

**THE AGENCY FOR CO-OPERATIVE HOUSING –
L'AGENCE DES COOPÉRATIVES D'HABITATION**

BOARD HIGHLIGHTS

Board Meeting of 15 September 2006

FINANCE AND ADMINISTRATION

Policy Review

The Finance and Audit Committee reported on its scheduled review of the Agency's policy on Accounting for Capital Assets, recommending no changes at this time.

Surplus

The Treasurer reported that an operating surplus was expected at the end of the year, due largely to the delayed opening of the Agency's western offices.

31 July 2006 Financial Statements

The Board approved the financial statements for the period ending July 31, 2006.

GOVERNANCE

Policy Review

The Governance and Human Resources Committee reported on its scheduled review of the Agency's policy on business continuity and disaster recovery, advising that no changes were needed.

Disclosed Conflict

The President reported to the Board that at the June meeting of the committee the Vice-President had disclosed to the Governance and Human Resources Committee her relationship to Shawn Preus, an Agency employee, in accordance with the Agency's Human Resources Policy. The President had inadvertently failed to report this to the full Board in June.

Corporate Compliance Report

The Governance and Human Resources Committee reported on its review of a checklist drafted to help management identify and report to the Board on compliance with the Agency's legal, contractual and policy obligations. The committee was satisfied that the checklist was developing in the right direction.

Business Continuity and Disaster Recovery Plan

The Board approved the Business Continuity and Disaster Recovery Plan for the Agency's Support Centre. Directors noted the value of redundancies, off-site storage and regular, thorough testing of the plan.

Salary Ranges

The Board approved an increase in the Agency's salary scale of 2.2%, effective 1 January 2007. This figure was arrived at after considering the year-over-year change in the Consumer Price Index, CMHC's most recent economic adjustment of comparable salary ranges, and the Hay Group forecast of increases in the broader public sector.

Directors' Honorarium

The Board agreed that the director's honorarium should not change in 2007.

Annual Compliance Audit

The Board reviewed a proposal for the Agency's first audit of its compliance with the CMHC-Agency agreement, due by 30 April 2007. The Board delegated authority to the Chief Executive Officer to decide with CMHC on the scope of the audit, stressing that it should focus on the high-risk compliance elements.

OPERATIONS

Management Report

With the division directors' assistance, the CEO presented a management report for the period June through August that highlighted accomplishments, work in progress, goals for the next quarter and deferred activities. Here are some notes and comments arising from the report:

- With the start-up period coming to a close, future management reports will focus on the achievement of key performance indicators.
- The Agency's first quarterly report will go to CMHC at the beginning of October.
- The Board discussed how the Agency should respond to client co-ops when enforcing program rules that CMHC had not consistently imposed in the past.
- The Agency should encourage co-ops to remember the social-democratic principles that brought them into existence.
- As more services are transferred in future, the fee received from CMHC will increase to allow for the hiring of additional staff.
- The Vice-President congratulated staff on the effectiveness of the AIR Help Desk in its work with auditors.

2007 Strategic Focus Areas

The Board approved the following strategic focus areas for 2007, which will serve as the basis of the operating plan:

- completion of start-up activities
- achieving our client-service standards

- meeting the performance standards under our agreement with CMHC
- winning the trust and confidence of our key stakeholders.

The CEO noted that at this time she was happiest with the calibre of the Agency staff and the information system.

Risk-Rating Model

The Board approved a change to the Agency's automated risk-rating model. The model will continue to rate co-ops' risk as High if they lack guaranteed full-replacement-cost coverage for fire and extended perils. However, in the absence of any other indicators of high risk, a co-op lacking other recommended insurance, such as directors' and officers' liability coverage, will receive a rating of Above Average.