



**True North Hostelling Association O/A Hostelling
International – Canada – Pacific Mountain Region**

BOARD OF DIRECTORS MEETING SUMMARY

DATE: October 17 & 18, 2020

TIME: 8am – 1pm & 8am – 12pm PDT

PLACE: Zoom Call

PRESENT:

Peter Nietresta	Chair
David Bentley	1st Vice Chair
Dave Harrop	2nd Vice Chair
Kit Keener	Director
Ivan Somlai	Director
Victoria Oppenlander	Director
Steve Ahluwalia	Director
Krystal Kehoe	Director

REGRETS:

GUESTS:

RECORDER/STAFF: Robb Cryder Acting CEO

- 1. Review Meeting Evaluation from September 19, 2020 Board Retreat**
- P. Nietresta says that an evaluation did not occur for the September 19, 2020 Board Retreat.
- 2. Call to Order**
- P. Nietresta called the meeting to order at 8:11am PDT
- 3. Adoption of Agenda**
-Agenda was adopted.
ON A MOTION DULY MADE:
BE IT RESOLVED THAT: The Board approves the board meeting agenda for the October 17&18, 2020 meeting as presented, is hereby acknowledged and ratified by the Directors of the Association.
Status: Passed
- 4. Attendance**
Attendance Review
Consent Agenda Item
- R. Cryder confirms that all Directors are in compliance with policy for 2020-21.

5. Adoption of minutes of last meeting

- a. July 2, 2020 Board Meeting Minutes Consent Agenda Item
 - Minutes approved and adopted.
- b. July 21, 2020 Board Meeting Minutes Consent Agenda Item
 - Minutes approved and adopted. In Camera section redacted and can be accessed through the Chair, P. Nietresta.
- c. Aug 13, 2020 Board Meeting Minutes Consent Agenda Item
 - Minutes approved and adopted.
- d. Sept 9, 2020 Board Meeting Minutes Consent Agenda Item
 - Minutes approved and adopted.
- e. Sept 17, 2020 AGM Minutes Consent Agenda Item
 - Minutes approved and adopted.
- f. Sept 19, 2020 Board Retreat Minutes Consent Agenda Item
 - Minutes approved and adopted.

6. Board Education

- a. Board Education Plan 2020-2021
 - K. Keener reviewed the Board Education Plan 2020-21.
 - The 4 topics scheduled were supported.
 - There could potentially be a fifth topic around Bylaws.
- b. Board Education Session 1 - Boardpaq Essentials
 - P. Nietresta introduced Miranda Brooking (Executive Assistant & Office Coordinator), who conducted a training session about Boardpaq.
 - P. Nietresta mentioned that Approved Minutes will be stored in Library > Approved TNH Minutes.
 - D. Bentley asked about downloading documents, which is possible.
 - K. Keener will review the content in the Library > Governance Committee.
 - Everyone thanked Miranda for the training session.

7. Items for Decision

1. Ends

(Development of refinement of Ends policies)

- Addressed in Section 8.2.
- a. ENDS - See session later in agenda
 - Addressed in Section 8.2.

2. Governance Process

Governance Committee

- K. Keener provided an update on the activity of the Governance Committee.
- This includes a review of the expense policy, education calendar, and direct inspections.
- b. Board Calendar Review
 - K. Keener reviewed the Board Calendar.

- Several edits were required including: Board bylaws review deleted from October meeting; meeting in January to be via Zoom; Section 4 review at April Meeting; Spring meeting could be Jasper; CEO Salary review and 360 Review should state TBD.

c. Travel and Expense Policy

- K. Keener reviewed the Board and CEO's Travel & Expense Policy.
- Consensus that there will generally be consistency between Directors and Staff policies.
- Directors will be asked to acknowledge that the policy has been read by signing the document. R. Cryder will arrange distribution.
- D. Bentley recommended that the mileage rate be set according to that posted on the CRA website. A discussion ensued. A decision was made to leave as is at \$0.55 and review annually.
- J. Harrop said that some organizations reimburse the mileage rate if walking and bicycling.

ON A MOTION DULY MADE:

BE IT RESOLVED THAT: the revised travel and expense policy - Board and CEO Travel and Expense Policy – Revised Draft – October 5, 2020 is to replace in its entirety the policy document Board Travel and Entertainment Policy in Section 5 of the Board Policy Manual, is hereby acknowledged and ratified by the Directors of the Association.

Status: Passed

d. 2020/21 External Monitoring & Direct Inspection Plan

- K. Keener presented the External Monitoring and Direct Inspection Plan.
- Section 4.2.2 and 4.2.5 were suggested.
- A discussion ensued about whether one or both should be inspected directly (by Directors) or externally (by a third party.)
- As both relate to finance, it was agreed that the monitoring will be conducted externally by KPMG during the annual audit.
- V. Oppenlander asked if the auditors would only investigate for one year on an ongoing basis. It was agreed they would only conduct the monitoring in the next audit.

ON A MOTION DULY MADE:

BE IT RESOLVED THAT: the Board as part of its External Monitoring and Direct Inspection responsibilities requests the association's auditors, KPMG LLP, to monitor sections 4.2.2 and 4.2.5 in the Board Policy Manual, is hereby acknowledged and ratified by the Directors of the Association.

Status: Passed

e. Review 2020 True North AGM

- P. Nietresta introduced the topic and said that he was satisfied with the virtual AGM held on September 17, 2020.
- Suggested that a combination in-person and virtual meeting could be optimal if technical challenges were not an obstacle.
- K. Keener likes the virtual meeting as it allows people from throughout the region to attend. Also endorsed the hybrid model.

- R. Cryder will investigate feasibility of hybrid model.

f. Review 2020 Board Election Process

- Consensus that the process is smooth and works well.
- I. Somlai emphasized that good information is provided.
- J. Harrop recommended that more information about term lengths be provided.
- R. Cryder will investigate alternative voting software as Vote Now has been used for eight years.
- V. Oppenlander suggested reviewing the software, Big Pulse.

g. Review 2020 Board Retreat

- P. Nietresta gave an overview of past retreats, such as the one held at Bowen Island.
- D. Bentley said he enjoyed the pre-opening get together at HI Rampart Creek, although it was not the official annual Board Retreat.
- Everyone felt that the virtual Board Retreat was fine and made the best of a difficult situation.
- Everyone looks forward to holding an in-person retreat in the future.

h. HI Canada Nominations & Awards Committee Representative

- P. Nietresta said that HI C usually requests feedback from the regions on HI C Awards and for participation on the Nominating committee.
- P. Nietresta asked if any Directors were interested in participating in the process, which would include a couple of meetings.
- No Directors volunteered and we would wait for a formal request from HI-C with the door remaining open for participation.

8. Monitoring CEO Performance (Ends & Executive Limitations)

1. Section 4 Policies and Interpretations

- R. Cryder introduced the topic. Eight Section 4 policies were highlighted, as the interpretation of the other policies from 4.1/4.2/4.3 were satisfactory.
- R. Cryder apologized since the pdf did not show the comments that he made about the policies. These policies were nonetheless discussed.
- S. Ahluwalia said it was important to specify the monitoring period, such as fiscal versus calendar year and R. Cryder indicated the monitoring period would be stated.
- P. Nietresta said the monitoring should cover the period from the last monitoring report.
- The policies that received the most focus were around finance and control - 4.2.2. and 4.2.5. There was discussion about the need for additional controls and the role of the Director of Finance.
- S. Ahluwalia recommends that the Section 4 monitoring reference the applicable expense policy. There should not be opaque links to Boardpaq in the interpretation but everything should be stated plainly. This recommendation was supported by the Board.
- V. Oppenlander said that the monitoring should include a detailed list of payouts to the CEO. A letter from the Director of Finance maintaining compliance without backup was insufficient.

- R. Cryder requested that policies 4.3.2 and 4.3.2 be merged since they overlap. The Governance Committee will review this request.
- Since policies 4.3/4.3.3/4.3.4 all contain financial targets and processes that struggle for relevancy in the current environment, R. Cryder asked the Directors if they wanted to alter the targets and processes. The consensus was that the targets would not be changed, non-compliance was understandable, and that activity would be reported.
- All revised interpretations will be reviewed by the Governance Committee.

2. Ends Review

- K. Keener introduced a motion to change the wording of 1.2.4.
- It was discussed that activities around this Ends seem to focus on a few hostels and that this has been raised repeatedly as an issue in prior Board monitoring.

ON A MOTION DULY MADE:

BE IT RESOLVED THAT: the board approves the change in wording of 1.2.4: “A focus on participation and volunteerism.” is altered to read “A focus on participation and volunteerism across the hostelling network.”

Status: Passed

a. Financial Update and Projections

- R. Cryder reviewed the updated 15-month projection that included the financial results for August.
- R. Cryder reported the following changes to the projection: addition of HI Calgary lease revenue from November 1 - May 16, 2021; federal wage subsidy increases from 45% to 65% for November and December and extended from January 1 - June 30, 2021 at 60%; \$1.5 million reduction in projected overnight revenue.'
- The association is ahead of budget versus the projection endorsed by the Board in June 2020.
- S. Ahluwalia said that the labeling of Reserves and Credit in the projection is confusing. R. Cryder will correct.
- V. Oppenlander asked how the reimbursements for expenses for leased properties were accounted for in the financial statement? R. Cryder will investigate and report back.

b. Review of August Financial Statements and data for September

- R. Cryder reviewed the financial statement for August. The results were positive compared to the revised targets.
- R. Cryder reviewed the overnight revenue projection for September, which was stronger than expected.

c. Review of Staffing levels and requirements during off-season

- Staffing report provided by R. Cryder was briefly discussed. There were no questions.

d. Budget Parameters 2021/2022

- R. Cryder said that fiscal 2020-21 will present a challenging year for budgeting. This is due to the limited actual results from FY 2020 and the tremendous uncertainty around the pandemic and its financial impact.

- There was a discussion about the variables and different approaches to forecasting.
- R. Cryder said that some fundamental assumptions will be that by April 2021 there will be open borders, a readily available vaccine/ treatment for COVID-19, and bunkbeds will be accommodating 2 guests. These assumptions are subject to modification if it appears they are implausible.

9. Board Education Continued

CBoard Education Session 2 - Presentation by Alpine Club of Canada

- J. Harrop introduced Lawrence White, who is the Executive Director of the Alpine Club of Canada (ACC).
- L. White gave an excellent presentation about the activities of the ACC.
- Some facts: 15,000 members; 32% annual turnover of membership base; Annual membership is \$55; 8% of members participate in ACC elections; \$75,000 annual sponsorship revenue.
- Local chapters are the key to member engagement.
- The ACC engages with members through their Gazette Newsletter as well as frequent email communication.
- A discussions about collaboration ensued and all agreed that there are additional opportunities for cooperation between the ACC and HI. Especially around delivering programs and activities.
- Everyone thanked Lawrence for taking the time to present on a Sunday morning.

10. Ownership linkage

1. Ownership Linkage Update

- V. Oppenlander presented the HI C-PMR 2019 - 2022 Ownership Linkage Plan.
- K. Keener advised that the affordability survey is on hold as recommended by Wayne Amundson.
- D. Bentley asked when the survey will be held? A discussion ensued and it was decided to conduct the affordability survey in time so that the results could be reviewed at the January 30 -31, 2021 Board Meeting.
- Wayne Amundson will be retained to administer the survey.
- If required, the marketing team can identify members who have not stayed at a hostel over a set period. The goal is to include feedback from members who have not stayed at a hostel recently.
- In-person meetings scheduled for Calgary, Edmonton and Vancouver are on hold due to the pandemic.
- Halifax meeting, subject to successful merger, is also on hold.
- Virtual meetings will be held.

2. Membership Review

- P. Nietresta introduced the topic and provided background information.
- A new membership model has been proposed and is being evaluated. It is the model used by HI Australia.
- R. Cryder said that the customer relationship management system that was in early development was based on the Australian model. Changes to the membership model would result in additional development costs.

- S. Ahluwalia said that it is important to be able to clearly identify active vs non-active members.
- R. Cryder to ask HI Australia about their experience with the model.
- D. Bentley suggested that the subject be tabled to a future meeting and this suggestion was supported.

12. HI Atlantic Merger Update

- HI Atlantic Board President, David Etherington, joined the Board Meeting and provided an update.
- There was a successful, unanimous vote by HI-Atlantic members in support of the special resolution to merge with PM Region on October 15.
- There was a discussion about questions that Atlantic members asked.
- Membership engagement was a topic, and members were told about PM's virtual AGM.
- K. Keener asked if members asked about regional representation on the Board. D. Etherington confirmed this was asked and that they were told there would be an observer on the PM Board during the transition. D. Etherington will identify observer.
- R. Cryder asked if there were questions about the name of the merged organization. There were but no assurances were given about a change.
 - D. Etherington confirmed that HI Halifax is open, and HI Wentworth is currently closed.

13. HI C Governance Review and Federation Update

- K. Keener gave an overview of HI C's governance and possible changes given the work undertaken by the Institute on Governance. Written report was provided.
- Changes are required in anticipation of the merger between PM and Atlantic regions, which will result in an organization under which the current national bylaws do not function well.
- The committee has proposed a structure that provides 50/50 representation between PM and Q&O regions on national matters.
- P. Nietresta said that the proposed new HI C bylaws must undergo a legal review to ensure they function as intended.
- Agreement to provide feedback to HI C prior to their November Board Meeting.
- K. Keener clarified that for HI C's elections "at large members" would be nominated by a committee comprised of regional representatives and this slate would be voted on.
 - P. Nietresta has a call scheduled with the President of Q and O and the Chair of HI-C to clarify many of the items discussed and will report back to the Board following these calls.

14. For Purposes of Keeping the Board Informed & Aware

1. Board Expense Update

- R. Cryder reviewed the PM Board Budget that included actual results to September 30.
- The Board is significantly below budget, largely due to not travelling to meetings.

2. Lake Louise Alpine Centre - meeting update

- P. Nietresta and R. Cryder provided a summary of the Board Meeting that was held on September 30.
- D. Bentley said that there needs to be a better understanding of the process and bylaws around accessing funds held by the joint venture.
- A Zoom meeting of the HI Lake Louise Alpine Centre Board will be held in early December. Two key topics will be opportunities for collaboration and the management of the cash reserves.
- R. Cryder to produce a 3-year capital plan for HI-Lake Louise prior to the December meeting.

15. Parking Lot

- No items.

16. Self-Evaluation of governance process at this meeting

- A link to a survey was provided to Directors.

17. Adjournment

- Meeting was adjourned at 11:50am PDT.

Chair

Secretary