



Victoria Park Management  
**AUDIT COMMITTEE MEETING**

**12:30 P.M. FRIDAY, DECEMBER 15TH, 2017**

# **A G E N D A**

1. Call to Order
2. Approval of the Agenda
3. Approval of Previous Meeting Minutes
4. Audit Planning Schedule
5. Risk Assessment
6. Audit for Peel Condos
7. SIPP (attached for information only) – Deferred to January meeting.
8. Other Business
9. Next Meeting: *January 19, 2018*
10. Adjournment



**VICTORIA PARK COMMUNITY HOMES MANAGEMENT PROJECT  
MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON  
APRIL 26, 2017**

**Present:** D. Montini, Chair  
D. Martin  
T. Cipriani  
S. Naylor via conference call  
M. Gallagher  
S. Holman  
T. Adams – MAC – via conference call

**Staff:** L. Gagne  
V. Fowler  
V. Wall (Recording Secretary)

**1. CALL TO ORDER AND OPENING REMARKS**

- D. Montini called the meeting to order at 5:31 p.m.

**2. CONFLICT OF INTEREST**

- None declared.

**3. APPROVAL OF AGENDA**

- It was noted that this meeting is an Audit meeting attended by guests of the Finance Committee.

**On a motion** by S. Naylor, seconded by D. Martin, the agenda was approved with the above noted amendment, **CARRIED**.

**4. DRAFT FINANCIAL STATEMENTS FOR THE YEAR ENDING DECEMBER 31, 2016 for VPCHMP**

- T. Adams presented the draft financial statements for the year ending December 31, 2016.
  - Consulting fees were up due to Yardi and the salary survey.
  - Wages were up due to the timing of two new positions and the salary continuance.
  - L. Gagne reminded the Committee that there was an expected loss for the first Peel client due to the management model, however we have since gained 2 additional Peel clients that should now offset the salary going forward. A complete analysis is in progress.
- V. Fowler advised there may be a note in the legal letter regarding our claim against Renaissance, our former Collection Agency as they have not forwarded payment to us in over a year. The receivables are in VPCHI and do not affect the financial statements of VPCHMP.

**On a motion** by T. Cipriani, seconded by D. Martin the committee approved the draft 2016 Financial Statements for submission to the Board of Directors with the above noted amendments, **CARRIED**.

**5. OTHER BUSINESS**

- It was noted that this is the last year MAC will be completing the audit. The Board thanked T. Adams for their service. The committee asked that V. Fowler send a note thanking them for their good work.

6. **DATE/TIME OF NEXT MEETING**

- TBD

7. **ADJOURNMENT**

**On a motion** by S. Naylor seconded by D. Martin, the meeting was adjourned at 5:52 p.m., **CARRIED**.



## VICTORIA PARK COMMUNITY HOMES MANAGEMENT PROJECT AUDIT SCHEDULE

TASKS	DATE(S)	COMMENTS
<b>Signed pre-audit letters:</b> - Audit Planning Letter - Independence Letter - Engagement Letter - Engagement Letter – summarized FS - Fraud Questionnaire - Internal Controls Questionnaire	<b>December 15, 2017 12 noon</b>	Signed letter to be received by PYC prior to fieldwork.
<b>Finals of the following:</b> - electronic trial balance - electronic general ledger F'16 - subsequent electronic general ledger F'17 - working papers, schedules and supporting documentation	<b>March 19, 2018</b>	Electronic books and other supporting documentation to be provided by client at prior to fieldwork.
<b>Fieldwork</b> to commence	<b>March 20, 2018</b>	Two weeks of Fieldwork
<b>Draft Financial Statements</b> to staff Electronic	<b>April 18, 2018</b>	
<b>Staff feedback</b>	<b>April 19, 2018</b>	
<b>Revised drafts</b> to the Audit Committee	<b>April 20, 2018</b>	
<b>Finance/Audit meeting</b> <b>PYC to attend via teleconference</b>	<b>April 25, 2018 @ 5 p.m.</b>	
<b>Board Meeting</b> <b>PYC to attend.</b> Signed by Directors and management at the Board Meeting: - Representation letter - Audit Findings letter - Financial statements - Subsequent events questionnaire	<b>May 3, 2018</b>	
<b>Final FS to VPCHMP</b>	<b>May 17, 2018</b>	
<b>AGM</b> <b>PYC to attend via teleconference</b>	<b>*June 14, 2018 5 p.m.</b>	

*Print date: December 8, 2016*

To Steve Holman

Cc Veronica Fowler, Lori-Anne Gagne

From Paul Mustin

August 28, 2017

Re VP's SIPP Plan – Business Arising from 2016

I disclaim any professional or volunteer knowledge or training concerning pensions and their administration . My recollection is that we may have been heading towards dropping the question of whether a specialized legal review was required. Also I wanted to learn and look to satisfy myself and the board that we are following sound practices to fulfill VP's responsibilities to the plan members (our employees) and the applicable regulatory requirements.

It remains an open question for the board whether to refer to a specialist counsel concerning the SIPP plan's conformance to the regulatory requirements. And it's not my intention that staff or board, members perform a detailed review of all these materials:

- Embedded documents from our finance staff and snapshots from board minutes

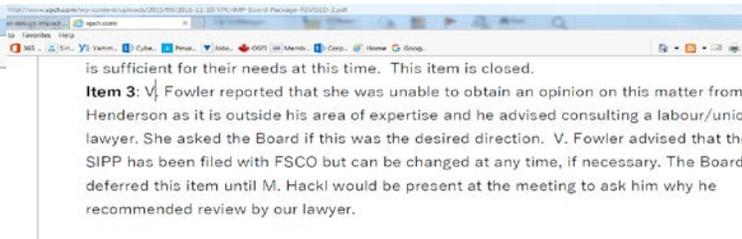
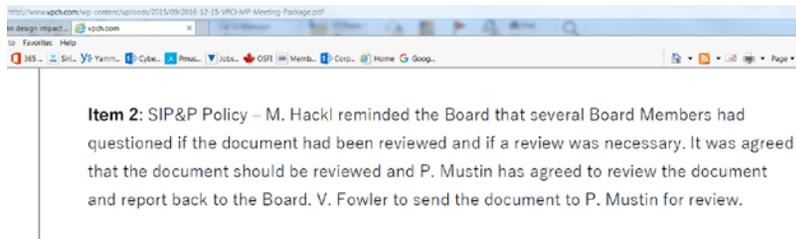


SIPP Victoria Park  
Community Homes Ju



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- The below links of provincial and federal guidance and regulations that I believe are current and applicable to our SIPP defined contribution pension plan:

- 1 - <https://www.fSCO.gov.on.ca/en/pensions/legislative/Pages/rules-concerning-sipp.aspx>
- 2 - <http://laws-lois.justice.gc.ca/eng/acts/P-7.01/>
- 3 - <http://laws-lois.justice.gc.ca/PDF/SOR-87-19.pdf>
- 4 - <https://www.ontario.ca/laws/regulation/900909#BK58>

- The below link on governance found on the Canadian Association of Pension Supervisory Authorities (CAPSA) website. This is an association of the federal and provincial regulators.

- 5 - [https://www.capsa-acor.org/en/init/governance\\_guidelines/GuidelineNo.4\\_CAPSA\\_20161129.pdf](https://www.capsa-acor.org/en/init/governance_guidelines/GuidelineNo.4_CAPSA_20161129.pdf)

Observations:

1. Ensuring we have sound practices and monitoring to meet our ongoing prescribed responsibilities is as or more important than ensuring the SIPP document is fully compliant.
2. Under the second link , it is not clear to me if VP is subject to 7.1, 7.2 or both. But we do need to be mindful that if members(ie. staff) so request, we have obligations concerning their representation on VP's pension committee.

**7.1 A pension committee must**

**(a)** if a majority of the pension plan members so requests, include a representative of the plan members; and

**(b)** if the pension plan has fifty or more retired members and a majority of the retired members so requests, include a representative of the retired members.

1998, c. 12, s. 5.

**Pension council**

**7.2 (1)** An employer who is the administrator of a pension plan may establish a pension council but, if the pension plan has fifty or more members and a majority of the members so requests, the employer shall establish a pension council.

**Representative of members**

**(2)** A pension council must include a representative of the pension plan members and, if the plan has fifty or more retired members and a majority of the retired members so requests, the council must include a representative of the retired members.

**Functions of pension council**

**(3)** The functions of a pension council are the following:

3. The annual responsibilities of the Committee should be checklisted for the HR committee and put into the HR Committee Agenda as a standing annual item for its annual review. Open Access may be willing to assist in drafting the checklist assist. This will include but in no way be limited to communications with members and investment performance monitoring.
4. There should be a standing annual item in the Board Agenda to review the HR Committee's / pension Committee report confirming the completion.

5. Per CAPSA link number 5 there should be a governance review every three years, commencing in 2019.

*Principle 11: Governance review*

**The plan administrator should establish and document a process for the regular review of the pension plan's governance framework and processes.**

The plan administrator should regularly review the pension plan's governance framework and processes and establish a timeframe for the review. The attached *Pension Plan Administrator Governance Self-Assessment Questionnaire* has been developed to assist the plan administrator in carrying out a governance review.

The governance review may result in the plan administrator setting goals and objectives for the future and modifying its policies and practices to improve overall pension plan governance. Where the review identifies governance shortfalls, the review process should also identify and implement methods to address them.

The plan administrator may wish to communicate the result of the governance review to plan members, beneficiaries and other stakeholders.

6. If not already the case we should ensure that VP's auditors annually verify the overall and individual member balances are suitably registered and controlled, and perform any other tests they and staff deem reasonable.