

THE AGENCY FOR CO-OPERATIVE HOUSING

BOARD HIGHLIGHTS

Meeting of 11 March 2011

MANAGEMENT REPORT

The Board received the CEO's written management report for the period October 23, 2010 to February 23, 2011. Attached were copies of the Q4 reports to CMHC on the performance of the Agency and our client co-operatives, an accompanying letter and an internal report on the Agency's achievement of client-service standards in the fourth quarter of 2010.

The CEO introduced her report by describing the interest several provinces had expressed in the Agency's business model and information systems. She presented management's plans to introduce an appropriately scaled enterprise risk-management program at the Agency. The CEO also made the board aware of the Canada Revenue Agency's emerging opinion that any revenue-generating activity is incompatible with non-profit status.

Directors viewed a sample internal Agency report using different filters to show the performance of our portfolio of co-ops in difficulty against various indicators. The CEO explained that the information was drawn from our database and frequently accessed.

FINANCE

The Treasurer reported on behalf of the Finance and Audit Committee, commenting on the financial results for 2010 and recommending approval of the audited financial statements and auditor's report for the year ending December 31, 2010. On the Committee's advice, the Board agreed to recommend to the Agency's sole member, CHF Canada, reappointment of the external auditors for 2011.

On the recommendation of the Committee, the Board approved the Agency's insurance coverage and limits for 2011.

GOVERNANCE AND HUMAN RESOURCES

On the advice of the Governance and Human Resources Committee, the Board approved several minor changes to the Human Resources Policy, the Communications Policy and the Complaints and Dispute Resolution Policy.

The Board viewed the results of a confidential Board and Committee self-evaluation, conducted in January 2011, noting that it was positive. The Board received the 2010 Compliance Audit Report, in which our independent compliance auditors gave their unqualified opinion that the Agency was in compliance with the audited clauses of the

Agreement with CMHC. On the Committee's advice, the Board also approved an adjustment to one grade of the salary scale, which was no longer competitive, and approved the extension of an agreement for development services for the information system.

The Board warmly received a presentation by CHF Canada's Executive Director as part of its annual board education.

The meeting concluded with an in-camera discussion on succession planning.