DATE & TIME: Saturday February 2, 2019 9:00am – 5:00pm
Sunday February 3, 2019 9:00am – 2:00pm
PLACE: HI Vancouver Downtown
PRESENT: Lenore Neudorf
Peter Nietresta
Kit Keener
Betty LaFave
Curtis Hemming
Kevin Pals
REGRETS: Alistair McLean, Meghan Trepanier
GUESTS:
STAFF: Robb Cryder COO
STAFF: Robb Cryder COO
RECORDER:

1. Meeting Evaluation – November 3-4, 2018

- B. LaFave reviewed the meeting evaluation of the November 03-04, 2018 board meeting.
- K. Keener said Board should allot sufficient time to education. At April meeting in Whistler, in addition to the scheduled QAS session, a second education session will be considered.
- P. Nietresta noted information should be distributed in advance.

2. Call meeting to Order

- B. LaFave called the meeting to order at 9:15am PST.
- K. Keener asked why meeting doesn’t start with Call to Order. B. LaFave said the rational for starting with a review of previous meeting’s assessment is so issues or concerns can be addressed before starting current meeting.
3. **Adoption of Agenda**

- B. LaFave reviewed the agenda for the weekend and reminded the directors that this is a consent agenda which when approving the agenda they are approving the attendance record and Minutes of the November 03-04, 2018 board meeting as well.
- P. Nietresta requested amendments to the November 03 - 04, 2018 Minutes.

**ON A MOTION DULY MADE:**
BE IT RESOLVED THAT: the Board approve the board meeting consent agenda for February 02-03, 2019 meeting as amended, is hereby acknowledged and ratified by the Directors of the Association.

4. **Attendance Review**

- R. Cryder advised that all Directors are in compliance.

5. **Adoption of minutes of last meeting**

November 3-4, 2018 Board Meeting
- P. Nietresta requested amendments to the Minutes for the November 3 - 4, 2018 meeting. He also noted the footers of the Minutes were not appearing properly on a tablet. Suggested all files be in pdf before loading to Boardpaq.

6. **Ownership Linkage Update**

- K. Pals reported on latest activities. Noted HI Vancouver Downtown meetup being held on Sunday.
- L. Neudorf looks forward to review goals of Ownership Linkage. Especially in connection to Membership.
- B. Lafave said the turnout to meetups is generally satisfactory.
- P. Nietresta advised that the member meetup for January 20, 2019 in Winnipeg was cancelled due to the lack of interest. Only 5 persons had rsvp'd and the Board required 10 responses.

7. **Board Education – RBC Jasper Loan and Derivatives**

Michael Choi RBC Presentation
- R. Cryder introduced RBC's Michael Choi and Jon Jonsson, who called in from Toronto.
- M. Choi and J. Jonsson presented on alternative financing for the new HI Jasper hostel. The product combines a Bankers Acceptance Loan and Interest Rate Swap, which enables RBC to offer the Association a 15 year fixed term loan.
- M. Choi and J. Jonsson answered many questions. Subject to final details, the Board supported the strategy to secure a 15 year fixed rate since it was not significantly higher than the 5 year fixed rate.
- L. Neudorf asked R. Cryder to provide the Board with the interest rates and terms of current long term debt.
- M. Choi will provide current Swap Rates, which will be distributed to the Board.
- B. LaFave thanked Michael for his presentation.

8. Ends

- Nothing to report at this meeting.

9. Items for Decision

1. Governance Process

   a. Committee Related Decisions

   b. Board Calendar Review
      - K. Keener reviewed the board calendar for the upcoming meetings. The next board meeting is in Whistler April 06/07, 2019 with a joint board meeting on Saturday afternoon with the HI Canada Board.
      - K. Keener said monitoring reports need to be added.
      - P. Nietresta said the Board needs a second education item for the April meeting to meet the 90 minute goal.
      - P. Nietresta will not be able to attend the meeting as he needs to take care of a family matter.

   c. 2018/19 Audit Program and Fees
      - B. LaFave advised that PriceWaterhouseCooper had provided the audit program for the year ending March 31, 2019. It has been reviewed and no major changes to previous years.
      - B. LaFave advised fees will increase 3% which is appropriate.
      - B. LaFave advised the board will need to pass a motion approving the audit program and fees.
      - B. LaFave says Prairie Region will be audited as legally required to qualify for provincial grants.
      - P. Nietresta asked to review the extra audit work that was conducted last year and to ensure rates are adjusted to reflect the work conducted.
      - B. LaFave says communication should be sent to PWC to quantify any additional costs.

ON A MOTION DULLY MADE:
BE IT RESOLVED THAT: the Board approves the PriceWaterhouseCooper LLP audit program and fees for the year ending March 31, 2019 for True North Hostelling Association and its sub entities as presented, is hereby acknowledged and ratified by the Directors of the Association.

d. Wilderness Hostels - Lease Resolution
   - R. Cryder advised that Jasper National Park policy now requires a board resolution approving the signing of the new wilderness licences of occupation for HI Beauty Creek, HI Athabasca Falls, HI Edith Cavell, & HI Maligne Canyon. This is a formality requirement. - The leases are for 13 years and 8 months ending in November 31, 2028. The reason of the odd years is to back date the LOC
   - P. Nietresta asked to confirm the entity under which the LOCs are listed.
   - Resolution was deferred.

e. HI-Canada Membership Project Update
   - P. Nietresta led discussion.
   - Board agreed with the summary of the Edmonton meeting.
   - L. Neudorf asked for the Membership Working Group to create a gap analysis between points listed in summary and the desired membership model, which is some variation of the compulsory model.
   - B. LeFave said Life Members need to be considered in light of any changes. Board discussed options for recognizing Life Members.
   - C. Hemming says the association needs to better understand the motivation for purchasing a Life Membership before determining recognition.
   - P. Nietresta requests a list of ways that engagement will occur after a new model is adopted. Consultation between Board and Membership Working Group is required.
   - Special general meeting may be required. Legal issues need to be investigated and addressed including by-laws.
   - C. Hemming recommends a survey be sent to members. Board agrees there will be some form of consultation with members.
   - K. Keener cited policy 2.9.3 requires the association to consult with members prior to making a model change.
   - Board asks for the summary of the Edmonton meeting to be sent to the Boards of Quebec & Ontario, Atlantic and HI C. R. Cryder agreed to arrange through Pierre Bernard Dow-Blanchet, who is the consultant leading the process.

f. Board Election 2019 Update
   - M. Trepanier sent her regrets due to a home break-in.
- C. Hemming advised the Nominations Committee had met recently and discussed the meeting report. He provided an update on the director nominations for the 2019 Board of Directors election.
- Betty LaFave, Kit Keener, Thomas Heyd, P. Nietresta, and Kevin Pals terms are finished at the 2019 AGM. K. Pals would need to run as he was appointed by the board after the last board election. This means there will be 5 positions with four 2 year terms and one 1 year term.
- A concentration on finding a candidate from the southern Alberta area will be a priority.
- Board members who are up for election are asked to advise M. Trepanier in the next two weeks whether they will be running again.
- C. Hemming says letter sent to possible candidates needs refreshing.
- C. Hemming confirmed that all conversations about leaving the Board were held with M. Trepanier.
- L. Neudorf reminded Board Members to keep in mind that candidates will be required to fill vacant positions.
- Board agreed they should consider candidates for the HI C election. Former Board Member Cindy Eng was mentioned. P. Nietresta confirmed there will be 3 positions that come up for election on the HI C Board.

g. Set Board Size for 2019/20
- B. LaFave advised the board there is a need to confirm each year the size of the board.
- After a short discussion it was agreed to keep the board at 8.
- A motion was passed and approved. Moved by L. Neudorf; Seconded by K. Keener

ON A MOTION DULY MADE:
BE IT RESOLVED THAT: the Board set the board size at 8 directors for the 2019/20 board year, is hereby acknowledged and ratified by the Directors of the Association.

h. Review of Latest Financial YTD Statement
- B. LaFave reviewed the December YTD financial statements.

i. Strategic Plan for 2018-19
- R. Cryder provided a short overview of the 2019/20 Strategic Plan, highlighting changes that had been made.
- B. LeFave suggested more stretch could be placed in goals by increasing them year over year.

j. 2018-19 HI-PM Region Operating & Capital Budgets
- R. Cryder provided a presentation on the 2019/20 Operating and Capital budgets and answered several questions.
- Highlights included the increase in depreciation and interest due to the new HI Jasper hostel.
- Regarding the increase in salaries, R. Cryder noted that due to the increase in the minimum wage in BC and Alberta approximately $500,000 annually is moved from the Net Surplus of the association to staff in the form of wages.
- P. Nietresta asked about the increase in Employee Benefits and it was explained that they increase with the increase in salaries through CPP and Employment Insurance.

k. 2019-20 Board Budget
- B. LaFave presented the board budget for the 2019/20 operating year. There was a short discussion and B. LaFave responded to questions, saying costs for the HI Jasper might be slightly higher.
- Board Members support finalized budget.

**ON A MOTION DULY MADE:**
BE IT RESOLVED THAT: the Board approves the 2019/20 Board Budget as presented, is hereby acknowledged and ratified by the Directors of the Association.

l. HI Canada Strategic Review
Verbal Report
- B. LaFave advised that HI Canada issued an RFP for the Strategic Plan Review which closed January 21. Three responses received and they were being reviewed by the HI Canada board work group and were to be presented next weekend for approval of a final candidate.

m. HI Atlantic Meger Update
Verbal Report
- B. LaFave provided update on discussions.
- B. LaFave recommends standing pat until Atlantic Region approaches the Board. This option was supported by the Board.

**Day 2**
**Items for Decision Cont’d**
**Governance Process Cont’d**

n. Review Selected Section 4 Policies Data
- K. Keener provided and facilitated a review of the document Comments on Section 4 Monitoring Report.
- The results of that discussion are captured in a second version of the document that includes decisions by the Board.

o. Board Policy Manual Investment Policy
- K. Keener requested that the association’s Investment Policy be updated and posted to Boardpaq, which the Board supported.
p. HI Canada Management Services Agreement Renewal
   - B. LaFave advised that the HI Canada Management Services Agreement is up for another three-year renewal April 01, 2019.
   - R. Cryder advised the CED/Management Team process has worked well since it started 3 years ago with the elimination of the HI Canada National Office.
   - B. LaFave wants to confirm the National Services Agreement is working for the other regions and National Board and the monitoring that's in place.
   - Decision to renew is deferred. If information being requested is provided before, Board will make decision at April 6 -7 Board meeting.

2. Executive Limitations
   - No items for this meeting

3. Board-CEO Relationship

   CEO Incentive Plan Update - IN CAMERA
   - The board went in camera at 10:40am and out of camera at 10:55am.

10. Monitoring CEO Performance (Ends & Executive Limitations)
    - This item was covered under day 1 "Review of Section 4 Policies".

11. Monitoring Board Performance

   Section 2 Monitoring
   - K. Keener presented the Section 2 Board Policies Monitoring Report and Section 2 Survey Summary Jan 2019. Each point in the latter document was reviewed.
   - Two issues were highlighted:
     - Focus on Board education, which will result in a second education session added to the April 6 -7 Board meeting. This will ensure compliance with the Board policy of 90 minutes.
     - Finalized Minutes are to be posted within 21 days. This time frame includes Board Members having an opportunity to review. Board wants to be compliant with policy.
12. Information Requested by the Board

a. Board Expense Update
   - R. Cryder provided a YTD review of Board expenses, which are well below budget. This is largely due to savings from not undertaking a previously budgeted project.
   - A. McLean to update notes in Sheet 2.

b. Jasper Development
   Verbal Report
   - R. Cryder provided an update on the new Jasper Hostel project. Construction is on currently on time and budget. The General Manager for the new hostel has been hired and is Christa Laughlin.
   - R. Cryder asked for the names of those people the board would like to invite to the grand opening June 01 be sent to Alistair as soon as possible.
   - P. Nietresta asked that Management ensure the termination of the license of occupation for the current hostel is in order.
   - P. Nietresta requests that outdoor clubs and schools in Alberta be contacted to promote new hostel.
   - C. Hemming asked if HI C PM Region will participate in Parks Canada's review of its strategic plan. R. Cryder assured the Board that the association will provide feedback on the strategic review, whether at one of the formal community consultation meetings or informally through contacts with Parks Canada.

c. HI Calgary
   - R. Cryder confirmed that the property on which HI Calgary operates has been sold to Copez Properties Ltd.
   - P. Nietresta asks to confirm the earliest date the lease can be terminated.
   - P. Nietresta suggested to investigate purchasing a property in Calgary while the real estate market is weak. R. Cryder confirmed that Management will evaluate this option.

13. Parking Lot

   - C. Hemming says M. Trepanier wishes to step down from Governance Committee. He says he is willing to sit on both the Audit Committee and Governance Committee. Board supports this recommendation.
   - Motion - Moved by K. Keener; seconded by P. Nietresta

14. Self-Evaluation of governance process at this meeting

   - The directors completed the meeting evaluation before leaving the meeting.
   - R. Cryder advised there is one new question in the evaluation survey in compliance with the new Section 4 policies around fairness to directors.
15. Adjournment

The meeting was adjourned at 12:00pm PST.