



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

BOARD OF DIRECTORS
MEETING SUMMARY

DATE & TIME: Saturday, January 30, 2021, 8:30am – 2:00pm
Sunday, January 31, 2021, 9:00am – 12:00pm

PLACE: Zoom Call

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

REGRETS:

GUESTS:

STAFF/RECORDER: Robb Cryder Acting CEO

1. Meeting Evaluation – October 17-18, 2020

- P. Nietresta reviewed the meeting evaluation results from the October 17-18, 2020 Board Meeting.
- P. Nietresta and K. Keener elaborated on questions #2 & #3, which cover the relationship between Board discussions and Ends.
- Responses to question #8, which deals with the degree to which Board Meetings are future focused, were discussed. There was acknowledgment that the pandemic forces the Directors to focus on near term challenges at times, but this must not be at the expense of planning long term objectives.
- K. Keener will review questions #32 & #33 with the Governance Committee.

2. Call meeting to Order

- P. Nietresta called the meeting to order on Saturday, January 31 at 8:38 am PST.

3. Adoption of Consent Agenda

- P. Nietresta reviewed the proposed agenda. There were no changes.

ON A MOTION DULY MADE:

BE IT RESOLVED THAT: The Board approves the board meeting agenda for the January 30-31, 2020 meeting as presented, is hereby acknowledged and ratified by the Directors of the Association.

4. Attendance

- R. Cryder confirms that all Directors are compliant with the attendance policy.

5. Adoption of minutes of the last board meeting - December 9, 2020

- P. Nietresta asked if there were any concerns with the Minutes for the December 9 Board Meeting. There was none.

ON A MOTION DULY MADE:

BE IT RESOLVED THAT: The December 9, 2020 Board Meeting Minutes be approved as presented, is hereby acknowledged and ratified by the Directors of the Association.

6. Ownership Linkage

- Ownership Linkage Update Three Year
 - a. Verbal Update
 - V. Oppenlander gave a verbal update on the Ownership Linkage Three Year Plan.
 - b. Virtual Meetup
 - V. Oppenlander reviewed the plan for a member meet-up including those from HI C- Atlantic Region.
 - The presentation could showcase the hostels in the Atlantic region.
 - P. Nietresta suggested highlighting hostel development.
 - There will be a prize and a draw.
 - The meeting is tentatively scheduled for early March.

7. Board Education

- Marketing During COVID-19
 - Shelby Sy, Director of Marketing, presented on marketing during the pandemic.
 - Directors asked several questions after the presentation and thanked Shelby for taking time to share her expertise.

8. Ends

- No agenda item for this meeting.

9. Items for Discussion

1. Lease of HI Calgary – Update of Subtenant

- R. Cryder asked the Board to amend the Motion that named the sub-tenant in the lease for HI Calgary.
- A Motion was moved and passed.
- P. Nietresta abstained.

ON A MOTION DULY MADE:

BE IT RESOLVED THAT: The Board amends the sub-tenant in the lease of HI-Calgary to the Calgary Alpha House Society in place of the Calgary Drop-In Centre, is hereby acknowledged and ratified by the Directors of the Association.

2. Sale of HI Vancouver Central

- R. Cryder provided an update on the sale of HI Vancouver Central to BC Housing (BCH).
- BCH requested two changes. One, to extend the period to remove conditions to early March. Two, to reduce the sale price to \$14.5 million.
- The reason given for the reduced price is that the building will require more investment than initially expected.
- The Directors discussed different prices and the probability of a successful sale.
- D. Bentley reviewed the appraisal that was provided by BCH.
- J. Harrop explained the possible source of federal funding to purchase the property.
- P. Nietresta pointed out that a real estate commission was not being paid.
- Directors supported reducing the price to \$14.5 million.
- A Motion was moved and passed.

ON A MOTION DULY MADE:

BE IT RESOLVED THAT: The Board supports the sale of HI Vancouver Central to BC Housing for \$14.5 million or more and to extend the period for removing subjects, is hereby acknowledged and ratified by the Directors of the Association.

3. Potential sale of HI Regina

- R. Cryder introduced the topic. A written proposal was part of the meeting agenda.

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- A history and current state of the Regina market was discussed. Grey Hound Transportation's decision to terminate service to Regina means there is no overland service to the city.
 - There was a discussion about potential for HI hostels in the prairies. Previously there was an HI Winnipeg and this remains the strongest market with the most potential.
 - D. Bentley requested that an appraisal of the property be conducted. The Directors supported this request and R. Cryder will arrange.
4. Potential development of a new Wilderness Hostel
- R. Cryder introduced the topic. Parks Canada has approached HI C - PM Region about developing another hostel in Jasper National Park.
 - R. Cryder has provided written confirmation to Parks Canada that the association is interested in investigating this opportunity.
 - D. Bentley asked for an estimate of the fixed costs. R. Cryder will provide.
 - There was support of the opportunity subject to a more detailed analysis.
 - R. Cryder said that the current proposal would be expanded to include financial and other pertinent information. This will be presented to the Directors at the April 10-11 Board Meeting.
5. Governance Process
- a. Board Calendar Review
 - K. Keener reviewed the 2020-21 Board Calendar.
 - The upcoming educational sessions were discussed. For the April 10-11 Board Meeting, the topic is reading financial statements. R. Cryder is going to ask KPMG if they have a staff person who can deliver this training pro bono or at a reasonable fee.
 - The topic for the May 29 -30 Board Meeting is scheduled to be operational activities such as safety, cleaning, maintenance. If the meeting were to be held in person at HI Jasper, then a presentation by Parks Canada is a possibility.
 - P. Nietresta noted some minor edits to the Board Calendar and R. Cryder will complete.
 - b. 2021/2022 Audit Program and Fees
 - V. Oppenlander presented the 2021-22 audit plan and the fees for approval by the Board.
 - This will be KPMG's first audit year, following 10 years of auditing by PWC.
 - V. Oppenlander responded to several questions. A notable one was around net assets and the impact presented by the potential

disposition of HI Vancouver Central. R. Cryder will clarify with KPMG.

- R. Cryder noted that KPMG will audit Section 4 Monitoring policies 4.2.2 and 4.2.5 as requested by the Board. The additional fee is \$1,400.
- The Board approved the audit plan as presented. K. Kehoe was assured that the question around net assets would be addressed.

ON A MOTION DULY MADE:

BE IT RESOLVED THAT: the Board approves the KPMG 2021-22 audit plan and fees as presented, is hereby acknowledged and ratified by the Directors of the Association.

- c. Board Election 2020 Update
 - S. Ahluwalia gave an overview of the electoral plan for the 2020-21 Board. A slate of Directors must be determined for the election.
 - There are four Directors whose term is up this year, and two have expressed interest in running again.
 - Two members who were interested running last year but were not part of the slate have been contacted and are interested in running this year.
 - P. Nietresta said current Directors who run will not be interviewed. They only need to declare their candidacy.
 - P. Nietresta suggested that a timeline for a declaration of candidacy is necessary.
- d. Set Board Size for 2021/22
 - S. Ahluwalia introduced the agenda item.
 - A Motion was moved and passed.

ON A MOTION DULY MADE:

BE IT RESOLVED THAT: the Board sets the number of Directors at eight (8) for 2021-22, is hereby acknowledged and ratified by the Directors of the Association.

- e. 2021 AGM Location and Date
 - S. Ahluwalia introduced the agenda item.
 - There was discussion about various dates, as Directors already had plans for certain dates in September.
 - The date was initially set for September 23. The date was changed and finalized for September 16.

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- S. Ahulwalia noted that if in-person, the AGM was scheduled to be held in Calgary. With the uncertainty around the pandemic, a decision was taken to host a virtual meeting.
 - A Motion was moved and passed.

ON A MOTION DULY MADE:

BE IT RESOLVED THAT: as amended the Board sets the date for the virtual 2021 Annual General Meeting at September 16, is hereby acknowledged and ratified by the Directors of the Association.

- f. Update on Pandemic related government supports and impact on the Association
 - R. Cryder discussed government programs that are available and accessed.
 - Federal programs include CEWS (Canadian Emergency Wage Subsidy) and the Canadian Emergency Rents Subsidy (CERS).
 - In Alberta, the association has also applied for the Small and Medium Sized Enterprise Relaunch Grant. A decision is pending. An important criteria for eligibility is if a: Businesses, cooperatives and non-profit organizations that were ordered to close or curtail operations as a result of public health orders issued by Alberta's Chief Medical Officer of Health may be eligible.
 - In BC, the association applied for the Small and Medium Sized Business Recovery Grant Program. When the association sought clarification for the eligibility for a non-profit organization, the provincial government added an eligibility clause specifically stating that non-profits are not eligible. The association has received no support or assistance from BC's provincial government.
- g. Review of Latest Financial YTD Statement
 - R. Cryder reviewed the December financial and operational results.
 - R. Cryder highlighted that the vacation accrual has been reduced.
 - R. Cryder said that the outlook for the 2021 summer has become increasingly negative.
 - K. Kehoe was hearing from people in the industry that the 2020 and 2021 summers would be comparable.
 - D. Bentley asked for the 15-month projection to begin on the current month. It was agreed that this new calendar would take

effect for the January statements and would incorporate actual budget estimates from April forward.

- R. Cryder said that it would be prudent to seek leases that run until Spring 2021 at HI Edmonton, HI Vancouver Jericho Beach, and HI Calgary. The Directors supported R. Cryder approaching the Alberta government about extending the lease of HI Calgary, which is scheduled to terminate on May 16, 2021.
- The Operating and Capital Budgets will be presented to the Board at a zoom meeting toward the end of February. R. Cryder will organize.

h. 2021-22 Board Budget

- V. Oppenlander provided a summary of the proposed 2021-22 Board Budget.
- P. Nietresta recommended that funds be added for an Atlantic observer. This recommendation was supported.
- Additional funds for travel and food was also supported.
- K. Keener asked if in person meetings should be cancelled due to the association's difficult financial circumstances. This idea was discussed but no decision was taken to rule out in-person meetings in 2021-22.
- The budgeted expenses for 2021-22 are \$105,289, of which about 1/3 is for a CEO recruitment consultant
- A Motion was moved and approved.

ON A MOTION DULY MADE:

BE IT RESOLVED THAT: the Board approves the 2021-22 Board Budget as amended to \$105,289, is hereby acknowledged and ratified by the Directors of the Association.

i. HI Atlantic Merger Update

- P. Nietresta provided an update on the merger with the Atlantic Region.
- The association's legal counsel has advised that the Atlantic Region's bylaws must be amended, voted on at a special general meeting, and the revised bylaws resubmitted to the Registry of Joint Stocks in Halifax.
- The governance issues within the federation complicate the situation.
- HI C may need to change their bylaws to allow Atlantic members to fully participate in a post merger PM-Atlantic organization.
- P. Nietresta is going to organize a conversation with David Etherington, Chair of the Atlantic Board, to discuss next steps.

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- j. National Governance Matters Update
 - P. Nietresta introduced the agenda item and provided a summary of his conversation with Peter Harrison, HI C-Q&O Chair.
 - The Q&O region has leased HI Toronto for five years.

6. Executive Limitations

- No policies were developed or revised.

7. Board – CEO Relationship

- No policies were developed or revised.

10. Governance Committee Update

- No policies were developed or revised.

11. Monitoring CEO Performance (Ends & Executive Limitations)

- Section 4 Monitoring
 - K. Keener introduced the agenda item and gave an overview of Section 4 Monitoring as a way to monitor the CEO's performance.
 - K. Keener walked the Directors through the Section 4 Monitoring response provided by R. Cryder, identifying where there was non-compliance or issues with language or data. R. Cryder responded to several questions and requests for clarification.
 - K. Keener said that the Governance Committee was satisfied with R. Cryder's submission.
 - R. Cryder explained that with some of the policies, non-compliance with a sub-policy should not automatically mean non-compliance with the main policy. The Governance Committee and R. Cryder will organize a call to discuss in more detail.
 - R. Cryder recorded many comments and notes and will update the submission by March 15.
 - R. Cryder to investigate whether the hyper link that takes the viewer to OneDrive can return to the same policy. Currently with tablets it defaults to the top of the document.

12. Membership Review

- R. Cryder introduced Grant Millar, HI C Membership Manager, who presented on the proposed membership model.
- G. Millar answered several questions and then left the call.
- The Directors and R. Cryder discussed the model further, especially the interconnectivity of the CRM with the proposed membership and the potential for digital marketing and member engagement.

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- S. Ahluwalia articulated that the failure to take bold moves such as changing the membership model may result in the association not existing in 7 years.
 - P. Nietresta suggested a straw poll to ascertain Board support for moving forward with the proposed model. The results were 6 for, and 2 against.
 - P. Nietresta said that he would share the PM Board's position at the HI C Presidents' Forum Call to be scheduled in late February.
 - R. Cryder has committed to present an implementation plan with specific targets for membership engagement, membership growth, and financial outcomes and outline ongoing benefits to current life members

13. Monitoring Board Performance

- Section 3 Monitoring
 - Section 3 Monitoring is deferred to a conference call to be scheduled in February.

14. Information Requested by the Board

1. Board Expense Update
 - V. Oppenlander reviewed the Board Expenses to December 31, 2020.
 - Year to date expenses are \$16,612 below budget.
2. Alberta Wilderness Association request to close HI Edith Cavell
 - R. Cryder gave an overview of the request from the Alberta Wilderness Association (AWA), which is to keep HI Edith Cavell closed when Parks Canada opens the road to recreation on February 15. The request is meant to assist with conserving the threatened herd of caribou in the area.
 - The Alpine Club of Canada, which operates a hut in the area, has agreed not to operate as well as endorse the AWA's letter calling for Parks Canada to change their regulations and close the area.
 - The AWA's request was discussed, and Directors noted that the association will not be sacrificing much to keep the hostel closed given the pandemic.
 - The Directors supported the continued closure of HI Edith Cavell for this year, but not to publicly endorse the AWA's letter. The topic and options will be revisited next year.
 - R. Cryder will share the decision with the AWA.

15. Parking Lot

- No items.

16. Acting CEO Position and Potential CEO Recruitment Process

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- The Directors had an in-camera discussion about the Acting CEO position and potential CEO recruitment.

17. Self Evaluation of governance process at this meeting

- A survey link was provided for Directors to provide feedback on the meeting.

18. Adjournment

- P. Nietresta adjourns the meeting on Sunday, January 31 at 1:00pm PST

Chair

Secretary