

Toronto Seniors Housing Corporation

Audit, Finance and Risk Committee (AFRC) Meeting Agenda

Date: Wednesday, November 26, 2025

Time: 4:00 pm to 5:30 pm

Location: WebEx and Livestream

Item	Time	Description	Action	Type of Item	Presenter
1.	4:00 pm 2 min	Chair's Remarks	Information	N/A	Chair
2.	4:02 pm 2 min	Land and African Ancestral Acknowledgements	N/A	N/A	Chair
3.	4:04 pm 1 min	Approval of Public Meeting Agenda	Approval	Agenda	Chair
4.	4:05 pm 1 min	Chair's Poll re: Conflict of Interest	Declaration	N/A	Chair
5.	4:06 pm 1 min	Approval of Public Session Minutes of AFR Committee Meeting of October 16, 2025	Approval	Minutes	Chair
6.	4:07 pm 1 min	Approval of Closed Session Minutes of AFR Committee Meeting of October 16, 2025	Approval	Minutes	Chair
7.	4:08 pm 2 min	Action Item Review	Information	List	Chair
8.	4:10 pm 5 min	CEO Update	Information	Verbal	Tom Hunter
9.	4:15 pm 15 min	2026 Proposed Budget	Information	Report	Vince Truong
10.	4:30 pm 5 min	Investment Policy	Approval	Report	Vince Truong

Item	Time	Description	Action	Type of Item	Presenter
11.	4:35 pm 15 min	Business Continuity Update	Information	Report	Grant Coffey
12.	4:50 pm 5 min	October YTD 2025 Financial Result	Approval	Report	Vince Truong
13.	4:55 pm 1 min	Motion to move into Closed Session	Approval	N/A	Chair
14.	4:56 pm 1 min	<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>	Approval	Agenda	Chair
15.	4:57 pm 5 min		Information	Verbal	Tom Hunter
16.	5:02 pm 5 min		Information	Report	Vince Truong
17.	5:07 pm 10 min		Information	Report	Grant Coffey
18.	5:17 pm 5 min		Approval	Report	Vince Truong
19.	5:22 pm 5 min		Information	Report	Vince Truong
20.	5:27 pm 5 min		Approval	Report	Vince Truong
21.	5:32 pm 1 min		Approval	N/A	Chair
22.	5:33 pm 1 min	Motion to Approve Closed Session Decisions	Approval	N/A	Chair
23.	5:34 pm 1 min	Adjournment	Approval	N/A	Chair

Toronto Seniors Housing Corporation

Audit, Finance, and Risk Committee (AFRC) Meeting

Public Minutes

View Live Stream Videos here: [Part 1](#) and [Part 2](#)

Public Minutes

The Audit, Finance and Risk Committee (AFRC) of the TSHC Board held its meeting on Thursday, October 16, 2025, at 4:00 pm via WebEx video conference. This meeting was livestreamed.

Members in attendance:

Lawrence D’Souza, Chair
Fareed Amin
Brenda Parris
Councillor Crisanti
Jesse Cohoon
Jim Meeks

TSHC staff present:

Tom Hunter, *Chief Executive Officer*
Grant Coffey, *Directory, Strategy and Business Management*
Vince Truong, *Interim Finance Lead*
Tolu Solebo, *Financial Reporting & Compliance*
Brad Priggen, *Director, Operations*
Carol Francis, *Director, People & Culture*
Deanna Veltri, *Director, Engagement, Partnerships and Communications*
Nina Phillips, *Business Consultant*
Karyn Bawden, *EA and Board Secretary*
Fatima Mahmood, *EA*
Emma Francis, *EA, Office of CEO*

Item 1: Chair’s remarks

The Chair welcomed Board and Committee members, staff and online attendees and noted we were livestreaming on YouTube and had no deputations.

The Chair recognized October as National Disability Employment Awareness Month, Islamic, Women's Month, Hispanic, Hungarian, Korean & Latin American Heritage Months and Breast Cancer Awareness Month. He also noted it is CyberSecurity Awareness month.

He then passed to the Board Chair, Fareed Amin who welcomed new Board members effective October 10, 2025, Jesse Cohoon and Kosta Kostouros and thanked Warren Law for all his work on the Board. Mr. Amin then passed to the Chair who also thanked Mr. Law for his work and proceeded with the Agenda.

Item 2: Land and African ancestral acknowledgements

The Chair spoke to our Land and African Ancestral acknowledgements.

Once finished, the Chair went to the next Agenda Item.

Item 3: Approval of public meeting Agenda

The Chair asked for a motion to approve the Public Agenda of October 16, 2025, as presented.

Moved: Brenda Parris

Seconded: Lawrence D'Souza

With All in favour, it was resolved that the Public Agenda of October 16, 2025, was approved as presented **Carried**

With that, the Chair moved to the next Agenda Item.

Item 4: Chair's poll re: conflict of interest

The Chair asked the members of the Committee and Board members whether they were in conflict of interest with any agenda item. With no conflicts being declared, the Chair continued to next Agenda Item.

Item 5: Approval of public minutes of AFRC meeting of September 3, 2025

The Chair asked if there were any edits or changes to the public session minutes of September 3, 2025. Being none, the Chair asked for a motion to approve the AFRC public session minutes of September 3, 2025, as presented.

Moved: Brenda Parris

Seconded: Fareed Amin

With All in favour, it was resolved that the public session minutes of September 3, 2025, were approved as presented **Carried**

The Chair then proceeded to the next Agenda Item.

Item 6: Approval of closed session minutes of AFRC meeting of September 3, 2025

The Chair asked if there were any edits or changes to the Closed Session minutes of September 3, 2025. Being none, the Chair asked for a motion to approve the AFRC Closed Session minutes of September 3, 2025, as presented.

Moved: Brenda Parris

Seconded: Lawrence D'Souza

With All in favour, it was resolved that the Closed Session minutes of September 3, 2025, were approved as presented **Carried**

Item 7: Action item review

Through the Chair, Grant Coffey spoke to the Action Item of bringing Cyber Security Risk to the Board. Mr. Coffey noted that we are working with TCHC and when timing is aligned, they will bring an update to the Board. With no questions or other Action Items to discuss, the Chair proceeded to the next agenda item.

Item 8: 2026 Budget Update

Through the Chair, Vince Truong went through the 2026 Budget Update, highlighting:

- Discussions with Directors, Managers and staff
- Maintaining existing services
- Consideration of key cost drivers such as inflation
- Request for additional staff to support tenant-facing operations and fulfil deferred corporate requirements
- Other impact in operations including salary, collective agreements, and other expected changes

There was a fulsome conversation among the Committee. Brenda Parris asked what the relationship with the Housing Secretariat was. Tom Hunter noted they are responsible for allocation of subsidy and oversee tenancy. Ms. Parris also asked how many RHI Tenancy we currently have and Brad Priggen noted it was 442.

With no further questions or comments, the Chair thanked Mr. Truong, staff and Committee members for the discussion. The Chair then proceeded to the next Agenda item.

Item 9: August YTD 2025 Financial Result

Through the Chair, Vince Truong went through the August YTD 2025 Financial Result, highlighting:

- Statement of Operations
- Statement of Financial Position

There were no comments or questions; the Chair proceeded to the next Agenda item.

Item 10: Procurement Change Order

Through the Chair, Vince Truong went through the Procurement Change Order. Ms. Parris inquired whether we are hiring an in-house lawyer. Mr. Hunter noted that we still have room in budget for outside representation and has served us well. Ms. Parris asked for a breakdown total paid in legal fees for 2025. With that, the Chair noted we required a motion to approve and award the following change order in which the cumulative change order value exceeds 20% of the original commitment value of the contract to:

- a) Hicks Morley (Hicks Morley Hamilton Steward Storie) – Legal services for collective bargaining, labour and employment matters to December 31, 2025, in the amount of \$100,000 (exclusive of taxes).

Moved: Brenda Parris

Seconded: Fareed Amin

With all in favour, it was resolved that the Procurement Change Order was approved as presented **Carried**

The Chair continued to the next Agenda Item.

Item 11: 2025-26 Insurance Renewal

Through the Chair, Vince Truong went through the 2025-26 Insurance Renewal and the Chair noted we required a motion to approve and recommend to the Board of Directors to adopt the following resolution:

1. Approve the 2025-26 insurance renewal with Housing Services Corporation Inc. (HSC), effective November 1, 2025 to October 31, 2026 at an annual premium of approximately \$676,856 excluding applicable taxes

Moved: Fareed Amin

Seconded: Brenda Parris

With all in favour, it was resolved that the 2025-26 Insurance Renewal was approved as presented **Carried**

Item 12: Motion to Move into Closed Session

The Chair asked for a motion to approve the meeting move into Closed Session under By-Law Section 4.19, Subsections 1I, 1J and 1K.

Moved: Fareed Amin

Seconded: Brenda Parris

With all in favour, it was resolved that the Public meeting be terminated and the AFRC October 16, 2025 meeting move into the Closed Session **Carried**

Live Streaming ended and the meeting went into Closed Session.

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Upon returning to the Public Realm, the Chair thanked the online attendees for joining the TSHC AFRC meeting of October 16, 2025, and noted we had one Closed Session Agenda Item to be approved and proceeded to that Item.

Item 19: Motion to Approve Closed Session Decisions

The asked for a motion to approve and recommend to the Board of Directors to adopt the following resolution:

- Recommend that the City of Toronto appoint KPMG to be TSHC's external auditor for the year ending December 31, 2025

Moved: Brenda Parris

Seconded: Lawrence D'Souza

With all in favour, it was resolved that the recommendation that the Board adopt the resolution and recommend that the City of Toronto appoint KPMG to be TSHC's external auditor for the year ending December 31, 2025..... **Carried**

Item 20: Adjournment

The Chair thanked the Committee members, staff and the online attendees. He then asked for a motion to adjourn the October 16, 2025, meeting.

Moved: Brenda Parris

Seconded: Lawrence D'Souza

With all in favour, it was resolved that the TSHC AFRC October 16, 2025, meeting terminate **Carried**

Lawrence D'Souza, Chair
Audit, Finance and Risk Committee

**Toronto Seniors Housing Corporation
Audit, Finance and Risk Committee**

**Action Items List as of
November 2025**

	Meeting Arising From	Description	Resp.	Status
1.	June 4, 2025	Bring to Board Cybersecurity Risk	Grant Coffey	Pending

Action Items Completed				
	Meeting Arising From	Description	Resp.	Status
1.	June 4, 2025	Schedule Special meeting of the Board for 2026 Budget Update in August	Staff	Completed
2.	January 31, 2024	Staff to consult with TCHC on Environmental Renewal and Plan.	Grant Coffey	Sent to Quality and Tenant Engagement Committee
3.	January 31, 2024	Bring forward an overview of revitalization plans in the 2024 budget including net new potential housing for seniors.	Grant Coffey	Sent to Quality and Tenant Engagement Committee

Toronto Seniors Housing Corporation
Audit, Finance, and Risk Committee (AFRC) Meeting

Meeting Date: November 26, 2025

Item Number: 09

Report Name: 2026 Budget Update

To: Audit, Finance, and Risk Committee

From: Vince Truong, Finance Lead (I)

Date of Report: November 18, 2025

Purpose:

The purpose of this report is to provide an update on financial matters.

Recommendation:

It is recommended that the AFRC receive this Report for information.

Reason for Recommendation:

The first draft of the 2026 Budget was submitted to the City of Toronto on September 9th as a stand-alone budget for Toronto Seniors Housing Corporation (TSHC). The preliminary budget reflects the following:

- Discussions with Directors, Managers and staff

- Maintaining existing services
- Consideration of key cost drivers such as inflation
- Request for additional staff to support tenant-facing operations and fulfil deferred corporate requirements
- Other impact in operations including salary, collective agreements, and other expected changes

The budget touched on key messages as outlined by the Mayor's office and the Budget Committee Chair on three key priorities: focus on service to our tenants, maintaining financial sustainability, and finding efficiencies and savings.

In early August, TSHC held two virtual tenant consultation sessions. In these sessions, TSHC received valuable input on some of the tenant priorities, and a few of the highlights are listed below:

- Building security and safety for tenants,
- Community Activities Funds (CAF) and tenant engagement,
- Cleaning, pest management, and other capital work at TSHC buildings,
- Funding to support senior's health and living through other agencies.

TSHC met with the Senior Tenant Advisory Committee (STAC) on August 14 to further consult and gather input, convey the messages from tenants' sessions, and address budgetary questions from the committee.

Over the past months, there has been ongoing conversations with Toronto Community Housing Corporation (TCHC) and the City. TCHC will be providing the budget line items that TCHC currently manages, and the process will remain similar to past years. The Budget Allocation process, whereby the appropriate transfer of costs between the two organizations were outlined in the original Transition Agreement and the Service Delivery Agreement, has gone through reviews over the last couple of months with MNP. MNP has concluded the review process and has provided recommendations and proposed changes.

TSHC has consulted with the Housing Secretariat and the City Financial Planning Division (FPD) on the details of the proposed 2026 Budget. There were good discussions that resulted in suggested changes and further input on the new and enhanced positions.

As a follow through to these discussions, TSHC has submitted a revised 2026 Budget on October 3rd, which included three key changes:

- increase in revenue due to the forecasted revenues for 2025,
- additional costs in shared services that was excluded in the earlier version, and
- updated insurance renewal.

On October 21, TSHC and TCHC received notice from the City to maintain the 2025 budget allocation methodology for the 2026 Budget, and include the MNP calculation as an in-year adjustment during the 2026 reconciliation process with TCHC. This is slightly different from the earlier submission to the AFRC held on October 16.

On November 18, TSHC submitted the last budget update, which included the removal of the new and enhanced tenant facing requests for both TSHC, and shared costs with TCHC, along with other minor adjustments to reflect the current 2026 budget position, please see attachment 1. Included in the submission to the City is the draft 2026

Budget Notes, which is expected to be finalized in December. TSHC is expected to meet with the City FPD the week of November 24 to go over the final submission and a decision to the 2026 Budget will be made shortly thereafter.

Below are the key dates for the balance of the 2026 Budgeting Process:

- Administrative Reviews – Late September – Early October, 2025 (Completed)
- Informal Budget Committee Reviews –October 15-24, 2025 (Completed)
- Target Final 2026 City Financial Planning Budget Decision – Monday November 4, 2025 (Pending)
- Final 2026 Budget Note to City Financial Planning Division – Dec 2025 (In-Progress)
- City Budget Committee reviews –January 14-16, 2026
- Council Budget Review and Approval – February 10, 2026

The Board and AFRC will be updated regularly on major and material items being discussed in these meetings. The Board is expected to approve the 2026 Budget on December 11, 2025.

Name: Vince Truong
Title: Finance Lead (I)

List of Attachment:

2026 Budget Update AFRC November 26 (Attachment 1)

2026 Budget Request – draft***

	Operating Budget						
(In \$000s)	2025 Budget	2025 Projection*	2026 Budget	Change from 2025 Budget		Outlook	
				\$	%	2027	2028
Revenues	\$145,507	\$147,318	\$148,803	\$3,296	2.3%	\$150,796	\$152,828
Gross Expenditures	\$145,507	\$143,517	\$151,137	\$5,630	3.9%	\$157,020	\$160,811
Net Expenditures	\$0	(\$3,800)	\$2,334	\$2,334	0.0%	\$6,224	\$7,983
Approved Positions**	330.5	326.0	334.5	4.0	1.2%	338.5	338.5
*Projection based on 9-Month Variance							
**Year-over-year comparison based on approved positions							

*** Currently in budget review process with the City of Toronto

2026 Budget will be tabled on January 14-16, 2026, to the Budget Committee, and City Council to approve on February 10, 2026

Toronto Seniors Housing Corporation
Audit, Finance, and Risk Committee (AFRC) Meeting

Meeting Date: November 26, 2025

Item Number: 10

Report Name: Investment Policy

To: Audit, Finance, and Risk Committee

From: Vince Truong, Finance Lead (I)

Date of Report: November 18, 2025

Purpose:

The purpose of this report is to provide a recommendation to the Board of Directors for approval.

Recommendation:

It is recommended that the Audit, Finance, and Risk Committee (AFRC) approve and recommend to the Board of Directors to adopt the following resolution:

- Approve the Investment Policy, as set out in Attachment 1 to this report.

Reason for Recommendation:

The Investment Policy was in place at the start of Toronto Seniors Housing Corporation (TSHC) inauguration year and it's up for review. The recommended changes include updating the current position title,

change the policy review process to every three years, change to the new policy format, and other minor edits.

The new investment policy also went through consultation with Toronto Community Housing Corporation (TCHC) for consistency and current practice.

Name: Vince Truong
Title: Finance Lead (I)

List of Attachments:

Investment Policy (Clean version)
Investment Policy (Tracked changes)

Toronto Seniors Housing Corporation (TSHC) Investment Policy

Policy Sponsor: Finance Lead

Approver: Board of Directors

Initial Approval Date: May 18, 2022

Date of Last Revision:

Effective Date: June 1, 2022

Policy Statement

The purpose of this Policy is to establish investment principles and guidelines that are appropriate for the purposes of meeting the various capital, financial and other obligations of Toronto Seniors Housing Corporation (TSHC).

Scope

This Policy is applicable to TSHC personnel who have been vested with the power and responsibility to transact and invest funds on behalf of the organization. This Policy applies to all investments decisions and transactions.

Roles and Responsibilities

The Chief Executive Officer (CEO) or designate and the Finance Lead have joint authority for transacting and investing funds on behalf of TSHC. The CEO designation of authority is to be in writing to the Finance Lead. The Finance Lead cannot designate their authority. If there are investment decisions and transactions, covered by this Policy, the Finance Lead shall prepare a schedule of investments for presentation quarterly to the Audit, Finance and Risk Committee.

Content

Investment decisions will prudently balance liquidity, risk, growth, and yield and produce a total return that will preserve the real purchasing power of the principal invested.

Cash that is surplus to TSHC's current requirements may be invested in:

- Government of Ontario or Canada Treasury Bills
- Government of Ontario or Canada Bonds
- Guaranteed Investment Certificates (GIC) issued by a Canadian Chartered Bank

The maximum investment term for excess "in year" operating cash shall be for the period of up to one year.

All investment transactions require the joint written approval of the Chief Executive Officer and the Finance Lead.

Amendments (Revision History):

Initial policy approved by Board of Directors on May 18, 2022, effective June 1, 2022.

Policy reviewed on November 26, 2025, with the following revisions:

- Review schedule changed from every two years or earlier to every three years or earlier. Update position title and other minor edits.

Next Scheduled Review Date: 2028

The Policy shall be reviewed every three years or earlier if deemed necessary by the Finance Lead and amendments shall be presented to the Audit, Finance and Risk Committee for recommendation to the Board of Directors.

Policy Contact

Finance Lead

Toronto Seniors Housing Corporation (TSHC)
Investment Policy

Policy Sponsor: Finance Lead
Approver: Board of Directors
Initial Approval Date: May 18, 2022
Date of Last Revision:
Effective Date: June 1, 2022

Policy Statement

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All investment transactions require the joint written approval of the Chief Executive Officer and the ~~Director of Finance~~/Finance Lead.

Amendments (Revision History):

Initial policy approved by Board of Directors on May 18, 2022, effective June 1, 2022.

Policy reviewed on November 26, 2025, with the following revisions:

- Review schedule changed from every two years or earlier to every three years or earlier. Update position title and other minor edits.

Next Scheduled Review Date: 20278

The Policy shall be reviewed every three years or earlier if deemed necessary by the ~~Director of Finance~~/Finance Lead and amendments shall be presented to the Audit, Finance and Risk Committee for recommendation to the Board of Directors.

Policy Contact

Finance Lead

Toronto Seniors Housing Corporation
Audit, Finance, and Risk Committee (AFRC) Meeting

Meeting Date: November 26, 2025

Topic: TSHC Business Continuity Planning

Item Number: 11

Report Name: TSHC Business Continuity Planning

To: Audit, Finance, and Risk Committee

From: Grant Coffey, Director Strategy and Business Management

Date of Report: November 10, 2025

Purpose: For information

Recommendation:

It is recommended that the Audit, Finance and Risk Committee (AFRC) receive this report for information.

Reason for Recommendation:

TSHC is committed to maintain the resilience of its business operations during interruptions caused by natural, technological, or human-related events. To support this commitment, TSHC management initiated the development of a Business Continuity Plan (BCP) and Business Continuity Management Policy and had engaged MNP LLP to lead this process.

TSHC Business Continuity Plan

TSHC's Business Continuity Plan (BCP) will help the organization stay resilient and keep critical services running during major disruptions. The main goal is to protect tenants, staff, and partners, while making sure essential operations continue.

The plan outlines the steps to take when a disruption is identified, including how staff escalate the issue, the evaluation process, and the appropriate response actions. It includes clear communication guidelines for staff, partners, and tenants, and ensures messages align with Toronto Community Housing Corporation (TCHC) when needed.

The plan also identifies time-sensitive processes across TSHC's departments. Each process includes a maximum tolerable downtime (MTD), resource requirements, technical and non-technical dependencies, and step-by-step recovery actions.

The BCP is reviewed annually or whenever significant operational changes occur. Updates will reflect changes in roles, processes, systems, and organizational structure.

Business Continuity Management Policy

The Policy defines TSHC's approach to business continuity, outlines the responsibilities of key partners, and details the structure and processes that support continuity planning.

Next Steps

TSHC management will explore and finalize training options to help staff understand the BCP, with plans to roll out the training program in Q1 2026.

TSHC is also working with TCHC on developing an updated Joint Emergency Response Plan that will include escalation processes, and roles and responsibilities between the two organizations.

Grant Coffey
Director, Strategy and Business Management

Attachments:

Attachment 1 – Business Continuity Presentation

Business Continuity

Overview of the Plan and Policy

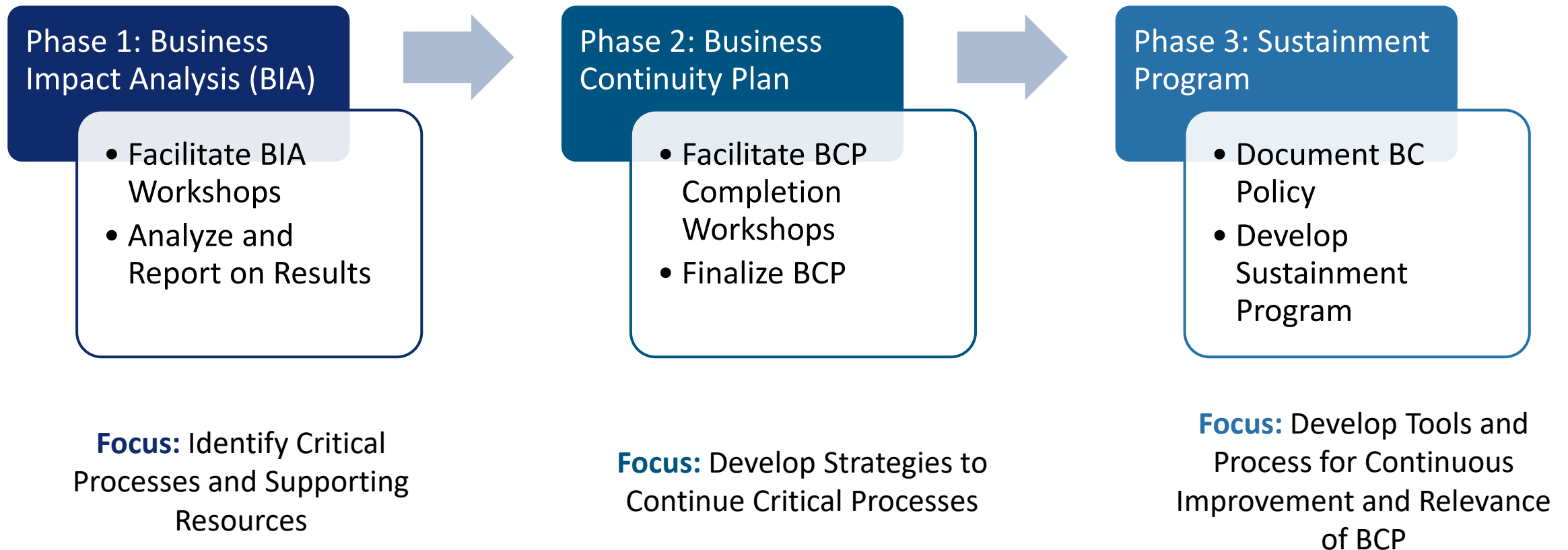
November 19, 2025

Background

- Developing a Business Continuity Plan (BCP) was identified as a key priority by the Board
- Although TSHC is part of TCHC's BCP, TSHC wanted its own BCP that focuses on TSHC-owned processes
- TSHC added Business Continuity as a key action item under the Strategic Directions
- TSHC procured MNP LLP to collaborate on the development of a TSHC BCP

Business Continuity Planning Project

Objective: Develop a TSHC BCP that focuses on TSHC-owned processes and integrates with TCHC's BCP.



Overview of the BCP and BC Policy

Business Continuity Plan Components

Plan Activation	• Including: Identification, Escalation, Evaluation, and Response
Communications and Information Management	• Response Cycle concept • Internal and External comms
Strategies for Common Disruption Scenarios	• Loss of IT • Loss of Facility • Loss of Staff • Loss of Critical Vendor
Critical Business Processes	• Workarounds and key actions to continue processes • Primary and Alternate staff
Vital Records	• Procedures, Policies, etc.
Salvage List	• Items to salvage from impacted facility (hard to replace items)
Forms and Contact Information	• To guide the response

Business Continuity Policy

Scope and Out of Scope

Roles and Responsibilities

Business Disruption

A significant incident where the impact to operations/reputation is such that a response requires LT decisions and actions.

Examples of a Business Disruption

- Flood or fire impact that renders a TSHC building as inhabitable
- Pandemic event
- Loss of IT or utilities for an extended period at a TSHC building

What is not a Business Disruption

- Flood or fire impacting a minor portion of a TSHC building
- Health and safety incident resulting in non-serious injuries
- Loss of IT or utilities in building(s) for a short duration

Critical Business Processes

Items that are covered under TSHC's BCP. The BCP has actions that need to be taken to recover these time-critical business processes from a disruption. TCHC Services are not included in this.

Operations	People & Culture	EPC	Finance	Strategy & Business Management
• Tenant Support • Transfer Priority Requests • Tenancy Services • Maintenance Services (including cleaning services and AUI inspections)	• Employee Relations • Labour Relations • WSIB Management • Disability Management • Health and Safety	• External Communications	• Cash Flow Management • Banking Services (including accounts payable, issuance of cheques, deposits) • Month End Process and Reporting • P-Card Administration	• Provide Strategic Advice to CEO and Leadership Team • Relationship Management with TCHC • Governance (Board)

Linkage to TCHC

- Any services provided by TCHC would be captured in TCHC's Business Continuity Plan
- If the root cause of a TSHC business disruption is due to an issue that is primarily managed by TCHC (e.g., a cyber incident):
 - TSHC staff will connect with the Director, Strategic Communications at TCHC as they develop messaging to ensure, where appropriate, there is alignment with TCHC's communications.

Business Continuity Management Policy

- TSHC engaged with MNP LLP to develop a Business Continuity Management Policy
- Key Policy Elements:
 - TSHC's approach to Business Continuity
 - Responsibilities of key partners
 - Structure and processes that support continuity planning

Next Steps

- TSHC is exploring training options for staff on the new Business Continuity Plan for 2026
- TSHC is working with TCHC on an updated Joint Emergency Response Plan

Toronto Seniors Housing Corporation
Audit, Finance, and Risk Committee (AFRC) Meeting

Meeting Date: November 26, 2025

Item Number: 12

Report Name: October YTD 2025 TSHC Financial Result

To: Audit, Finance, and Risk Committee

From: Vince Truong, Finance Lead (I)

Date of Report: November 18, 2025

Purpose: The purpose of this report is to provide an update on financial matters.

Recommendation:

It is recommended that the AFRC receive this report for information.

Reason for Recommendation:

October YTD 2025 TSHC Financial Result

Please see the Statement of Operations (Attachment 1).

Through October 31, 2025, TSHC incurred operating expenses of \$41,383,778 on a total revenue of \$45,770,624 for an excess of revenue over expenses of \$4,386,846 including amortization expense.

The excess of revenues over expenses included the below factors:

- October YTD surplus arising from the TCHC-TSHC reconciliation, which had a net positive effect of \$6,903,520,
- Salary and Benefit costs were higher than the budgeted expenditure by (\$502,783) with further details in the report,
- Other savings in professional services, legal, and miscellaneous costs.
- SDA - Shared Services with TCHC included HST recovery through the Canada Revenue Agency (CRA) had a net positive impact of \$325,381.

Revenue for the eight months was \$45,770,624 composed of \$38,610,421 from TCHC for TSHC's rental units (revenue less expense estimate per the Transition Agreement) and \$6,903,520 from the surplus revenue from the nine months of the TCHC-TSHC reconciliation. Interest income earned on bank balances accounted for \$211,028, which included the interest payment from the CRA, and \$45,655 for other income including partnership agreement and miscellaneous income.

TSHC incurred operating expenses of \$41,383,778 including amortization expense. Expenses incurred were for staff compensation and benefits, legal and professional services, third-party vendors, insurance, other miscellaneous costs, and shared services paid to TCHC as per the Services Delivery Agreement (SDA).

Salaries and benefits were higher due to several factors:

- Vacation accrual expense which is anticipated to be used in the latter part of the year,
- Parental leave, WSIB, long term disability, and staff benefits,
- Full complement of staff in Operations with low vacancy and staff turnover rates,
- Salary expenses are offset by a lower than expected Post-Retirement benefits accrual, resulting in higher expenses of (\$502,783) compared to budget.

Professional and legal services were lower than budget by \$91,130 mainly due to timing differences on the expenditure. Other miscellaneous costs were lower by \$193,092 due to lower-than-expected expenditures in staff training and development, communication services, tenant translations, office related expenses, and systems development maintenance costs. It is anticipated that these expenses will increase for the rest of the year; however, they will come within budget.

Insurance cost was higher due to additional insurance coverage starting in April. This was not budgeted, and this cost will remain through the balance of the year.

Please refer to the Statement of Financial Position (Attachment 2):

1. Cash – \$8,483,465
2. Accounts Receivable - \$42,342

3. Due from TCHC (Short -Term) - \$2,884,695
4. Prepaid expenses - \$5,000
5. Due from TCHC (Long-Term) - \$4,015,051
6. Fixed Asset (Equipment), net - \$11,066
7. Accounts payable - \$3,756,686
8. Employee Benefits (Post-Retirement Benefits) - \$6,675,350

The cash balance represents the bank balance and petty cash as of October 31, 2025.

The Accounts Receivable balance consisted of interest receivable from the bank and from the CRA on the GST/HST sales tax.

Due from TCHC (Short-Term) included the 2025 TCHC-TSHC reconciliation surplus of \$6,903,520 less amount received for the Quarter 1 & 2 surplus of \$4,018,825.

Prepaid expense is the balance of the annual insurance paid in October 2024 with the monthly drawdown of expense to the end of October 2025 and the WSIB prepayment.

Due from TCHC is the long-term receivable for the Post-Retirement Obligations currently at \$4,015,051.

The Accounts Payable balance is of the end of October. The balance includes:

- Payroll - \$2,626,468
- Pension and Benefits - \$357,526
- Vendor Payables - \$772,692

Name: Vince Truong
Title: Finance Lead (I)

List of Attachments:

1. TSHC October YTD 2025 Financial Result - Statement of Operations
2. TSHC October YTD 2025 Financial Result - Statement of Financial Position

Toronto Seniors Housing Corporation
Statement of Operations (Draft - Unaudited)
Ten Months to October 31, 2025

STATEMENT OF OPERATIONS	Year to Date Result			Annual		
	Actual	Budget	Variance Actual Vs Budget	2025 Forecast	2025 Budget	Variance Forecast Vs Budget
Revenue						
Revenue from TCHC	38,610,421	38,610,421	-	46,332,505	46,332,505	-
TCHC-TSHC Reconciliation	6,903,520	-	6,903,520	8,473,155	-	8,473,155
Interest income	211,028	132,400	78,628	249,028	150,000	99,028
Other Income	45,655	-	45,655	45,655	-	45,655
Total Revenue	45,770,624	38,742,821	7,027,803	55,100,343	46,482,505	8,617,838
Expenses						
Salaries and Benefits	30,028,104	29,525,321	(502,783)	35,969,353	35,440,601	(528,752)
Legal and Professional Services	557,212	648,342	91,130	707,790	841,025	133,235
Insurance	678,626	637,250	(41,376)	816,931	764,699	(52,232)
Other Miscellaneous Costs	626,571	819,663	193,092	1,019,349	1,107,504	88,155
SDA - Shared Services with TCHC	9,487,903	9,813,284	325,381	11,450,560	11,775,941	325,381
Total Expenses	41,378,416	41,443,860	65,444	49,963,983	49,929,770	(34,213)
Amortization charge	5,362	5,340	(22)	6,432	36,432	30,000
Excess of Revenue over Expenses	4,386,846	(2,706,379)	7,093,225	5,129,927	(3,483,697)	8,613,624

Toronto Seniors Housing Corporation
Statement of Financial Position (Draft - Unaudited)
As of Oct 31, 2025

Assets

Current Assets:

Cash	8,483,465
Accounts receivable	42,342
Due from TCHC	2,884,695
Prepaid expenses	5,000
	<u>11,415,503</u>

Capital assets - Equipment	29,297
Less: Depreciation	<u>(18,231)</u>
Capital assets	<u>11,066</u>

Due from TCHC	4,015,051
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Total Assets	<u><u>15,441,620</u></u>
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Liabilities & Net Assets

Current Liabilities:

Accounts payable and accrued liabilities	3,756,686
Due to TCHC	-
	<u>3,756,686</u>

Employee Benefits	6,675,350
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Net Assets

Unrestricted (Deficit)/Surplus	5,009,584
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Total Liabilities & Net Assets	<u><u>15,441,620</u></u>
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