAC members and tenant leaders to encourage participation
- Resending posters to regional managers to repost or confirm were up after comments that posters were not seen in some buildings

- Following-up by email with tenant leaders to encourage participation
- Promoting events via TCHC's Twitter, Facebook, LinkedIn
- Promoting sessions on both TCHC and TSHC websites
- Partnering with a STAC member, Maureen Clohessy to deliver session in southeast region

### Participation

- 23 attendees for all sessions
- 19 surveys sent (not all provided follow-up email addresses)

### Other Joint Communication activities:

- Support for employee communications on transfers and job offers
- Transition update in SHU employee newsletter
- Development of TSHC corporate interim website
- Promotion of CEO search on social platforms and websites

### **Item 2: Preview into planned upcoming activities for tenant engagement and communications.**

- February 25 Transition Update at SHU Employee Town Hall
- February 28 Transition update to tenants at ISM Information Session
- Early March, transition update to tenants, via Seniors Speak
- Later in March, tenants to receive information about making rent payments as of June 1. TCHC SHU staff to ensure tenant receive information and get support as needed to understand what is required of them.
- April 28 Board Meeting the Transition Annual Report will be tabled for approval
- April 29 Transition Update at SHU Employee Town Hall
- May Seniors Speak will primarily focus on transition and the important role of ISM
- Work is underway to develop a short tenant guide to help tenants navigate the first few weeks and months of transition
- Work is underway to create TSHC information space in all 83 seniors-designated buildings via enclosed and secure bulletin boards
- Planning for Day 1 Communications is underway with the Joint City, TCHC, TSHC Communications Working Group

The TSHC team thanks its partners in TCHC and the City for their continued support.

**Toronto Seniors Housing Corporation  
Board of Directors Meeting  
TSHC Financial Planning – Financial Results through  
January 31, 2022**

Item 27

Date: February 23, 2022

**Report: BD: 2022-20**

**To:** Board of Directors

**From:** Norman Rees, Interim Finance Lead

**Date:** February 23, 2022

**INFORMATION UPDATE**

**PURPOSE**

The purpose of this report is to provide an update on TSHC current financial position through January 31, 2022

**RECOMMENDATION:**

It is recommended that the Board of Directors receive the report for information purposes.

**Financial Results through January 31, 2022**

Statement of Operations (Attachment 13)

Through January 31, 2022, TSHC incurred operating expenses of \$253,015. Revenue amounted to \$253,712, being composed of \$253,015 from the City of Toronto and \$697 in interest income earned on bank balances. Expenses incurred were for staff compensation, TSHC lead consultants and other third-party vendors.

Expenditures are beginning to ramp up and reflect increased activity associated with the June 1, 2022, implementation date.

Statement of Financial Position (Attachment 14)

The Statement of Financial Position shows:

1. Cash – \$1,588,909
2. HST recoverable - \$50,989
3. Accounts payable - \$132,835
4. Deferred grant funding - \$1,505,319
5. Net assets - \$1,744

The cash balance and deferred grant funding amounts include the City of Toronto's approved carryover of 2021 unspent funds (\$342,834) plus the first 3 months of 2022 cash flow (\$1,415,000).

**ATTACHMENT 8:** Preliminary Statement of Operations

**ATTACHMENT 9:** Preliminary Statement of Financial Position

**Item 27**

**Attachment 8**

**Preliminary Statement of Operations**

| STATEMENT OF OPERATIONS          | Actual Results to<br>January 31, 2022 | Budget - Jan. 1 to<br>May 31, 2022 |
|----------------------------------|---------------------------------------|------------------------------------|
| <b>Revenue</b>                   |                                       |                                    |
| City of Toronto Grant            | 253,015                               | 2,831,000                          |
| Interest income                  | 697                                   |                                    |
|                                  |                                       |                                    |
| Total Revenue                    | 253,712                               | 2,831,000                          |
| <b>Expenses</b>                  |                                       |                                    |
| Salaries and Wages               | 69,670                                | 579,833                            |
| Benefits                         | 5,794                                 | 99,771                             |
| Transportation and Communication | -                                     | 21,000                             |
| Services                         | 175,288                               | 2,123,396                          |
| Supplies                         | 2,264                                 | 7,000                              |
| Total Expenses                   | 253,015                               | 2,831,000                          |
|                                  |                                       |                                    |
| Excess of Revenue over Expenses  | 697                                   | -                                  |

**Item 27**

**Attachment 9**

**Statement of Financial Position**



| <b>STATEMENT OF FINANCIAL POSITION</b>   |  | Actual Results to<br>January 31, 2022 |
|--|--|---------------------------------------|
| <b>Assets</b>                            |  |                                       |
| Cash                                     |  | 1,588,909                             |
| HST recoverable                          |  | 50,989                                |
|  |  | -                                     |
| Total Assets                             |  | <u>1,639,898</u>                      |
| <b>Liabilities &amp; Net Assets</b>      |  |                                       |
| Accounts payable and accrued liabilities |  | 132,835                               |
| Deferred grant funding                   |  | 1,505,319                             |
| Net assets - unrestricted                |  | 1,744                                 |
| Total Liabilities & Net Assets           |  | <u>1,639,898</u>                      |

**Toronto Seniors Housing Corporation  
Board of Directors Meeting  
Delegation of Authority – June 1, 2022**

Item #27

Date: February 23, 2022

**Report: BD: 2022-21**

**To:** Board of Directors

**From:** Norman Rees, Interim Finance Lead

**Date:** February 23, 2022

**FOR APPROVAL**

**PURPOSE:**

The purpose of this report is to provide a recommendation regarding the delegation of authority (DOA) to be in place for June 1, 2022.

**RECOMMENDATION:**

It is recommended that the Board of Directors adopt the following resolution:

Be it resolved that the Board of Directors approve the June 1 ,2022 delegation of authority.

**Background**

TSHC will be interacting with TCHC's enterprise management system (Yardi) for many of its operational requirements. A key aspect that is built into Yardi is the delegation of authority- both by role (e.g., CEO, CFO, Director, etc.) and by dollar value that are linked to defined operational processes.

The determination of delegated authority is a key foundational system prerequisite that requires immediate confirmation as part of the systems implementation.

For June 1, 2022, and to minimize system changes, TSHC is recommending the attached delegations of authority. Roles will be mapped to comparable levels within TCHC, and the delegated dollar values are the same as currently exist at TCHC.

Post June 1, 2022, the delegated authority can be reviewed – likely in 2023.

The existing delegation of authority will remain in place until the June 1, 2022, transition date.

### **Attachments**

The attachments have been updated to:

- Reflect potential TCHC changes that TSHC would replicate. These have been highlighted in red.
- Remove TCHC delegated positions that TSHC does not have and show only TSHC positions. These have been highlighted in brown.

Each of the attachments show the DOA levels where Board of Directors approval is required.

#### Attachment 1 – Yardi System Roles and Responsibility Matrix

The Yardi System Roles and Responsibility Matrix maps current TCHC positions to planned TSHC positions.

#### Attachment 2 – Delegation of Authority for the Seniors Housing Unit (SHU)

This attachment reflects the current DOA for TCHC positions in the Seniors Housing Unit.

#### Attachment 3 - All Other Divisions

Attachment 3 outlines the DOA for the balance of the organization, that is excluding the SHU.

#### Attachment 4 – Revenue Contracts

The Revenue Contracts attachment outlines the DOA for the approval of Revenue Contracts.

#### Attachment 5 - Disposition of Assets, Accounts Receivable Write-off, Cash Write -off (per instance)

This attachment shows the DOA for the write off of certain types of assets.

Attachment 6 – Cheque Signing and Electronic Funds Transfer (EFT)

Unlike the other attachments that reflect TCHC positions, this attachment shows the proposed TSHC positions.

Cheque signing, through the Yardi system, will be via electronic signature and will require two signatures regardless of the dollar value.

EFT's, regardless of dollar value, will require two signatures in order to release approved expenditures from the bank.

**ATTACHMENT 1: Yardi System Roles and Responsibilities Matrix.**

**ATTACHMENT 2: Delegation of Authority for the SHU**

**ATTACHMENT 3: All Other Divisions**

**ATTACHMENT 4: Revenue Contracts**

**ATTACHMENT 5: Disposition of Assets, Accounts Receivable Write-off, Cash Write -off (per instance)**

**ATTACHMENT 6: Cheque Signing and Electronic Funds Transfer**

Toronto Seniors Housing Corporation  
Yardi System Roles and Responsibility Matrix

Attachment 1

| TCHC Role                   | TSHC Role  |
|-----------------------------|--|
| CEO                         | CEO  |
| CFO                         | Director, Finance  |
| Director, Seniors Housing   | Director, Seniors Housing  |
| Assistant General Manager   | Assistant General Manager (SHU)  |
| Manager                     | Manager (SHU)  |
| Supervisor                  | Supervisor (SHU)   |
| Superintendent              | Superintendent (SHU)   |
| Tenant Services Coordinator | Tenant Services Coordinator (SHU)  |
| VP                          | Director, Tenant Health and Wellness<br>Director, Tenant Engagement and Communications<br>Director, People and Culture                                 |
| Corporate Controller        | Controller   |
| Senior Manager              | Senior Manager<br>(Senior managers - Tenant Health and Wellness,<br>Communications and External Affairs<br>Compensational & Benefits, Risk Management) |
| Manager                     | Manager<br>(Tenant Health and Wellness, Financial Reporting<br>and Analysis, Shared Services, Procurement,<br>Employee and Labour Relations, OH&S)     |
| General Counsel             | Director, Legal Services   |

\*New TSHC positions

| Seniors Housing Unit<br>Attachment 2  |   |   |                                 |                                 |  |   |                               |  |                                |
|---|---|---|---------------------------------|---------------------------------|--|---|-------------------------------|--|--------------------------------|
| Item  | Board or Board<br>Committee as<br>appropriate   | CEO<br><br>CFO  | Director, Seniors<br>Housing    | Assistant General<br>Manager    | Manager  | Supervisor  | Superintendent                | Tenant Services<br>Coordinator                       | Tenant Services<br>Coordinator |
| <b>BUDGETED</b> - Authority to approve requisition and/or sign contract (Single signature on a contract)  | Over \$500K   | Up to \$500K  | Up to \$100K                    | Up to \$50K                     | Up to \$25K  | Up to \$10K                                       | Up to \$500                   | None   | NA                             |
| <b>UNBUDGETED</b> - Authority to approve requisition and/or sign contract (Single signature on a contract)  | Over \$250K   | Up to \$250K  | Up to \$50K                     | Up to \$25K                     | Up to \$12.5K  | Up to \$5K  | Up to \$250                   | None   | NA                             |
| <b>CHANGE ORDERS</b> - Authority to approve change orders and/or extend the term of a contract  | Cumulative CO value that <u>exceeds</u> the greater of \$250K or 20% of original commitment value | Cumulative CO value that <u>does not exceed</u> the greater of \$250K or 20% of original commitment value                     | Cumulative CO value up to \$50K | Cumulative CO value up to \$25K | Cumulative CO value up to \$12.5K                              | Cumulative CO value up to \$5K                    | None                          | None   | NA                             |
| <b>PAYMENT OF INVOICE</b> - Authority to approve payment of invoice(s) that have received appropriate approvals   | NA  | Up to the full value of the previously approved contract, PO, or CO (or up to the person's delegated authority if blanket PO) |                                 |                                 |  |   | None                          | None   | NA                             |
| <b>LEGAL SETTLEMENT</b> - Authority to approve legal settlement (Value of the payment)  | Over \$500K only Board  | Up to \$500K  | Up to \$100K                    | Up to \$50K                     | Up to \$25K  | Up to \$10K                                       | None                          | None   | NA                             |
| <b>TENANT REPAYMENT PLANS [and TENANT REFUNDS??]</b> - Authority to approve tenant repayment plans and tenant refunds   | NA  | NA  | Over \$10K                      | None                            | Up to \$10K for Manager-Tenancy Management and Manager-Complex | Up to \$5K for Supervisor-Tenancy Management only | None                          | Up to \$2,500 and less than 2 years in duration only | NA                             |
| <b>WORK ORDERS</b> - Authority to approve Work Orders (including the cost of Work Order price escalations) within Operations Divisions' management. The limits here are subject to the limits within Operational Categories which may change from time to time. | Over \$500K   | Up to \$500K  | Up to \$100K                    | Up to \$50K                     | Up to \$25K  | Up to \$10K                                       | Up to \$500<br>Up to \$2,500* | NA   | Up to \$200*                   |

\*Effective upon HoMES Advanced Maintenance go-live date.

| AFTER HOURS   |                             |
|---|-----------------------------|
| <b>WORK ORDERS</b> - Authority to approve work orders during After Hours. | Shift Lead<br>Up to \$1,500 |

All Other Divisions  
Attachment 3 (Non SHU)

| Item  | Board or Board Committee as appropriate   | CEO<br>CFO  | VP                               | Corporate Controller,<br>Senior Manager | Manager                         |
|---|---|---|----------------------------------|---|---------------------------------|
| <b>BUDGETED</b> - Authority to approve requisition and/or sign contract   | Over \$500K   | Up to \$500K  | Up to \$250K                     | Up to \$100K                            | Up to \$50K                     |
| <b>UNBUDGETED</b> - Authority to approve requisition and/or sign contract                                       | Over \$250K   | Up to \$250K  | Up to \$125K                     | Up to \$50K                             | Up to \$25K                     |
| <b>CHANGE ORDERS</b> - Authority to approve change orders and/or extend the term of a contract                  | Cumulative CO value that <u>exceeds</u> the greater of \$250K or 20% of original commitment value | Cumulative CO value that <u>does not exceed</u> the greater of \$250K or 20% of original commitment value                     | Cumulative CO value up to \$125K | Cumulative CO value up to \$50K         | Cumulative CO value up to \$25K |
| <b>PAYMENT OF INVOICE</b> - Authority to approve payment of invoice(s) that have received appropriate approvals | NA  | Up to the full value of the previously approved contract, PO, or CO (or up to the person's delegated authority if blanket PO) |                                  |   |                                 |
| <b>LEGAL SETTLEMENT</b> - Authority to approve legal settlement (Value of the payment)                          | Over \$500K only Board  | Up to \$500K  | Up to \$250K                     | Up to \$100K                            | Up to \$50K                     |

## Revenue Contracts Attachment 4

| Item   | Approval Authority             |
|--|--------------------------------|
| Residential leases and applications  | Tenant Services Co-coordinator |
| Commercial leases and applications with revenue <b>up to \$100K</b> over entire term of lease including renewal period | CFO                            |
| All Revenue Commitments with revenue <b>up to \$500K</b> over entire term of lease including renewal period            | CFO                            |
| All Revenue Commitments with revenue <b>up to \$1.5M</b> over entire term of lease including renewal period            | CFO                            |
| All Revenue Commitments with revenue <b>up to \$3M</b> over entire term of lease including renewal period              | CEO                            |
| All Revenue Commitments with revenue <b>up to \$5M</b> over entire term of lease including renewal period              | CEO                            |
| All Revenue Commitments with revenue <b>over \$5M</b> over entire term of lease including renewal period               | Board Approval                 |



## Disposition of Assets, Accounts Receivable Write-off, Petty Cash Write-off (per instance)

\* Disposition of capital assets value is based on the net book value of assets

### Attachment 5

| Item  | Approval Authority           |
|---|------------------------------|
| Real Estate                                   | NA                           |
| Disposal of Capital Assets over \$500K        | Board approval               |
| Disposal of Capital Assets up to \$500K       | CEO                          |
| Disposal of Capital Assets up to \$100K       | CFO                          |
| Disposal of Capital Assets up to \$25K        | Corporate Controller         |
| AR write-off over \$250K                      | Board approval               |
| AR write-off up to \$250K                     | CFO and CEO                  |
| AR write-off up to \$100K                     | Corporate Controller and CFO |
| AR write-off up to \$25K                      | Corporate Controller         |
| AR write-off up to \$10K (commercial)         | Corporate Controller         |
| Intercompany write-off                        | NA                           |
| Petty cash and shortage write-off over \$250  | CFO                          |
| Petty cash and shortage write-off up to \$250 | Department Head              |

## Cheque Signing and Electronic Funds Transfers

### Attachment 6

| Item  | Cheque  | EFTs   | Wire Transfer |
|---|---|--|---------------|
| Two of the following:<br><ul style="list-style-type: none"> <li>- Director of Finance</li> <li>- Controller</li> <li>- Manager, Financial Planning and Analysis</li> <li>- CEO</li> </ul> | NA - all cheques are systems generated.             | Unlimited, any 2 of the noted positions are required to log into the on line banking system to approve and release funds | Unlimited     |
| Two of the following:<br><ul style="list-style-type: none"> <li>- Chair, Board of Directors</li> <li>- CEO</li> <li>- CFO</li> </ul>  | System generated signatures, regardless of \$ value | Unlimited  | Unlimited     |

Note: The positions noted in Attachment 6 are the proposed TSHC positions.

**Toronto Seniors Housing Corporation  
Board of Directors Meeting 2022—The Year Ahead:  
Planning for Success**

Item #28

Date: February 23, 2022

**Report: BD: 2022-22**

**To:** Board of Directors

**From:** Mary Tate, Interim Project Manager

**Date:** February 23, 2022

**PURPOSE: INFORMATIONAL UPDATE**

Information update and discussion on planning approach for 2022. This item was deferred from the last Board meeting.

**RECOMMENDATION:**

It is recommended that the Board of Directors receive the attached presentation 2022—The Year Ahead: Planning for Success for information and discussion.

**BACKGROUND:**

Planning to date has focused on the transition of TSHC from TCHC on June 1, 2022. Transition planning will remain a priority for the next 5 months.

In addition, to ensure that TSHC is positioned for the period immediately following transition (June-December 2022), we must begin planning for that period as well.

The purpose of this presentation is:

- To receive input from the Board on planning approach and assumptions
- To describe three planning phases for TSHC

- Transition and Immediate Follow-up
- Stabilization and Priority Improvements
- Planning for the Future and Ongoing Operations
- For each of the planning phases to propose:
  - Preparatory work required
  - Milestones in each planning phase
  - What does success look like?

### **KEY POINTS:**

#### **Planning Phases**

The presentation proposes three overlapping planning phases. Each planning phase includes preparation prior to transition and anticipated milestones and success for each phase after transition:

- Transition and Immediate Follow-up (January 2022 to July 2022)
- Stabilization and Priority Improvements (March 2022 to December 2022)
- Planning for the Future and Ongoing Operations (April 2022 to 2023 and beyond)

#### **Planning Principles and Assumptions**

Overarching principles include:

- Tenant and staff input will be a key aspect of all planning processes
- Achievement of TSHC mandate will guide planning and implementation
- Planning and implementation will incorporate the Shareholder Direction and City of Toronto strategic priorities (e.g., Tenants First, ISM)

Key planning assumptions include:

- Transition is planned for June 2022
  - It is suggested that June 1, 2022, be a low-key launch of TSHC that reflects tenant and staff input on their needs at the time of transition
  - Minimum go-live requirements will reflect resourcing and other constraints (e.g., COVID)
    - TSHC will become the landlord and the employer
    - Essential service delivery approaches on key functions will be necessary, including access to necessary technology and systems to achieve minimum transition requirements

- A process for immediate follow-up to issues that arise during the transition must be in place
- Planning for transition will be done jointly with TCHC and the City where appropriate
- Input of tenants and staff throughout all phases is essential
- TSHC Board and Board Committees will provide oversight and decision-making leading up to transition and beyond
- A higher-profile launch of TSCH could be considered in 2023 after longer-term plans to deliver the mandate have been developed, including strategic plan, tenant centric service plan, and branding and when COVID restrictions permit

**SIGNATURE:**

*Mary Tate*

Attachment 10: 2022—The Year Ahead: Planning for Success

**Item 28**

**Attachment 10**

**Presentation – 2022 The Year Ahead, Planning for Success**

# 2022—The Year Ahead

## Planning for Success

Ensure seniors have access to the housing, health and community supports they need to age in place with dignity and in comfort.

Ensure employees feel they have new opportunities to live their best work lives in the new organization.

**Toronto Seniors  
Housing Corporation**

---

# Context and Purpose of Presentation

## Context

- Planning to date has focused on the transition of TSHC from TCHC on June 1, 2022
- Transition planning will remain a priority for the next 5 months
- In addition, to ensure that TSHC is positioned for the period immediately following transition (June-December 2022), we must begin planning for that period as well.

## Purpose of Presentation

- To receive input from the Board on planning approach and assumptions
- To describe three planning phases for TSHC
  - Transition and Immediate Follow-up
  - Stabilization and Priority Improvements
  - Planning for the Future and Ongoing Operations
- For each of the planning phases to propose:
  - Preparatory work required
  - Milestones in each planning phase
  - What does success look like?

### Note:

- This presentation provides a high-level overview
- Additional details will be provided at committee meetings and/or future board meetings

**Toronto Seniors  
Housing Corporation**



# Guiding Principles & Planning Phases

## Overarching Principles:

Tenant and staff input will be a key aspect of all planning processes

Achievement of TSHC mandate will guide planning and implementation

Planning and implementation will be guided by the Shareholder Direction and City of Toronto strategic priorities (e.g., Tenants First, ISM)

### Transition & Rapid Response

- Low-key launch on June 1 that reflects tenant and staff input
- Clear communication of what has changed
- Cause the least amount of disruption to tenants and staff
- Plan for rapid response to issues that arise during the transition

### Stabilization & Priority Improvements

- Implement simple, temporary and practical solutions to signal a change from TCHC to TSHC
- Increase visibility of TSHC where it makes sense, and the cost is reasonable
- Work with staff and tenants to determine what are the top priority improvements (top 3-5) that really matter to them
- Set clear targets for priority improvements
- Be responsive to regular input and feedback from tenants and staff on how things are going

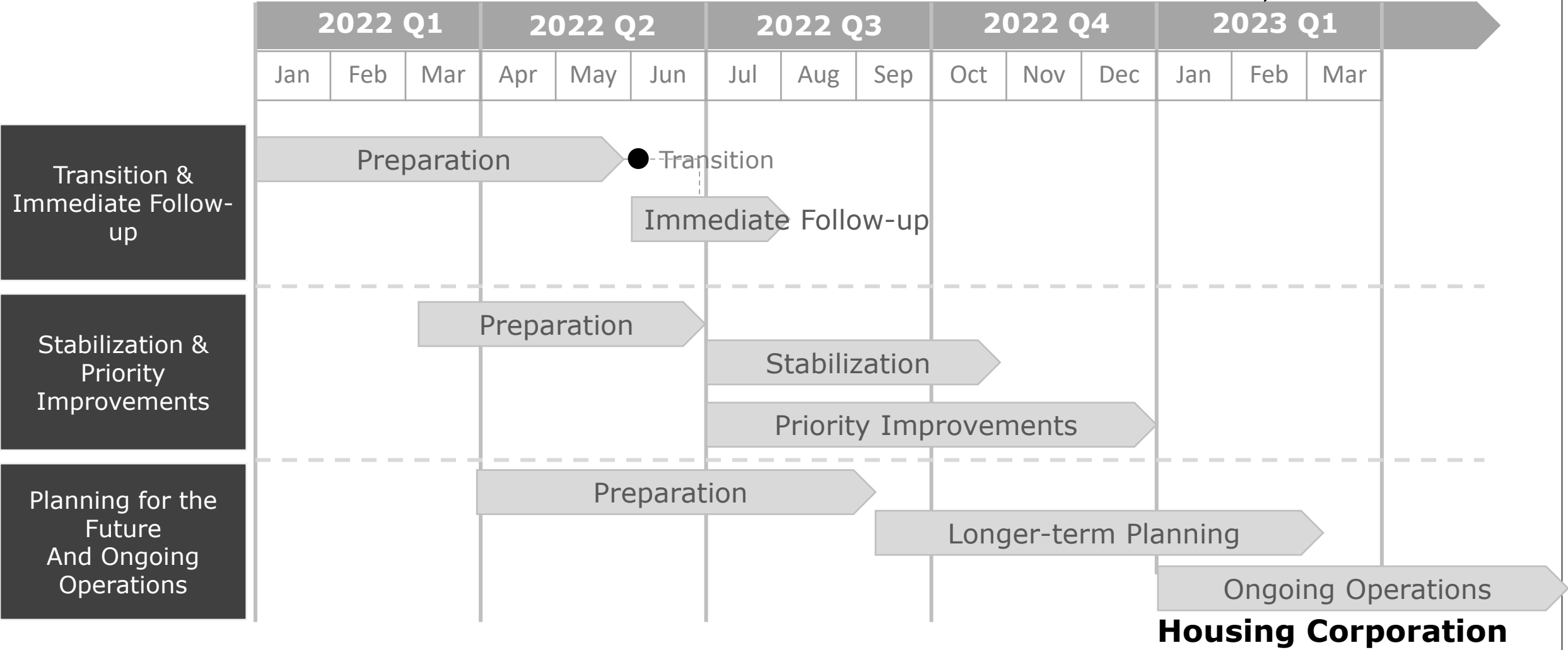
### Planning for the Future & Ongoing Operations

- Involve tenants and staff in longer term planning
- Integrated approach to strategic planning, tenant centric service and branding
- Formal launch of TSHC will occur in Q1 2023 after TSHC develops its first strategic plan and accompanying tenant centric service plan and brand strategy

**Toronto Seniors  
Housing Corporation**

# Planning Phases

Possible  
Higher Profile  
Launch



# Planning Assumptions

## ✓ Transition is planned for June 2022

- June 1, 2022, will be a low-key launch of TSHC that reflects tenant and staff input on their needs at the time of transition (consult with City on approach)
- Minimum go-live requirements will reflect resourcing and other constraints (e.g., COVID)
  - TSHC will become the landlord and the employer
  - Essential service delivery approaches on key functions will be necessary, including access to necessary technology and systems to achieve minimum transition requirements
- A process for immediate follow-up to issues that arise during the transition must be in place
- Planning for transition will be done jointly with TCHC and the City where appropriate

## ✓ Input from tenants and staff to planning activities is essential

## ✓ TSHC Board and Board Committees will provide oversight and decision-making leading the transition and beyond

## ✓ A higher-profile launch of TSHC could be considered in 2023 after longer-term plans to deliver the mandate have been developed, including strategic plan, tenant centric service plan, and branding and when COVID restrictions permit

# Transition and Immediate Follow-up

## Preparation

- Gather input from tenants and staff on transfer (what will Day 1 look like) and prepare for tenancy transfer
- Engage and communicate frequently leading up to transfer with tenants, staff and partners
- Complete detailed transition day/month plan
  - Clarity on what must be done before or on transition day and what can be completed during the stabilization period
  - Plan to support tenants and staff during the transition
- Four major areas for transition planning are:
  - Tenants/Tenancy Transfer
  - Employees/Employee Transfer
  - Lease Agreement
  - Service Delivery
- Ensure access to technology and operating applications
- Implement process for immediate follow-up on transfer issues as they arise

## Milestones and Success

### Transition

- Transition occurs on June 1 as planned
  - Service delivery continues with minimal disruption to tenants
  - Tenants become tenants of TSHC
  - Staff are employees of TSHC
  - Lease agreement is signed

### Immediate Follow-up

- TSHC and TCHC are able to respond to issues with transition quickly and effectively
  - Identify issues
  - Resolve quickly
  - Communicate with tenants or staff who are affected
- By July 31, transition complete and immediate issues resolved

**Toronto Seniors  
Housing Corporation**

---

# Stabilization and Priority Improvements

## Preparation

### Stabilization

- Planning for issues not addressed on transition day
  - Key changes that affect tenants and staff (e.g. who do they call, rent payment, payroll issues, etc.)
  - Plan lower priority shared services
- Plan for and initiate hiring of TSHC leadership team and other staff

### Priority Improvements

- Input from tenants on TSHC approach to tenant engagement
  - Planning for early implementation of some tenant engagement improvements
  - Include input from STAC on future approaches to tenant engagement
- Input from tenants on top priority improvements
  - Planning for implementation of priority improvements as quickly as possible after transition to demonstrate change

## Milestones and Success

### Stable Operating Environment

- Support tenants and staff on transition changes
- Senior leadership team in place
  - Ongoing communications, including active participation of CEO and leadership team
- Successful implementation of outstanding transition issues (e.g. rent collection, employee benefits)
- Assess shared services experience, modify as necessary, establish schedule for ongoing review of the shared services agreement
- Financial planning including 2023 budget

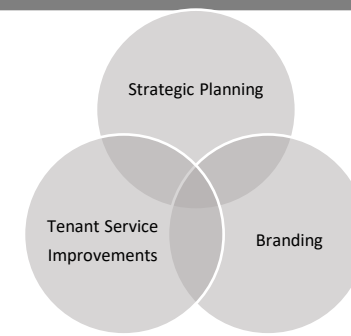
### Priority Improvements

- Continue to implement, assess and improve ISM
- Implementation of TSHC tenant engagement improvements
- Implementation of priority improvements to demonstrate change

**Toronto Seniors  
Housing Corporation**

---

# Planning for the Future



## Preparation

- Develop integrated approach to longer-term planning
  - Relationship between strategic planning, tenant service improvement plan and branding
- Clarify roles/responsibilities and process for longer-term planning
  - Role of Board and Board committees, CEO and leadership team, consulting resources etc.
- Develop stakeholder engagement approach
  - Participation of tenants, staff, partners and others, including STAC
- Discuss mandate, priorities, strategic initiatives, branding and financial resources with the City
  - Agree on process for City input on longer-term planning
- Determine resource supports for planning
  - Develop a draft RFP if appropriate
  - Procure support for planning process if necessary

## Milestones and Success

### Launch strategic planning process

- Initiate longer-term planning process (around September)
  - Include clarity on mission, vision and values that will inform planning and branding
- Actively engage stakeholders throughout the process
- Develop high level objectives and action plans, tenant service improvement initiatives and branding approach

### Complete Strategic Plan and Implementation Roadmap

- Position TSHC to move forward to implement its mandate and priorities
- Includes tenant and employee engagement
- Continues implementation of ISM as well as ongoing approach to continuous service improvements for tenants

**Toronto Seniors  
Housing Corporation**

---

# Consider higher profile TSHC Launch Q1 2023

## Preparation

- Consult with tenants and staff on launch
- Work with City on approach
- Prepare communications, launch day activities

## Milestone and Success

- Introduction of new brand, visual identity
- Communication of mandate, objectives and plans
- Active engagement of Board and senior leadership with tenants and staff

**Toronto Seniors  
Housing Corporation**

---

**Toronto Seniors Housing Corporation  
Board of Directors Meeting  
Transition Plan Update**

Item #28

Date: February 23, 2022

**Report: BD: 2022-23**

**To:** Board of Directors

**From:** Mary Tate, Interim Project Manager

**Date:** February 23, 2022

**PURPOSE: FOR INFORMATION**

Information update and discussion on Transition Plan

**RECOMMENDATION:**

It is recommended that the Board of Directors receive the attached presentation on the Transition Plan.

**BACKGROUND:**

In another report to the Board, an approach to planning for TSHC for the balance of 2022 was provided for information. In that presentation, transition planning is identified as the immediate priority.

This presentation provides additional detail on planning for the transition of TSHC from TCHC on June 1, 2022. Transition planning and implementation is the priority for the next 4 months.

The purpose of this presentation is:

- To review the planning principles and assumptions to frame the target requirements for transition
- To describe the target requirements and enablers for transition:



- Operating Agreement with City of Toronto
- Tenants & Tenant transfer (including Lease Agreement)
- Employees & Employee transfer
- Service delivery continuity (including Service Delivery Agreement)
- IT Upgrades
- To review the key milestones and timelines for the target requirements for transition
- To review and discuss the Board involvement for the next 4 months including:
  - Tentative agendas for each Board meeting
  - Overview of proposed orientation sessions (Mar & May)
- To review the plan for the policy approvals

### **KEY POINTS:**

#### **Target Transition Requirements**

- Operating Agreement – TSHC operating agreement with the City of Toronto establishes the requirements of the City of Toronto for TSHC. The funding schedule which describes the funding model for the corporation is included in the operating agreement.
- Tenants & Tenant Transfer - Tenants of 83 TCHC buildings will become tenants of TSHC. Through tenant engagement and communication leading up to transition, on June 1 tenants will be aware that they are tenants of TSHC and what changes to expect on June 1 and beyond. The tenancy transfer is enabled by a lease agreement between TCHC and TSHC.
- Employees & Employee Transfer - Employees of TCHC SHU will become employees of TSHC. Through employee engagement and communications, employees will be aware that they are employees of TSHC as of June 1. The employee transfer is enabled by continuity of employment conditions and collective agreements and employee engagement and communications.
- Service Delivery Continuity - Service delivery will continue seamlessly with established agreements and processes between TCHC and TSHC to coordinate service delivery. Continuity of service delivery will be enabled by a TCHC-TSHC Services Delivery Agreement which outlines agreements on shared and coordinated functions.

- IT Adjustments - Current TCHC IT systems will be adjusted to support continuity of operations for TSHC.

### **Timelines**

- The term sheets for the Agreements described above will be presented to the Board for approval on Mar 31 (an orientation session is proposed earlier in March to orient the Board to the contents of the term sheets).
- The final Agreements described above will be presented to the Board for approval on May 18 (an orientation session is proposed earlier in May to orient the Board to the content of the agreements).
- The agreements will be executed prior to June 1

### **Board Meetings and Orientation Sessions**

- To prepare the Board for the approval of the items described above, two orientation sessions are being proposed in March and May; these will orient the Board in advance of approvals of key items at the respective Board meeting that month.
- Other items that will be covered with the Board over the next 4 months include
  - What will Transition Day look like?
  - Service Delivery Model
  - Transition Day Plans
  - Policies for approval

### **Policy Approval Plan**

- Policies across Corporate Governance, HR, Tenant Facing, Financial Management & Risk Management, Strategic Communications, Legal and IT are in the process of being adapted for TSHC based on TCHC policies.
- Each month batches of these policies will be reviewed by the appropriate Board Committee for recommendation for Board Approval.

### **SIGNATURE:**

*Mary Tate*

**Item 28  
Attachment 11  
Transition Plan**

# **TSHC Transition Plan**

## **Presentation to February 23, 2022, TSHC Board Meeting**

Ensure seniors have access to the housing, health and community supports they need to age in place with dignity and in comfort.

Ensure employees feel they have new opportunities to live their best work lives in the new organization.

**Toronto Seniors  
Housing Corporation**

---

# Overview of Content

- Review of planning principles
- Target transition requirements and enablers
  - Operating agreement with City of Toronto
  - Tenants & Tenancy transfer (including Lease Agreement)
  - Employees & Employee transfer
  - Service delivery continuity (including Service Delivery Agreement)
  - IT Adjustments
- Key Milestones
- Board Involvement Timeline
- Policy Approval Plan Update

**Toronto Seniors  
Housing Corporation**

---

# Recall: Guiding Principles

In accordance with the Shareholder's Direction the following principles will guide the Transition Process

## Overarching Principles:

Tenant and staff input will be a key aspect of all planning processes

Achievement of TSHC mandate will guide planning and implementation

Planning and implementation will be guided by the Shareholder Direction and City of Toronto strategic priorities (e.g., Tenants First, ISM)

**Toronto Seniors  
Housing Corporation**

---

# Transition Process

Based on the guiding principles the following is an overview of the proposed transition approach

## **Transition & Rapid Response Approach**

- Low-key launch on June 1 that reflects tenant and staff input
- Clear communication of what has changed
- Cause the least amount of disruption to tenants and staff
- Plan for rapid response to issues that arise during the transition
- Support corporate governance, financial and risk management

**Toronto Seniors  
Housing Corporation**

---

# Target Transition Requirements

What will it look like on June 1<sup>st</sup> for the core areas of transition?

**Operating  
Agreement**

TSHC has an operating agreement with City of Toronto



**Enabler**

**Funding schedule outlining funding formula**

**Toronto Seniors  
Housing Corporation**



# Target Transition Requirements

What will it look like on June 1<sup>st</sup> for the core areas of transition?

## Tenants & Tenancy Transfer

Tenants of 83 TCHC buildings become tenants of TSHC and are aware that they are tenants of TSHC

### Enablers

Lease agreement between TSHC and TCHC  
Tenant engagement and communications

**Toronto Seniors  
Housing Corporation**

# Target Transition Requirements

What will it look like on June 1<sup>st</sup> for the core areas of transition?

**Employees &  
Employee  
Transfer**

Employees of TCHC SHU become employees of TSHC and are aware that they are employees of TSHC



**Employment conditions and collective  
agreements continuity  
Employee engagement and  
communications**

**Toronto Seniors  
Housing Corporation**

# Target Transition Requirements

What will it look like on June 1<sup>st</sup> for the core areas of transition?

**Service  
Delivery  
Continuity**

Service delivery continues seamlessly with established agreements between TCHC and TSHC on shared and coordinated processes and services



**Enablers**

**TCHC-TSHC Services Delivery Agreement  
including addenda for shared functions**

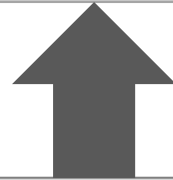
**Toronto Seniors  
Housing Corporation**

# Target Transition Requirements

What will it look like on June 1<sup>st</sup> for the core areas of transition?

## **IT Adjustments**

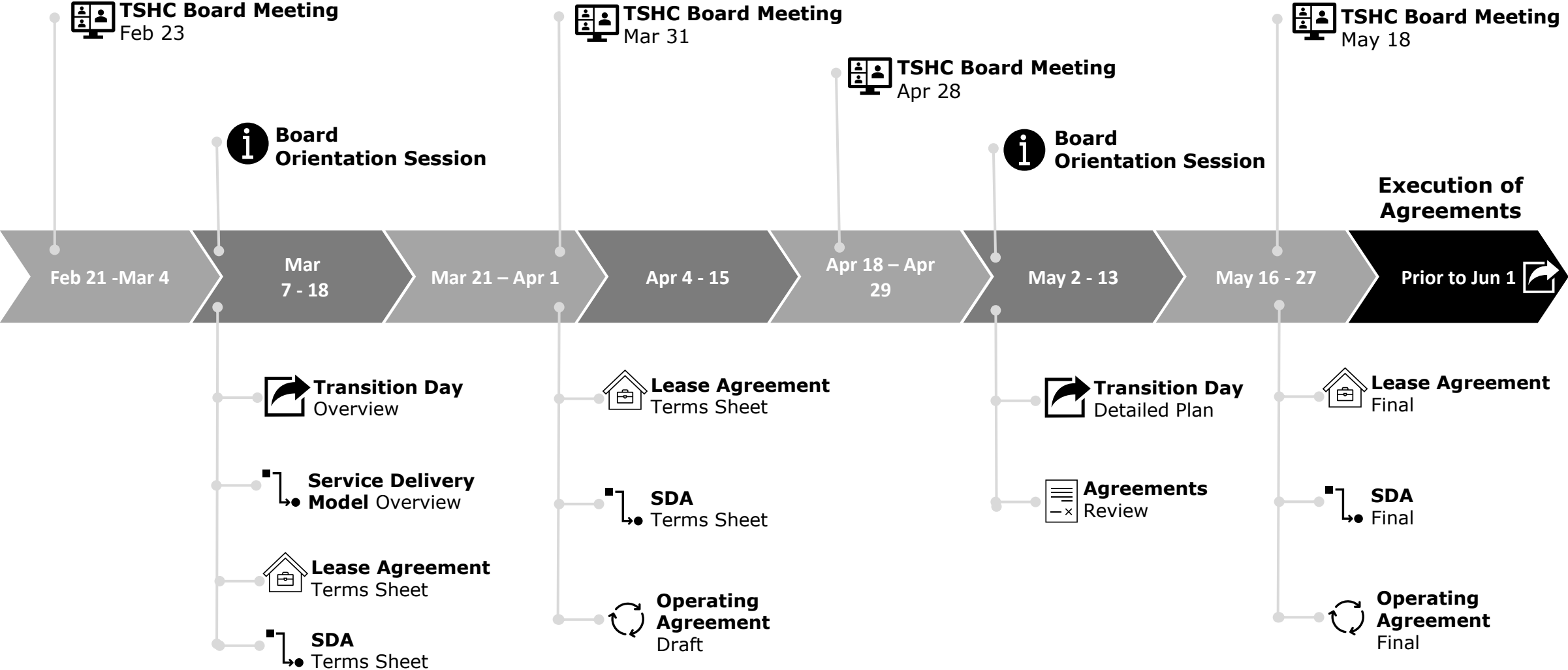
Current TCHC IT systems are adjusted to support continuity of operations for TSHC



**Enablers**  
**Adjustments to HoMES, Ceridian and Other  
HR Systems**

**Toronto Seniors  
Housing Corporation**

# Board Timeline and Key Milestones



# What to expect in March?

| Event   | Item  |
|---|---|
| <b>Orientation Session</b><br>(Proposed to prepare for March meeting) | <ul style="list-style-type: none"><li>• What will Transition Day look like?</li><li>• Service Delivery Model Overview (including tenant input)</li><li>• Operating Agreement Draft</li><li>• Lease Agreement—Proposed Term Sheet</li><li>• Service Delivery Agreement—Proposed Term Sheet</li></ul>   |
| <b>Board Meeting</b>  | <ul style="list-style-type: none"><li>• Tenant Engagement Update</li><li>• Employee Engagement Update</li><li>• Lease Agreement Term Sheet Approval</li><li>• Service Delivery Agreement Term Sheet Approval</li><li>• Transition Plan Status Report</li><li>• Corporate Governance Policies (2)</li><li>• Benefits &amp; Organizational Development Policies</li><li>• Compensation Policies</li></ul> |

# What to expect in April?

| Event         | Item  |
|---------------|---|
| April         |   |
| Board Meeting | <ul style="list-style-type: none"><li>• Transition Plan Status Report</li><li>• Compensation &amp; Employee and Labour Relations Policies</li><li>• Tenant Facing Policies</li><li>• Other transition items TBD</li></ul> |

# What to expect in May?

| Event   | Item   |
|---|--|
| <b>Orientation Session</b><br>(Proposed to prepare for May meeting) | <ul style="list-style-type: none"><li>• Operating Agreement Review</li><li>• Lease Agreement Review</li><li>• Service Delivery Agreement Review</li><li>• Detailed Transition Day Plan Review</li></ul>  |
| <b>Board Meeting</b>  | <ul style="list-style-type: none"><li>• Operating Agreement Approval</li><li>• Lease Agreement Approval</li><li>• SDA Approval</li><li>• Final Transition Day Plan</li><li>• Occupational Health &amp; Safety Policies</li><li>• Financial Management &amp; Risk Management Policies</li><li>• Strategic Communications Policies</li></ul> |



# Policy Plan Update

## Process of reviewing and approving policies



**Toronto Seniors  
Housing Corporation**

---

# Policy Plan Update

## Schedule of Policy Approval (See Appendix for List of Policies for Board Approval)

| Policy Area                                | Committee Review | Committee Review Date | Board Approval Date |
|--|------------------|-----------------------|---------------------|
| Corporate Governance (2)                   | CGHR             | Mar 11                | Mar 31              |
| HR - Benefits & Organizational Development | CGHR             | Mar 11                | Mar 31              |
| HR - Compensation                          | CGHR             | Mar 11                | Mar 31              |
| HR - Labour and Employee Relations         | CGHR             | Apr 11                | Apr 28              |
| Tenant Facing Policies                     | QTE              | Apr 12                | Apr 28              |
| Corporate Governance (5)                   | CGHR             | May 5                 | May 18              |
| HR - Occupational Health & Safety          | CGHR             | May 5                 | May 18              |
| Financial Management & Risk Management     | AFR              | May 3                 | May 18              |
| Strategic Communications                   | CGHR             | May 5                 | May 18              |
| Legal                                      | CGHR             | TBD                   | TBD                 |
| Information Technology                     | CGHR             | TBD                   | TBD                 |

# **Appendix A**

## **Policies Requiring Committee/Board Approval**

### **1. Corporate Governance – Board Policies**

- 1.1. Code of Ethics and Conduct for Directors of the Board
- 1.2. Whistleblower Policy – Board of Directors
- 1.3. Board Meeting Procedures Policy
- 1.4. Board of Directors Reimbursement Policy
- 1.5. Director Education and Board Development Policy
- 1.6. External Directorship Policy
- 1.7. Deputation for Stakeholders Policy

### **2. Human Resources – Benefits and Organisation Development**

- 2.1. Benefits and Organizational Development
- 2.2. Bereavement Leave Policy
- 2.3. Citizenships Leave Policy
- 2.4. Compassionate Care Policy

- 2.5. Corporate Learning and Development Policy
- 2.6. Discretionary Leave Policy
- 2.7. Earned Deferred Leave Policy
- 2.8. Maternity and Parental Leave Policy
- 2.9. Performance Management Guide
- 2.10. Religious Leave Policy
- 2.11. Secondment Leave Policy
- 2.12. Tuition Reimbursement
- 2.13. Vacation Policy
- 2.14. Voluntary Leave Policy
- 2.15. Workplace Diversity Policy

### **3. Human Resources – Compensation**

- 3.1. Compensation Philosophy
- 3.2. Fair Wage Policy

### **4. Human Resources – Labour and Employee Relations**

- 4.1. Conflict of Interest Policy
- 4.2. Conflict of Interest Policy (Q&A)
- 4.3. Declaration of Conflict of Interest
- 4.4. Human Rights Policy

#### 4.5. Human Rights Policy Procedure for Staff Complaints

### 5. **Tenant Facing Policies**

- 5.1. Absence from RGI Unit
- 5.2. Accessibility Policy
- 5.3. Eviction Prevention Policy for Non-Payment of Rent (Arrears)
- 5.4. Human Rights, Harassment and Fair Access Policy
- 5.5. Parking
- 5.6. Relocation Policy
- 5.7. Tenant Complaint Process
- 5.8. Tenant Engagement Policy
- 5.9. Turning 65
- 5.10. Unit Condition Follow-up Process
- 5.11. Visitor and Guest Policy
- 5.12. Expenses Reconciliation Procedures for Tenants
- 5.13. Removal of Tenant Representative
- 5.14. Roles and Responsibilities of Tenant Representatives
- 5.15. Tenant Expenses Guidelines

- 5.16. Tenant Representative Code of Conduct

## **6. Human Resources - Occupational Health and Safety**

- 6.1. Accommodation Policy
- 6.2. Accommodation/Early & Safe Return to Work
- 6.3. Asbestos Management Policy
- 6.4. Bedbugs: Guidelines for Staff Safety
- 6.5. Disability and Absence Management Program
- 6.6. Garbage Handling Procedure
- 6.7. Guidelines for Handling Sharpness/Needles and Syringes
- 6.8. Guidelines to Prevent Exposure to Bloodborne Pathogens
- 6.9. Hazard Reporting Policy
- 6.10. Heat Reporting Policy
- 6.11. Incident Injury Reporting & Investigation Procedure
- 6.12. Long Term Disability Policy
- 6.13. Office Ergonomics Guidelines

- 6.14. Procedure for Ministry of Labour Workplace Visits
- 6.15. Psychological Health & Safety Policy
- 6.16. Return to Work/Rehabilitation Policy
- 6.17. Short Term Disability Policy
- 6.18. Sick Leave and Short-Term Disability Policy
- 6.19. Sun Protection Policy
- 6.20. Traumatic Incident Response Policy
- 6.21. Work Refusal Policy
- 6.22. Work Related Injury or Illness WSIB Package
- 6.23. Workplace Accident & Illness Reporting Process Job Aid
- 6.24. Workplace Harassment Policy + Program
- 6.25. WSIB Functional Abilities Form

## **7. Financial Management and Risk Management**

- 7.1. Delegation of Authority
- 7.2. Capital Expense Policy
- 7.3. Enterprise Risk Management Policy
- 7.4. Expense Reimbursement Policy

- 7.5. Investment Policy Statement
- 7.6. Procurement Policy
- 7.7. Procurement Procedure
- 7.8. Financial Control Policy\*
- 7.9. Bank Deposit Policy\*
- 7.10. Petty Cash Policy\*
- 7.11. Account Payable Policy\*
- 7.12. Fraud Prevention Policy\*

## **8. Strategic Communications**

- 8.1. Elections Policy
- 8.2. Guidelines for Elections Policy
- 8.3. Media and Issues Protocol
- 8.4. Procedures for Social Media Policy
- 8.5. Social Media Policy
- 8.6. Translation and Interpretation Policy

## **9. Legal**

- 9.1. Privacy Policy
- 9.2. Records Management Policy

## **10. Information Technology**



## Acceptable Use of Information Technology Policy

Asterisked (\*) policies do not require  
Committee/Board Approval

**Toronto Seniors Housing Corporation  
Board of Directors Meeting  
TSHC Transition Status and Risk Report**

Item #28

Date: February 23, 2022

**Report: BD: 2022-24**

**To:** Board of Directors

**From:** Mary Tate, Interim Project Manager

**Date:** February 23, 2022

**PURPOSE: FOR INFORMATION**

To provide a TSHC transition project status and risk report as of February 18, 2022.

**RECOMMENDATION:**

It is recommended that the board of directors receive the attached project status report.

**BACKGROUND:**

This report provides a status update and risk considerations on the transition of TSHC scheduled for June 1. The report provides information on status in the following target transition requirements:

- Operating agreement with the City of Toronto
- Tenants and tenant transfer (including lease agreement)
- Employees and employee transfer
- Service delivery continuity (including service delivery agreement)
- IT adjustments
- Other Activities

**SIGNATURE:**

*Mary Tate*

Attachment #12 Project Status and Risk Report

**Item 28**

**Attachment 12**

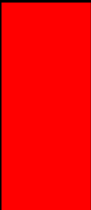
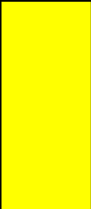

**Project Status & Risk Report**

## February 23, 2022 Board Meeting

# Status Report

As of: 18/02/22 Next period: 25/03/22

### Legend

|   |               |   |
|---|---------------|---|
|    | <b>Red</b>    | Task Delayed; Will not be possible to achieve deliverable deadline and rescheduling required. Please note proposed revised schedule in status                                       |
|   | <b>Yellow</b> | Task Delayed; Will be possible to achieve deliverable within planned time frame. Please note corrective actions planned to bring service project back on schedule in project status |
|  | <b>Green</b>  | All tasks on target; Will be possible to achieve deliverable as planned   |

**Toronto Seniors  
Housing Corporation**

# Status and Risk Report Summary

## Emerging Risk

- As work on the adaptation of HoMES (TCHC integrated operations and financial system) is unfolding, it is clear that not all aspects of the establishment of TSHC as a separate entity in HoMES are possible by June 1.
- An interim solution to support the June 1 transition is being investigated. In the proposed solution, TCHC would continue to collect revenue and make payments on behalf of TSHC for a period of time until a longer term solution can be implemented. Financial reconciliation would take place between the two organizations.
- There may be some implications related to this approach to technology on other aspects of the transition, including the lease agreement, tenant communications and employee communications and training.
- The target to resolve this emerging risk and related issues is March 4.

**Toronto Seniors  
Housing Corporation**

---

# Status and Risk Report Summary (con't)

## Other Project Status Issues

- Agreement with CUPE Local 79 on employee transfer has not yet been reached
- All other transition items are on target

# Status and Risk Report Summary

## Operating Agreement

| Item                | Status |
|---------------------|--------|
| Operating Agreement |        |

## Tenant & Tenant Transfer

| Item                              | Status |
|-----------------------------------|--------|
| Transfer Issues                   |        |
| Lease Agreement                   |        |
| Tenant Policies                   |        |
| Target Tenant Engagement Approach |        |
| Engagement & Communications       |        |

**Toronto Seniors  
Housing Corporation**

# Status and Risk Report Summary

## Employee & Employee Transfer

| Item                                | Status |
|-------------------------------------|--------|
| Transfer Issues                     |        |
| Employee Policies                   |        |
| Target Employee Engagement Approach |        |
| Engagement & Communications         |        |

## Service Delivery Continuity

| Item                    | Status |
|-------------------------|--------|
| MNP Report              |        |
| Service Delivery Issues |        |
| Service Delivery Model  |        |
| Service Agreement       |        |

**Toronto Seniors  
Housing Corporation**



# Status and Risk Report Summary

## Information Technology Adaptions

| Item               | Status |
|--------------------|--------|
| HoMES/Yardi        |        |
| Ceridian (Payroll) |        |
| Other HR systems   |        |

# Appendix

Detailed Status Report as of February 18, 2022

**Toronto Seniors  
Housing Corporation**

---

| Deliverable         | Accomplished as Planned (Jan 4 - Feb 18)   | Work Planned for Next Period (Feb 21 - Mar 25)   |
|---------------------|--|--|
| Operating Agreement | Information update on discussions with the City of Toronto on the Operating Agreement provided to the Board at its January meeting | Preparation of draft Operating Agreement, including funding scheduled (City of Toronto lead) |
|                     |  | Review by TSHC legal counsel   |
|                     |  | Presentation of draft Operating Agreement to Board at March                                  |

| Milestones, Status, Risks/Issues |                        |                        |                                     |   |
|----------------------------------|------------------------|------------------------|-------------------------------------|---|
| Deliverable                      | Milestone Dates        |                        |                                     | Risk/Issues   |
| Operating Agreement              | <b>Draft</b><br>Mar 31 | <b>Final</b><br>May 18 | <b>Execution</b><br>Prior to Jun 01 | <b>On-Track</b>   |
|                                  |                        |                        |                                     | No risks to meeting target dates currently identified. The transition team will continue to work with the City of Toronto on preparation of the draft agreement |

**Work Item: Tenants & Tenant Transfer****Work Item: Emerging Risks**

| <b>Deliverable</b>                   | <b>Accomplished as Planned (Jan 4 - Feb 18)</b>  | <b>Work Planned for Next Period (Feb 21 - Mar 25)</b>                                 |
|--------------------------------------|--|---|
| Lease Agreement/<br>Tenancy Transfer | Update on the key elements of the Lease Agreement provided at the December meeting of the Board                          | Negotiation of draft Lease Agreement Term Sheet with TCHC                             |
|                                      | Key issues requiring resolution for inclusion in the Lease Agreement approved by TCHC CEO and TSHC Interim CEO on Feb 17 | Present draft Term Sheet to Board for approval  |
|                                      | TSHC legal counsel sent a first draft of Term Sheet to TCHC legal counsel on Feb 10                                      |   |
| Tenant Engagement & Communication    | Focus groups with tenants held on Jan 25 & 27  | Tenant update on transition via Seniors Speak direct mail due out first week of March |

**Work Item: Tenants & Tenant Transfer (con't)****Work Item: Emerging Risks**

| <b>Deliverable</b>                | <b>Accomplished as Planned (Jan 4 - Feb 18)</b>  | <b>Work Planned for Next Period (Feb 21 - Mar 25)</b>  |
|-----------------------------------|--|--|
| Tenant Engagement & Communication | Engagement with STAC held Jan 14 for input on engagement agenda for focus group; participated in City STAC meeting on Feb 18 | TCHC tenant communication (with TSHC input) is planned for end of March – communications based on business decisions |
|                                   |  | Input from STAC and additional tenant focus groups on transition day are planned for the week of Mar 21              |
|                                   |  | Participating in STAC Selection Committee for new members in late February and March                                 |
|                                   |  | Tabling of TSHC Annual Report for 2021 for board approval  |

| Milestones, Status, Risks/Issues  |   |                        |                                    |  |
|-----------------------------------|---|------------------------|------------------------------------|--|
| Deliverable                       | Milestone Dates   |                        |                                    | Risk/Issues  |
| Transfer Issues                   | Mar 31  |                        |                                    | See risk description<br>Resolution of transition date for rent payment will depend on resolution of the interim solution for HoMES   |
| Lease Agreement                   | <b>Term Sheet</b><br>Mar 31   | <b>Final</b><br>May 18 | <b>Execution</b><br>Prior to Jun 1 | See risk description<br>Potential risk to the Lease Agreement is related to the technology issue (see page 15). A solution to moving forward with the lease agreement being developed. Discussion with TSHC legal counsel has been held in preparation for discussions with TCHC |
| Tenant Policies                   | Apr 18  |                        |                                    | On-Track<br>No risks to meeting target dates currently identified  |
| Target Tenant Engagement Approach | Jun 30  |                        |                                    | On-Track<br>Awaiting input from STAC on how the future of tenant engagement should proceed at TSHC   |
| Engagement & Communications       | Tenant engagement and communications planned for March, April and May |                        |                                    | On-Track<br>Communications are dependent on business decisions and Board approval of agreements before sharing information with tenants  |
|                                   |   |                        |                                    | On-Track<br>Additional tenant engagement and communication planned for April and May   |

| <b>Deliverable</b>                  | <b>Accomplished as Planned (Jan 4 - Feb 18)</b>   | <b>Work Planned for Next Period (Feb 21 - Mar 25)</b>   |
|-------------------------------------|---|---|
| Employee Transfer                   | Non-union employees in receipt of Offers of Employment and sign backs received                              | Finalize agreement with CUPE L79  |
|                                     | Negotiation and Ratification of Memorandum of Agreement with CUPE Local 416 to facilitate employee transfer |   |
| CEO Recruitment                     | Job description completed and approved by the Board Jan 21  | Select candidates for interviews, conduct 1st and 2nd round interviews, assessments and background checks |
|                                     | Phelps Group identifying and assessing candidates to Feb 25   |   |
|                                     | Position posted week of Jan 24  |   |
| Initial Hiring                      | Identified key positions for early hiring   | Post and screen for positions identified for immediate hiring   |
| Employee Engagement & Communication |   | Feb 25 TSHU Town Hall   |

| Milestones, Status, Risks/Issues     |                                  |              |   |
|--------------------------------------|----------------------------------|--------------|---|
| Deliverable                          | Milestone Dates                  | Status       | Risk/Issues   |
| Transfer Issues                      | Mar 24                           | Task Delayed | Agreement with Local 79 not yet achieved              |
| CEO Recruitment                      | April                            | On-track     | No risks identified. Process slightly delayed         |
| Human Resource Policies              | March, April, May Board meetings | On-Track     | No risks to meeting target dates currently identified |
| Employee Engagement & Communications | March, April, May                | On-Track     | No risks to meeting target dates currently identified |



## Work Item: Service Delivery Continuity

Work Item: On Track

| Accomplished as Planned (Jan 4 - Feb. 18) |  | Work Planned for Next Period (Feb 21 - March 25)                                 |
|---|--|--|
| MNP Report                                | Work continuing/on target  | MNP submission of draft final report   |
| Service Delivery Model                    | Approach to developing service level addenda to Agreement complete             | TSHC/TCHC agreement on service delivery model through a series of joint sessions |
| Service Delivery Agreement                | Draft Term Sheet for Service Delivery Agreement provided to TCHC legal counsel | Service Delivery Agreement Term Sheet, including addenda                         |

| Milestones, Status, Risks/Issues |                              |                            |                             |   |
|----------------------------------|------------------------------|----------------------------|-----------------------------|---|
| Deliverable                      | Milestone Dates              |                            | Status                      | Risk/Issues   |
| MNP Report                       | Draft<br>Mar 11              | Final<br>Mar 31            | On-Track                    | No identified risks   |
| Service Delivery Issues          | Mar 31                       |                            | On-Track                    | No identified risks   |
| Service Delivery Model           | Draft<br>Mar 31              | Final<br>Apr 28            | On-Track                    | No identified risks. Timeline is aggressive   |
| Service Agreement                | <b>Terms Sheet</b><br>Mar 31 | <b>Agreement</b><br>May 18 | Execution Prior to<br>Jun 1 | On-Track  |
|                                  |                              |                            |                             | No identified risks. Following approval of the term sheet, implementation activity will be necessary in preparation for June 1 transition |

**Toronto Seniors  
Housing Corporation**

**Work Item: Information Technology Adaptations****Work Item: Significant Emerging Risks**

| <b>Deliverable</b>                    | <b>Accomplished as Planned (Jan 4 - Feb 18)</b>   | <b>Work Planned for Next Period (Feb 21 - Mar 25)</b>  |
|---------------------------------------|---|--|
| HoMES                                 | <ul style="list-style-type: none"><li>• Project to adapt HoMES has been initiated by TCHC with participation of TSHC</li><li>• Several workshops have been held or are planned</li><li>• Some issues with the planned approach have been identified and resolution/development of a contingency plan is under way</li></ul> | <ul style="list-style-type: none"><li>• Resolve approach to achieve June 1 transition</li><li>• Continue workshops on requirements</li><li>• Begin configuration</li></ul> |
| Ceridian (Payroll) & other HR Systems | <ul style="list-style-type: none"><li>• Projects to adapt Ceridian and other payroll systems have been initiated and are on track</li></ul>   | Continue working with software vendors to make necessary adaptations   |

| <b>Milestones, Status, Risks/Issues</b> |                        |               |  |
|---|------------------------|---------------|--|
| <b>Deliverable</b>                      | <b>Milestone Dates</b> | <b>Status</b> | <b>Risk/Issues</b>   |
| <b>HoMES/Yardi</b>                      | Prior to June 1        | See risk note | Not all aspects of the planned approach to updating HoMES are possible by June 1. An interim approach to enable the June 1 transition is under development. The approach would involve TCHC continuing to receive revenue and make payments on behalf of TSHC for a period of time, with a financial reconciliation taking place to keep the books of both organizations correct. It is anticipated that the interim approach will move this back to "green" if it is feasible |

**Toronto Seniors  
Housing Corporation**

| Milestones, Status, Risks/Issues |                 |           |                     |
|----------------------------------|-----------------|-----------|---------------------|
| Deliverable                      | Milestone Dates | Status    | Risk/Issues         |
| <b>Ceridian (Payroll)</b>        | Prior to June 1 | On Target | No identified risks |
| <b>Other HR systems</b>          | Prior to June 1 | On Target | No identified risks |

**Board of Directors Meeting  
Status Update to Executive Committee of the City of  
Toronto**

Item #28

Date: February 23, 2022

**Report: BD: 2022-25**

**To:** Board of Director

**From:** Mary Tate, Interim Project Manager

**Date:** February 23, 2022

**PURPOSE: FOR INFORMATION**

To provide suggested content for status report on the progress of the phase 1 activities of TSHC to the Executive Committee of the City of Toronto

**RECOMMENDATION:**

It is recommended that the Board of Directors receive the attached outline of suggested content for the status report on the progress of the phase 1 activities of TSHC to the Executive Committee of the City of Toronto.

**BACKGROUND:**

On January 25, 2022, Councillor Paul Ainslie sent a letter to Mayor John Tory and members of the Executive Committee asking for the Committee to approve the following:

That the Deputy City Manager, Community and Social Services provide a status report on the progress of the phase 1 activities of TSHC to the Executive Committee meeting on March 30<sup>th</sup>, 2022.

This was approved. The material in the attachment provides suggested content for the status report on the progress of the phase 1 activities of TSHC that may be used by the Deputy City Manager in the status report to the Executive Committee.

**SIGNATURE:**

*Mary Tate*

Attachment #13: Letter from Councillor Paul Ainslie

Attachment # 14: Suggested content for the status update to the Executive Committee of the City of Toronto

**Item 28**

**Attachment 13**

**Councillor Ainslie's TSHC Letter re: Executive Committee**



**Councillor Paul W. Ainslie**  
City of Toronto Councillor  
Ward 24 Scarborough-Guildwood

Chair, General Government and Licensing Committee  
Chair, Board of Management of the Toronto Zoo  
Chair, Federation of Ontario Public Libraries



Email: [councillor\\_ainslie@toronto.ca](mailto:councillor_ainslie@toronto.ca)

Website: [www.paulainslie.com](http://www.paulainslie.com)

Councillor Paul Ainslie Scarborough-Guildwood

Ward 24 Scarborough-Guildwood

@Ainslie\_ward24

January 25, 2022

Dear Mayor Tory and members of the Executive Committee,

As a member of the Board of the Toronto Seniors Housing Corporation (TSHC) I have been engaged in the establishment of the city's new Seniors' Corporation and I am very pleased to know that on June 1<sup>st</sup>, 2022 a total of 83 seniors' buildings and the approximately 14,000 tenants who call these buildings home, will be transferred from Toronto Community Housing Corporation (TCHC) to TSHC. All of the staff that support these buildings will also be transferred to the new TSHC.

In anticipation of this transfer to TSHC, "Phase 1" work is underway with a focus on governance, hiring the CEO, and the detailed preparation for the transfer of staff and tenants on June 1<sup>st</sup>, 2022.

We were all proud that the city's new signature corporation for seniors was approved by Council to provide a stronger focus on seniors' health and wellbeing to allow them to age in place. A robust tenant engagement model will also be developed and implemented to ensure that TSHC is able to be very responsive to the needs of seniors.

As part of the preparation for the final transfer, it would be good if we can get a status update on the set up and operations of this phase of the work prior to the June 1<sup>st</sup> transfer date. It would confirm for the Executive Committee and Council that a seamless transition is underway, the new corporation is proceeding as anticipated and that it is on a firm footing. It could also allow the Shareholder to recommend any changes if necessary to ensure the future success of this exciting new venture in advance of the June 1<sup>st</sup> transfer date.

Therefore I would ask the Committee to approve the following:

That the Deputy City Manager, Community and Social Services provide a status report on the progress of the phase 1 activities of TSHC to the Executive Committee meeting on March 30<sup>th</sup>, 2022.

Thank you for your consideration.

Sincerely,

Paul W. Ainslie  
City of Toronto, Councillor  
Ward 24 Scarborough-Guildwood

Constituency Office  
Scarborough Civic Centre  
150 Borough Drive  
Scarborough, ON M1P 4N7  
Tel: 416-396-7222

Toronto City Hall  
100 Queen Street West, Suite C52  
Toronto, ON M5H 2N2  
Tel: 416-392-4008  
Fax: 416-392-4006

**Item 28**

**Attachment # 14**

**Suggested content for the status update to the Executive Committee  
of the City of Toronto**



## **Status Update to the City of Toronto**

### **Suggested Content**

**(Note: Information is provided as of February 18. Several key items are scheduled to go forward to the TSHC Board at its March meeting. The content of the status report to the City Executive Committee will need to be updated before the submission deadline)**

### **Governance**

- Board meetings: 9 Board meetings held June 2021 – February 2022; 5 livestreamed
- Board orientation: 3 sessions held
- Board committees: Board committees established, membership confirmed, initial meetings held, terms of reference approved by the Board for each committee
- Board meetings: Board meetings are planned for March, April, May. Board orientation sessions are planned for March and May
- Committee meetings are planned for March, April, and May (CGHR and QTE) and March and May (AFR)

### **Transition Team**

- Transition Team: Transitional Lead and Chief Corporate Officer appointed; interim leadership team assembled
- Transition Plan: Detailed plan established for the smooth transition of the 83 seniors buildings from TCHC to TSHC effective June 1, 2022, including a draft transition day plan
- Interim Operations: Interim operational processes for financial management and IT in place
- Budget: TSHC transition budget (January to June 2022) and 2022 Budget (June to December 2022) submitted to City

- TSHC Organization:
- CEO recruitment underway
- Initial hiring of key positions to be initiated in March
- Organizational structure and longer-term planning to be considered after CEO is in place
- Financial and regulatory requirements for compliance with the Shareholder Direction and our governing legislation have been met
- Further development of finance and HR capacity and processes are underway
- Location of the corporate office for TSHC has been approved and configuration is underway

## **Transition Activities**

### Operating Agreement:

- Key elements of operating agreement with City of Toronto reviewed by Board in January
- Draft operating agreement scheduled for discussion at March Board meeting

### Lease Agreement:

- Update on the key elements of the lease agreement provided at the December meeting of the Board
- Key issues requiring resolution for the transition approved by TCHC CEO and TSHC Interim CEO on February 17
- TSHC legal counsel sent a first draft of term sheet to TCHC legal counsel on February 10

- Negotiation of draft lease agreement term sheet with TCHC is in progress
- Draft lease agreement term sheet will be presented to the Board for approval in March

Communications and Tenant Engagement:

Website:

- Website established to provide future tenants, partners and other stakeholders with transition information and opportunities for engagement with TSHC in the 10 primary languages of our future tenants

Tenant Engagement:

- Ongoing engagement with STAC began in October
- Five tenant focus groups have been held since October 2021
- Targeted tenant survey on service priorities sent in February 2022 as follow up to January 2022 focus groups

Tenant Communications:

- November 2021 comprehensive update on transition sent by the joint TCHC, TSHC communications team
- Seniors Speak, March 2022 edition, update on transition

Employees and Employee Transfer:

Employee Transfer:

- Non-union employees have received Offers of Employment and sign-backs received
- Negotiation and Ratification of Memorandum of Agreement with CUPE Local 416 to facilitate employee transfer

- Discussions to finalize agreement with CUPE Local 79 are underway

#### Employee Engagement and Communication

- Communication with SHU employees about the transition has been included at SHU Town Halls
- Additional communications with employees will occur at the employee Town Hall scheduled for February 25

#### CEO Recruitment:

- Job description completed and approved by the Board Jan 21
- Position posted week of Jan 24
- Phelps Group identifying and assessing candidates to Feb 25
- Candidates for interviews will be selected and 1st and 2nd round interviews, assessments and background checks will be conducted in March

#### Service Delivery:

##### MNP Report on Shared Services:

- MNP report on shared services is continuing and on-target. TSHC transition team, along with TCHC staff have participated in multiple workshops to provide input to the report.
- MNP will submit its draft final report in March

##### Service Delivery Model:

- TSHC and TCHC have been working collaboratively to develop the service delivery model
- Approach to developing service level addenda to agreement is complete

- Joint workshops to develop proposed service delivery model will be completed in late February/early March

**Service Delivery Agreement:**

- Draft service delivery agreement term sheet has been provided to by TSCH counsel to TCHC counsel
- Board approval of the service delivery agreement term sheet is scheduled for the March Board meeting

**Information Technology Adaptations:**

(This section will have to be updated when the resolution of the approach is finalized)

**HoMES**

- Project to adapt HoMES has been initiated by TCHC with participation of TSHC
- Several workshops have been held or are planned
- Some issues with the planned approach have been identified and resolution/development of a contingency plan is under way.

**Ceridian (payroll) and other HR systems**

- Projects to adapt Ceridian and other payroll systems have been initiated.

February 23, 2022