

CHRISTIAN SENIOR CITIZENS HOMES SOCIETY OF NORTHERN ALBERTA

Minutes of Board Meeting held April 24, 2019

Roll Call: Present: Henry Baker, Anko Buwalda, Bert Kamphuis, Allan Brennan, Ebeline Zee-Hawtin, Darren Sinke, Laura Pothoven. Regrets: Mary Velthuisen, Kelvin VanDasselaar, Evert Vroon

1. *Opening:* Ebeline Zee-Hawtin welcomed everyone, told a little story excerpt from recent Easter service and opened in prayer.

2. Visit with Brad Kotowich:

a.) Governance and Executive Limitations

The first (Governance & Limitations) is a short document that outlines specifically the roles and limitations for both the Board and your Executive Director.

Brad discussed at length with the Board, the Governance and Executive limitations document.

Kudos is given to the current Board of Directors as being a group of very nice and polite members. The percentage of Boards resulting in having this is very low. While this is a great feature, it is not always enough to be the board you need to be. The risk is that the board at one point will feel that one member will pull you in a certain direction. This document safeguards that from happening.

He specifically encouraged the Board that the focus of the document is to create a sense of alignment and strategic discussion in Board meetings.

The Board of Directors approach should be, as shown in the functional overview on page 1, Nose in/ Fingers out. Emmanuel Home has hired their Executive director to ensure operations are effective, efficient, maintain quality, with a focus on strategic growth. The role of the board is to ensure this is happening and to work within the limitations.

Brad challenges the board on this. He mentioned the budget as an example from last meeting. This is a typical, easy thing to focus on and talk about. He suggested that it shouldn't be discussed but if you do, then the talk should be about assets, a measurable outcome. Otherwise you run the risk of challenging the work that has been performed so far. Brad emphasized no disrespect at all, and for the board to provide feedback throughout the discussion

This document is also about being responsible board members, it also facilitates a good orientation for new board members. The main responsibility of the board is to advocate for the residents, hold staff responsible for strategy and growth (see 1st page - rectangle)

Regarding Governance, it's recognizing the distinct roles, and their shared responsibilities which have been created for many boards before you. With this one being created with a focus on Emmanuel Home. The Board takes some time to review the document.

The question was raised regarding the changes surrounding Board member recruitment. To this date, the Board has recruited and decided on nominations. The changes that have been suggested would allow the Executive Director to take over the recruitment of potential candidates. The Board would be the final check and approve/disapprove the suggested nominations. Resulting in the finalization of the nomination list. This allows Emmanuel Home's paid staff to do the groundwork year round, strategically selecting appropriate and experienced candidates. With doing the recruitment process this way, it provides protection for the Board as well as the Executive Director, equating to protection for everyone involved.

Brad shared a story regarding an unfortunate event that occurred due to the eventual firing of the executive director. The purpose was to emphasize that every one of these recommendations came up due to issues that arose from previous Boards. Brad encouraged the Board that when they review these documents to remind themselves that there is a reason every one of these limitations has been put in place. The goal is to make everyone better with each other, achieve sustainability and remove any potential issues.

It was noted that the Secretary of the Board currently does not personally receive any letters directed to the Board; it is managed through the Executive Director. The Board will review this practise within the guidelines of the Governance and Executive Limitations.

b.) Executive Limitations (pg. 3)

Brad explained that there are many ways to create these, and that he tried to achieve simplicity and ease of use. The format selected was to have side by side comparison. Again, emphasis was placed to the Board that when editing the document to always ask/remind yourself there is a reason behind it, before you remove anything. This document is meant to be a guide.

The Board discussed at length whether to have Brad present during the time when they review it. The question was raised that from this document should there be the creation of a policy and procedure manual. Brad encouraged a small document vs. a large policy and procedure book as they tend to not be utilized. He also encouraged the Board to take the time when the new members come on, and spend a day reviewing it. Brad is willing to be a part of this if needed, but expressed that he believes the Board is capable to accomplish this successfully on their own. Ebeline mentioned that currently the policies are already being worked on by the Board and could easily be integrated to this document.

The goal is to elevate the conversation at the Board level. The Leadership team creates the outcomes, the Board pokes at the holes that may be present, closes them, which raises the bar for effective meetings.

Darren suggests Brad or someone facilitate the meeting when reviewing of the documents as an easier shift can occur if no one is present to do this is. The concern is to default to the way it currently is.

Brad encouraged that the Board to make the motion regarding the governance & executive limitations sooner than later. He also mentioned that anyone can become the facilitator to run the meeting and effectively assist in the flow of the content.

c.) Strategic Leadership Document

The question was raised on the financial commitment levels for the Executive Leadership and how different these are compared to other organizations. Brad explained that our group is similar to human services and this was taken from those existing documents to pertain to Emmanuel Home. When the Board takes the day to review the documents then those minor editing adjustments can be made. There should not be many additions, and no deletions.

Deletions would embark into dangerous territory. The opportunity on spending a day reviewing the documents will result in having a good conversation and understanding on them.

The goal is to help create a more aligned focus and distinctive purpose of those in a leadership role and develop the focus on the team. Currently Darren's focus is managing Emmanuel Home and not leading the Society. To encompass the growth, the Operations and Program roles must expand and grow. Darren, Donna and Laura develop to expand into those roles. They are working on creating Purpose statements and outcomes. The Board is then to challenge them on the distinct outcomes, for the society to be healthy.

It will create vibrant conversation, conversation from things like strategic leadership on certain priorities and goals. These conversations will be presented to the board. The Board refines and finalizes the recommendations from the leadership team. This is the best practise, and the Boards job to approve the strategic development of the Society that meets the mandate and values. It pushes the evolution of the Board from operational to the engagement in the achievement of outcomes that meet the values of the Society.

d.) Terms of Reference Document

Discussion was held on whether the type of committees should be adhoc vs. standing. Adhoc committees should be focused, with a strong community representative. This takes expertise into the room. Brad recommends that there should be no more than 3 standing committees. Recommendation is to have 1 – Personnel Committee (the society has an Executive Director, so it is standing) 2 – Finance (as required by law) and the 3rd- Board.

Brad shows focus of Healthy Sustainability outcomes on white board. The focus is on 5 pillars: Customer, Financial, Organizational/Structure/Culture, Mastery and Partnerships.

Customer- outcomes should be focused on quality, engagement etc.

Financial- outcomes should be using resources safely, wisely, efficiently etc.

Organization- outcomes should be focused on efficiency, sustainability, healthy etc.

Mastery- outcomes should be focused on skills and expertise within society to achieve the above 3

Partnerships- every organization needs partnerships, which facilitates doing more with less. Increasing connections with community.

Brad facilitates clarity on these 5 pillars, and encourages challenging your Executive Director on these. Challenge your leadership team on them. If your organization is healthy and functioning with these pillars in place, than you can achieve growth. Customer and Financial topics is typically focused on and result in being the bulk of most board meetings. Report on these items by the Executive Director should be sufficient unless the outcomes are not met. Structure around role outcomes operationally is being held and refined and created. Those outcomes will be the tool to use to hold each other accountable in a sustainable way.

Committees should also have clear outcomes, that way the hashing discussions are done at a committee level.

No decision from a committee level is made outside of the board. The board takes recommendations from committee and moves forward with approval or disapproval. Another strategic technique is to consider taking these skilled and experienced committee members eventually onto the board.

It is decided that Board will have a session to go over the document.

Motion seconded and carried: to adopt the Governance & Executive Limitations as a working document.

3. Additions to the Agenda: none

4. Minutes of March 27, 2019 Board Meeting were reviewed as circulated. **Motion seconded and carried:** to accept the minutes of the March 27, 2019 meeting.

5. Unfinished Business:

- a. *Policy Updates:* no updates today on numbering.
- b. *Possible Board nominees:* Hilda Van Veen bio is present, there are no new ones. Kevin Neuman who works as a pharmacist is interested but this year is unavailable. Nominations can be had from the floor during the AGM but they are required to be contacted beforehand. This is a haphazard recruitment choice and not favoured. Bylaws surrounding this way of recruiting, need to be addressed. Bylaws state that the functioning of the Board can be done with: not less than 5 and no more than 9 members. The Board can decide to work with 8 members.

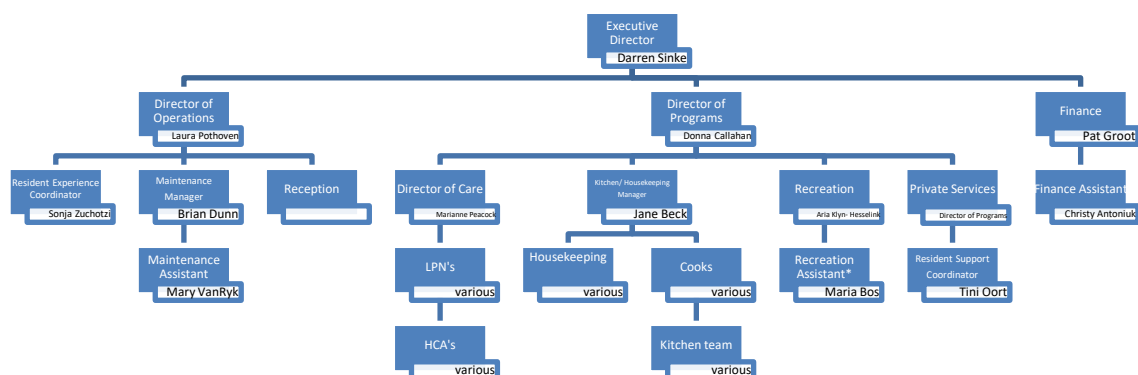
Recruitment discussion held, concerns were raised on the lack of approach on recruitment. There are risks present in the current procedures. The Executive Director can facilitate and take the time to create and groom potential candidates. The board ultimately decides on the final decision. That way this makes the frame of reference on recruitment a constant yearly approach. The list of possible Board members should be present in January, months prior to May AGM. This way, as outlined in the Governance and Limitations Document, allows a shared approach to recruitment. Using the Executive Director's time and focus to pound the pavement and do the work. The Executive Director makes it top priority to focus on recruitment candidates and doesn't exclude them from the process.

- c. *Additional Board member to the Health Committee:* currently a standing committee, which evolved from an adhoc status. It is decided to table this decision until the fall.

6. *Executive Director's Report:* Darren presented his monthly report (full report on the EH portal).

- a) Darren presented visually the re-structuring changes of the organizational chart on the white board. Noting first that previously it was a flat organizational structure managed by the Executive Director. From Brad's insight, this flat structure was causing strain on the Executive Director and hindering the focus on Growth.

Brad held the initial meeting with current managers first, to start the conversation about the eventual, needed shift in structure changes. He then met with Donna, Darren and Laura to refine the new structural changes of the Leadership team. Below is a chart representing those changes.



It was noted that Director of Operations is task heavy vs. Director of Programs being staff heavy. Program Services can be more efficiently worked together this way, as management of services is more aligned. Operations has multiple processes, heavy with the new OHS standards, emergency procedures, and flow of building with daily, yearly operations.

The current roles are not drastically changing. The major impact is the replacement of the Director of Care role, the receptionist role being simplified, which moved the work of special events, fundraising etc. off of Reception and into additional Recreation assistance, which was foreseen as needed with the coming new expansion. This new job role of Recreation assistant was accepted by Maria Bos. This opened up the position for the job of Receptionist. This has been internally posted. We will absorb these changes into this year financially.

Growing pains currently are the managers that used to report to Executive Director. Going forward with these changes they are no longer going to be doing that.

With the growth expected of new buildings, possibly within 2 years. The leadership team will eventually role out into the newly constructed sites and assist in setting up these buildings with these parameters. This effectively sustains the current building of Emmanuel Home, and duplicates its operations, processes, and expertise into the new ones.

For the current year, financial impacts are the Director of Care, Recreation Assistant, Receptionist as of June 1st. Adding approximately \$41,000 additional wage expenditures to our budget this year, which was not for seen. This can be absorbed from the new build revenue.

Next year, the wage profiles of our 2 new directors needs to be considered as their roles are expanding, including with that responsibilities, financial, and budget decisions. Etc.

Finance will be requiring additional people as the Society grows. As well as Private care, which has anticipated growth as that develops and financial resources will be needed.

Looking at Development, it is noted that Coby will retire this year and that will provide revenue which will assist the funds with transition. Also, revenue and resources are present from addition of the new building and rents.

7. Treasurer's Report: Henry presented his Financial report (full report on EH portal)

Focus on the internal budget, update is given. We are currently in a state of financial surplus on an accounting basis. This will be the last year we operate as we currently are. We are financially healthy to absorb the forthcoming staff changes. There is some tension noted on the internal audits, but that is in relation to the cash flow budgets. The Bank wants projections, so that is what the auditor shows, and not the cash flow budget that is worked on internally.

The Board agreed that the Timeline for monthly reports from finance is a stressor due to timeline restraints, and can be changed to when it becomes available. Which will result in a quarterly report versus a monthly report. If any concerns arise financially, those will be reported ASAP.

Outcomes for finance should be protecting petty cash, money direction, track of funding contracts, financial commitment levels. Requests outside of the budget would come to the board for approval. These will need to be looked internally with a financial audit. The document from Brad can precede this, and assist in developing these specific outcomes.

Henry expressed the fact that we have been blessed with good reserves.

8. Health Committee Report: no report

9. Steering Committee Report: No report.

10. Building Committee Report:

The Board had a tour in the expansion building prior to the meeting. They met last week and made the final choice on kitchen cabinets. Construction has been motoring along, and the current push is to get the roof on. Darren recently attended the trades meeting, along with John Oort, and that was interesting to participate in.

11. Life Lease Committee Report: Follow up meeting from the December meeting was held. The concern was raised whether CCU can handle this type of program. They are able to accommodate it in the general framework of a 5 million line of credit. This will help with the flow of intake and output of funds. The mortgage is set to be restructured next year, and will be in the 3-4 % range of interest. This will give a 2.7% discount on the rent which is tax free. This gives the resident flexibility to pay bills etc., and reduces our interest debt. We plan to provide a healthy presentation at the AGM. There are details to be determined, and they will need to go to a lawyer before we present this option. The goal is to roll out the Life Lease program this summer/fall. We are very close, and it is exciting to be able to offer this to the residents soon.

There will need to be a structure in place for reviewing the life lease. An outcome created to neutrally monitor cash flow. This will be determined when we know the maximum value allowed. The control will not be regulated by number of life leases; it will be driven by rent revenue.

12. Neerlandia Seniors Home Report: From the Land perspective we are close, the URC voted in favor to sell the requested 5 acres of land. It was approved to be sold at the price of \$40,000 an acre. The committee, who have knowledge of land value in the area, believe this to be overpriced. Darren will work with the committee and the URC on this price point.

Clayton Weirenga has been the resource in facilitating communications with the URC church. Conversations present are on how to make this project happen. The building size target is 30 units, and the focus will be on refining that. There is also a certain deposit level required to get the project off the ground. Darren will facilitate talks with the URC, discussion on the new building details and the budget projection for this. The goal is equity support from that community only, and not to be taken out of this existing building. It will need to be discussed with a lawyer on when to start setting up corporations etc. The current resources are the Executive Director and the Society but the excitement of the possibility is happening. It was noted that approval of zoning in Neerlandia is positive.

13. New Business: None.

14. Correspondence: None.

15. Round Table: It was decided that Anko will be present at the front table to approve the minutes for the previous AGM. Laura will be recording meeting minutes this year. The summer social will be a topic to discuss at the next board meeting along with whether to move the June board meeting date as Darren will not be here.

16. Closing: Anko Buwalda closed in prayer and the meeting was adjourned.

NEXT MEETING: WEDNESDAY, May 29, 2019 AT 7:30 PM