

CHC Summary of Governance Structure, Succession Planning and Recruitment Process

Calgary Housing Company is a wholly-owned subsidiary of The City of Calgary. In the spring of 2015, Calgary Housing became a business unit within Community Services department. CHC's Board composition is as follows:

- Composition:**
- Up to 3 Members of Council
 - 6 to 8 Citizen Representatives
 - 1 Director, Calgary Neighbourhoods
 - 1 City Treasurer

CHC has four committees each having a specific mandate and oversight responsibility.

AUDIT AND RISK MANAGEMENT COMMITTEE

MANDATE

To assist the Board in fulfilling its oversight responsibilities by reviewing financial information that will be provided to the shareholder and to the public, the systems of internal controls that the President and the Corporate Finance & Risk Officer (CFRO) have established, and the audit process.

To oversee the development, implementation and monitoring of appropriate corporate risk strategies relative to legislative compliance, legal/statutory and business requirements.

The committee will undertake the following activities in relation to the external audit:

- Provide an open avenue of communication between the auditor and the Board;
- Review the external audit plan prior to commencement of the audit;
- Consider and review with the President, the CFRO and the auditor:
 - The adequacy of the Corporation's internal controls including computerized information system controls and security;
 - Management letters and any related significant findings and recommendations of the auditor together with the President and CFRO responses.
- Review with the President, the CFRO and the auditor at the completion of the annual examination:
 - The Corporation's annual financial statements;
 - Any changes in accounting policies and practices, and compliance with accounting standards;
 - Major judgmental areas;

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- Significant adjustments arising from the audit;
 - The findings of the auditor's audit of the financial statements and their report;
 - Any significant changes to the audit plan;
 - Any other matters related to the conduct of the audit that are to be communicated to the Committee under public sector accounting standards.
- Review other published documents and consider whether the information contained in them is consistent with the information contained in the annual financial statements;
 - Meet separately with the President, the CFRO, and the auditor as required to discuss any matters that the Committee or these groups believe should be discussed privately.

The committee will undertake the following activities with regards to financial statements and other financial information

- Review and recommend to the Board for approval the annual Operating and Capital budgets of the Corporation;
- Ensure that the annual Operating and Capital budgets of the Corporation support the approved Business Plan of the Corporation;
- Review, approve and provide to the Board the quarterly financial statements of the Corporation;
- Review and recommend to the Board for approval the annual audited Financial Statements and other financial information that will be provided to the Shareholder;
- Review and recommend to the Board for approval the four-year Financial Forecast (on cycle).

The committee will undertake the following activities in relation to risk management:

- To develop, implement and monitor a risk management framework for CHC;
- Inquire of the President, the CFRO, and the auditor (where necessary) about significant risks or exposures and assess the steps the President and CFRO have taken to minimize such risk;
- Require that the President and the CFRO provide appropriate assurances of compliance addressed to the Committee outlining their activities to ensure compliance with key regulatory requirements and internal control practices.

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GOVERNMENT RELATIONS TASK FORCE

MANDATE

- Seeks to develop appropriate external relationships with the major stakeholders of Calgary Housing Company, including the federal, provincial and municipal governments;
- Establishes the strategic goals for maintaining and advancing Calgary Housing Company's relationships with the three orders of government; and
- Establishes the strategic goals that guide Calgary Housing Company's advocacy and government relations activity.

DEVELOPMENT AND ASSET MANAGEMENT COMMITTEE

MANDATE

- Guides the creation of Calgary Housing Real Estate Strategy;
- Reviews and approves the Asset Management Plans; and
- Reviews and approves properties to be acquired, disposed of, or re-developed.

GOVERNANCE COMMITTEE

MANDATE

- Reviews the roles of the directors and officers of the corporation and their accountability to the Board;
- Reviews and recommends changes to ensure ongoing good governance practices;
- Develops and monitors Board development plans including educational and informational opportunities for the Board;
- Develops the succession plan for future Board appointments and ensures through appropriate Board activities that the Board operates in a harmonious fashion; and
- Responsible for governance documents and setting agenda for AGM and annual strategic planning retreat.

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SUCCESSION PLANNING AND RECRUITMENT PROCESS

Succession planning and recruitment is led by the Board's Governance Committee. The process responds to the number and type of vacancies becoming open.

PROCESS FOR RECRUITMENT OF TENANT, CITIZEN AND OTHER REPRESENTATIVES

When recruiting for citizen representatives or multiple positions, the following process is used:

- Complete a skills matrix to identify gaps in skills/qualifications required;
- Determine the selection panel and whether an external recruitment consultant is required;
- Develop the tools and timelines (posting, selection criteria, interview questions, etc.);
- Publicize the opportunity;
- Vet the applications and conduct interview; and
- Bring forward a slate of recommendations at the Annual Shareholder Meeting.