

TORONTO SENIORS HOUSING CORPORATION (TSHC)

**AUDIT & FINANCE AND RISK COMMITTEE (AFRC)
MEETING**

AGENDA

Date: Monday, March 14, 2022

Time: 4:00pm – 5:30pm

Location: WebEx & Livestream

TORONTO SENIORS HOUSING CORPORATION (TSHC) AUDIT & FINANCE AND RISK COMMITTEE (AFRC) MEETING

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Item	Time	Description	Action	Supporting Documents	Presenter
1.	4:00 10 min	Chair's Remarks	Information	NA	Lawrence D'Souza, Chair
2.	4:10 2min	Approval of Public Meeting Agenda	Approval	Agenda	Chair
3.	4:12 2min	Chair's Poll re: Conflict of Interest	Declaration	N/A	Chair
4.	4:14 3min	Approval of Minutes of AFRC meeting of January 6, 2022	Approval	Minutes of AFRC meeting of January 6, 2022	Chair
5.	4:17 30min	2022/2023 Draft AFRC Activities	Information	Monthly Calendar of Activities for AFRC Work Plan	Norman Rees
6.	4:47 1 min	Motion to move into Closed Session	Approval	N/A	Chair
7.	4:48 2 min	Approval of Closed Session Agenda	Approval	Closed Session Agenda	Chair
8.	4:50 30min	<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</i>		N/A	Norman Rees

		<i>limited to personal matters about identifiable individuals, a proposed or pending transaction with a third party, and recommendations of proposed policy or processes</i>			
9.	5:20 1 min	Motion to move into public session	Approval	N/A	Chair
10.	5:21	Adjournment	N/A	N/A	Chair

ITEM #4

**APPROVAL OF MINUTES OF AFRC MEETING
OF JANUARY 6, 2022**

(For approval at the AFRC meeting on March 14, 2022)

TORONTO SENIORS HOUSING CORPORATION (TSHC) AUDIT, FINANCE AND RISK COMMITTEE MEETING

Date: January 6, 2022
Time: 5:00 pm to 6:30 pm
Location: WebEx

Draft Minutes

The Audit, Finance and Risk Committee (AFR) of the TSHC Board held its first meeting on January 6, 2022, at 5:00pm via WebEx video conference.

Members in Attendance:

Lawrence D'Souza (Chair), Warren Law, Maureen Quigley.

TSHC staff present: Michael Sherar, Interim Transitional Lead and Chief Corporate Officer, Norman Rees, Interim Financial Lead.

ITEM 1: CHAIR'S REMARKS

The Chair welcomed members to the inaugural Audit, Finance and Risk Committee.

ITEM 2: REVIEW OF COMMITTEE TERMS OF REFERENCE

The Committee reviewed its November 23, 2021, Terms of Reference with Management proposing a few amendments to align with the Stakeholder Direction more closely. Tracked changed and clean versions of the amended Terms of Reference are appended to these minutes.

Clarification will be sought with the City of Toronto regarding the budget approval process.

After full discussion the following motion was made.

Motion carried **UPON MOTION**, duly made by Mr. Law, and seconded by Mr. D'Souza, **IT IS RESOLVED THAT** the Audit, Finance and Risk Committee recommend to the Board the amended Audit, Finance and Risk Committee Terms of Reference.

ITEM 3: DRAFT WORKPLAN

The Committee reviewed the workplan within the context of the Terms of Reference and the Accountability section of the Stakeholder Direction. The Committee's workplan template was also reviewed and accepted.

Within the context of the Terms of Reference, it was noted that the Committee had overall Board accountability for reviewing and approving TSHC's enterprise-wide risk governance framework. The Committee discussed and agreed that its role was as a coordinator and reporter of risk activities to the full Board, but that individual Board Committees would be accountable for monitoring and assessing risk within their spheres of activities. It was also agreed that the development of TSHC's enterprise-wide risk governance framework would include the process of coordination of Board Committees reporting.

After full discussion the following motion was made.

Motion carried **UPON MOTION**, duly made by Mr. D'Souza, and seconded by Mr. Law, **IT IS RESOLVED THAT** the Audit, Finance and Risk Committee recommend to the Board that the Audit, Finance and Risk Committee be the coordinator and reporter of risk activities to the full Board, but that individual Board Committees be accountable for monitoring and assessing risk within their spheres of activities.

The discussion of Stakeholder Direction matters involved a review of the activities associated with the annual business cycle, including annual reporting and the City of Toronto's budget process timelines. Also discussed was the Committee's role in the Strategic Plan process. It was felt that, while the Strategic Plan was a full Board accountability, certain aspects of the Plan should be reviewed by the relevant Board Committees.

There was agreement that workplans would be created for both fiscal 2022 and 2023, with the Committee's focus being on the development of future workplans and recognizing that many of their typical upcoming matters would be going directly to the Board during the transition period leading up to the June 1, 2022, transition date.

The interim finance lead will work with the Committee chair in developing the workplans.

ITEM 4: ACTIONS SUMMARY AND CLOSING

The meeting closed at 6:08pm

ATTACHMENTS:

1. Audit, Finance and Risk Committee – Updated January 6, 2022, tracked changes
2. Audit, Finance and Risk Committee – Updated January 6, 2022, clean version

ITEM #5

2022/2023 DRAFT AFRC ACTIVITIES

March 8, 2022		Draft Activities for the Audit, Finance and Risk Work Plan		
2022 Meetings				
Board	AFR		2022	2023
		January		
		February		<ol style="list-style-type: none"> 1. Recommending to the Board approval of the 2022 audited financial statements 2. Presentation of 2022 Quarter 4 Financial Results and 'CFO' report
March 31	March 14	March (end of Qtr. 1)	<ol style="list-style-type: none"> 1. Review of 2022 and 2023 draft workplans 2. Education on the financial transactions between TSHC and TCHC 	<ol style="list-style-type: none"> 1. 2022 Annual Report is due April 30. 2. 2022 audited FS due to the City by March 31.
April 28		April	<ol style="list-style-type: none"> 1. Recommend to the City the 2022 external auditors (due end of April) 2. Presentation of 2022 Quarter 1 Financial Results and 'CFO' report. [THESE WILL GO DIRECTLY TO THE BOARD AT THE APRIL 28, 2022, MEETING] 	<ol style="list-style-type: none"> 1. Presentation of 2023 Quarter 1 Financial Results and 'CFO' report. 2. Recommendation to the City the 2023 external auditors (due end of April)
May 18	May 3	May	<ol style="list-style-type: none"> 1. Recommend to the Board approval of the following policies: <ol style="list-style-type: none"> a. Procedure Policy b. Capital Expense Policy c. Expense Reimbursement Policy d. Investment Policy 	

June 30	To be scheduled	June (end of Qtr. 2)	<ol style="list-style-type: none"> 1. Presentation of January 1 to May 31, 2022, Financial Results, and 'CFO' report 2. Status of financial reporting and related matters, including cash flow 	
		July		<ol style="list-style-type: none"> 1. Presentation of 2023 Quarter 2 Financial Results and 'CFO' report. 2. Presentation of 2023 Forecast and cash flow 3. Overseeing and recommending for approval to the Board insurance coverage for the Corporation.
To be scheduled	To be scheduled	August	<ol style="list-style-type: none"> 1. Presentation of 2023 Preliminary Budget. (Submission deadline to the City is September 1) 2. Overseeing and recommending for approval to the Board insurance coverage for the Corporation 3. Presentation of 2022 Quarter 2 Financial Results and 'CFO' report 	<ol style="list-style-type: none"> 1. Presentation of 2024 Preliminary Budget. (Submission deadline to the City is September 1)

September 29, 2022 (may need to be moved to accommodate the 2023 budget)		September (end of Qtr. 3)		
		October	Presentation of 2022 Quarter 3 Financial Results and 'CFO' report	1. Presentation of 2023 Quarter 3 Financial Results and 'CFO' report
November 29		November		
		December (end of Qtr.4)	<ol style="list-style-type: none"> 1. Establish key financial performance indicators 2. 2022 external audit plan presentation from the auditors 3. Propose initial key internal controls for monitoring internal control. 4. Consider compliance audits within the context of internal audits and recommend approval of an internal audit policy. 5. Projection of 2022 year end forecast 	<ol style="list-style-type: none"> 1. Recommending approval of the Final 2024 budget to the Board 2. 2023 external audit plan presentation from the auditors 3. Projection of 2023 year end forecast

2023 and 2024 budget review dates are preliminary

'CFO' report to incorporate key financial performance indicators.

Not yet scheduled: Development of ERM framework, policy and reporting and monitoring compliance with funding agreements and relevant legislation.