

Board of Directors Meeting Agenda
CCHC Boardroom
January 22, 2014
1:00pm – 3:00pm

1. Approval of Agenda
2. Approval of November 6, 2013 Minutes
3. Business arising from minutes
 - a. Appointment of Hans Helder to the Corporation Strategic Review Committee
4. Committee Reports:
 - a. Executive Committee (verbal report)
 - b. Corporation Strategic Review Committee (written report)
 - c. Project Committee (verbal report)
5. Report from Managing Director
6. New Business
 - a. 2013 & 2014 Budgets Adjusted for Audit Purposes
 - b. 2013 Trial Balance for Audit Purposes
7. In Camera Items
 - a. Draft: Project Committee Terms of Reference (*motion to follow*)
 - b. Human Resource Issue
 - c. Client Issue
8. Meeting adjournment

A majority of the Directors in office shall constitute a quorum. In the case of an equality of votes, the Chair shall be entitled to a second or casting vote.

Board of Directors Meeting Minutes

**Wednesday, November 6, 2013
CCHC Boardroom
1:00-2:15pm**

Board Members in Attendance: Camille Hemingson Sean Krausert
Garth Lyon Joanna McCallum
Oscar Pacheco Cathy Robinson
Dan Sparks

Others in Attendance: Jennifer Bisley, Managing Director, CCHC

Regrets Bob Kocian, Kimber Meister

There being a quorum, Garth Lyon called the meeting to order at 1:10 pm.

Board member and staff introductions

1) **Agenda Approval**

Moved by Joanna McCallum to approve the agenda as presented.
Carried unanimously

2) **Approval of Minutes**

Motion 2013.36

Moved by Cathy Robinson to approve the Minutes of the October 10 2013 Board meeting as presented.
Carried unanimously

3) **Business Arising from Minutes:** none

4) **Committee Reports:** (none)

5) **Report from Managing Director**

Motion 2013.37

Moved by Sean Krausert to accept the Managing Director's Report for information.
Carried unanimously

APPROVED Motion XXXXX
CANMORE COMMUNITY HOUSING CORPORATION

6) **New Business:**

a) **CCHC Officer and Committee appointments**

Motion 2013.38

Moved by Cathy Robinson to appoint the following directors as officers of the corporation:

Garth Lyon, Chair
Dan Sparks, Vice Chair
Kimber Meister, Treasurer

Carried unanimously

Motion 2013.39

Moved by Garth Lyon to appoint directors Bob Kocian, Dan Sparks, Sean Krausert, Camille Hemingson, and Joanna McCallum to the PAH Project Committee.

Carried unanimously

Motion 2013.40

Moved by Dan Sparks to appoint Garth Lyon, Kimber Meister, Oscar Pacheco and Cathy Robinson to the Corporation Strategic Review Committee.

Carried unanimously

Direction given to the Chair to contact Hans Helder to determine interest in continuing his participation on the Corporation Strategic Review Committee.

b) **Lamphouse Neighbourhood Association appointments**

Cathy Robinson declared a conflict of interest and abstained from the discussion and vote.

Motion 2013.41

Moved by Sean Krausert to appoint Garth Lyon, Jennifer Bisley and the Coyote Ridge designated representative to be elected as Directors to the Lamphouse Neighbourhood Association for 2013-14.

Carried (one abstention-Cathy Robinson)

Motion 2013.42

Moved by Garth Lyon to authorize Jennifer Bisley to represent CCHC's voting interests at the Lamphouse Neighbourhood Association 2013 Annual General Meeting.

Carried (one abstention-Cathy Robinson)

c) **Correspondence from BOWDA**

Motion 2013.43

Moved by Dan Sparks to accept the letter from BOWDA for information and refer it to the PAH Project Committee.

Carried unanimously.

7) **In Camera Items:** none

8) **2013/14 Meeting Dates**

A draft schedule was circulated for review.

9) **Motion to Adjourn**

Moved by Oscar Pacheco to adjourn the meeting at 2:08pm

Carried unanimously

Chair

Managing Director

DRAFT



For Information

DATE OF MEETING: January 22, 2014 **Agenda Item: 4b**

SUBJECT: Corporation Strategic Review (CSR) Committee Report

RECOMMENDATION: To accept the report for information

EXECUTIVE SUMMARY

The CSR Committee is overseeing the strategic review of the corporation. The objective of the review is to understand three key issues:

- 1) Relevance and rationale of CCHC in relation to community housing needs and achievement of public policy objectives
- 2) Extent CCHC organizational model is appropriate, effective and efficient in view of public policy objectives and community housing needs
- 3) Extent the CCHC organizational model is financially viable.

The Committee was briefed by the Managing Director on December 9, 2013 on activities completed to date in relation to the approved work plan. Highlights from a preliminary analysis of the community housing needs assessment were also presented at the CCHC shareholders' meeting on January 15, 2014.

ACTIVITY UPDATE BY ISSUE

ISSUE 1:

Online surveys and focus groups related to understanding the community housing needs and achievement of public policy objectives are complete.

Focus Groups: 10 held in November with a total of 58 participants.

- Individuals/families x 4
- Community Service Providers x 1
- Housing Industry Professionals x 1
- Employers x 2
- Service industry workers x 2

Online Survey: 2 online surveys open for responses between October 28 and December 13, 2013:

1. Households: 158 valid responses representing 389 household members
2. Employers: 16 valid responses

A preliminary analysis of data has been done and key observations presented at the shareholders meeting. Council was invited to provide their perspectives on need and public policy objectives in the meeting. Councilors will be followed up with individually to ensure all perspectives were heard as there was limited time available for this discussion.

The review of applicable corporate, municipal, and other documents (strategies, plans, policies and studies) and statistics to provide further context will be completed by February 7.

At this time, key informants will be contacted for interviews to reflect on the preliminary results, fill in gaps of information, and validate findings. Key informants will be identified from the housing industry (market/non-market), industry/employer groups, and Town Council and Administration. These interviews are scheduled to conclude at the end of February.

ISSUE 2:

CCHC will undertake a critical analysis of its organizational model, programs and activities in late February. This analysis will be done in the context of community needs, public policy objectives and gaps that exist in the housing spectrum. The methodologies will include key informant interviews, document review, and a review of best practices and strategies undertaken by other organizations. This analysis will result in recommendations for changes to CCHC's activities, programs and structure.

The preliminary draft recommendations are due for completion at the end of March.

ISSUE 3:

Underpinning CCHC's organizational review is the concept of financial sustainability. Any recommendations will consider what is required to support CCHC in becoming financially sustainable.

ATTACHMENTS **none**



Canmore Community Housing Corporation

For Information

DATE OF MEETING: January 22, 2014 **Agenda Item: 5**

SUBJECT: Managing Director's Report

RECOMMENDATION: To accept the report for information

EXECUTIVE SUMMARY

The Managing Director's Report summarizes activities relative to the Business Plan. This report refers to year-to-date activities in 2013, and to date in January 2014.

KEY STRATEGIES UPDATE

1. Build new units and utilize existing market units to increase availability of affordable housing

The Leasing and Acquisition Strategy Plan report was received by the CCHC Board of Directors at the August 2013 meeting. The Managing Director has been using the strategy and templates in assessing acquisition opportunities. The Project Committee prepared a revised terms of reference for 2014-2015. It was discussed with shareholders on January 15, 2014 and is being presented to the Board on January 22, 2014 for approval.

2. Innovative finance and housing programs to improve housing access

CCHC continues to communicate with the Town of Canmore on its development of "staff housing" policy, particularly in relation to the use of Visitor Accommodation units for that purpose. The development of any new programs has been put on hold pending the outcome of the Corporation Strategic Review (see below).

3. Improve organizational capacity to deliver programs and develop properties

The Board approved the Corporation Strategic Review (CSR) Terms of Reference in August and the detailed work plan in October. Focus groups and an online questionnaire were completed on December 13.

OPERATIONS UPDATE

Administer, Develop & Manage: PROGRAMS

1. OWN Wait List: 16 (January 18, 2014)

Year	Inquiries	Applications
2013	100	13
2012	121	7
2011	146	6

Sales summary for 2013 YTD

Properties purchased by CCHC: 2

Properties sold by CCHC: 2

Properties sold by owner: 2 + 1 conditionally sold (unconditional as of Jan 18 14)

No current listings

2. PAH Program – HECTOR RENTAL List: 16 (January 18, 2014)

Year	Inquiries	Applications	Leases	Withdrawals
2013	420	64	18	27
2012	251	60	28	29
2011	194	53	28	22

Occupancy 99% (average)

Properties

Lamphouse Neighbourhood Association

- > AGM held on November 13, 2013. Items discussed included snow removal, speeding and need for traffic calming measures, parking, road maintenance and reducing the fees due to a unnecessary cash surplus. The Board has subsequently amended the 2013-14 budget.

Palliser Lands

- > Stakeholder in Stoneworks Creek flood mitigation discussions being led by the Town.

Programs

Ownership

- > CPI release date January 23, 2014. A notice is being prepared to be sent to all owners with notification of the CPI and request that they submit their annual residency declaration.
- > The Municipal Government Act (MGA) is undergoing a review. The MGA currently creates barriers to the provision of affordable housing by municipalities in Alberta, for example, inclusionary zoning widely used in BC, is not permitted in Alberta, and the MGA does not expressly provide that restrictive covenants and deed restrictions may be registered on title by the municipality and be binding against subsequent owners. The Managing Director will prepare a corporate submission in consultation with the Town of Canmore and other stakeholders.

- > Confirmed ongoing commitment of BMO and CIBC to provide mortgage finance for PAH Programs. Working with ATB to bring a new lender to the program.

General Administration

Shareholder Meeting

- > Shareholder meeting was held on January 15, 2014 to introduce new Council members to CCHC, provide an overview of current housing need and issues, and to discuss proposed strategies.

Office renovation

- > A wall has been built in the common office area to create better definition of space and privacy for our clients and staff. A few items remain outstanding but the project should be completed by the end of January.

Bookkeeping Services

- > CCHC is interviewing bookkeepers as its current bookkeeper is terminating services to CCHC at the conclusion of 2013 year end requirements. A contract for service will be executed before the end of the month.

Prepared by: Jennifer Bisley, Managing Director

Prepared on: January 18, 2014



For Decision

DATE OF MEETING: January 22, 2014 **Agenda Item: 6a**

SUBJECT: 2013 & 2014 Budgets Adjusted for Audit Purposes

RECOMMENDATION: To approve: 1) the 2013 budget adjusted for audit purposes; and 2) the 2014 budget adjusted for audit purposes.

EXECUTIVE SUMMARY

CCHC auditors recommended that management include amortization and long-term debt repayments in the 2013 budget. The CCHC Board is to approve adjusted cash budgets for 2013 and 2014 for audit purposes.

PREVIOUS BOARD DIRECTION OR POLICY

Motion 2012.39 (Oct 18, 2012) Moved by Sean Krausert to approve the CCHC Business Plan: 2013 – 2015 as amended (*note that the business plan included the 2013 budget*)

Motion 2013.31 (Aug 28 2013) Moved by Kimber Meister to approve the 2014 draft cash budget for submission to the Town of Canmore.

BACKGROUND

The auditor letter dated April 23, 2013, reported the following deficiency in financial reporting:

Budget

The budget approved by the Board includes capital expenditures and does not include an amount for amortization or long-term debt repayments.

While the budget as approved is satisfactory for determination of the cash balance at year end, presentation of the approved budget on the financial statements presents an inaccurate comparison of actual results to budgeted amounts due to the exclusion/inclusion of the amounts mentioned above.

We recommend that the management include the above amounts mentioned above in the 2013 budget to obtain a more accurate comparison of actual to budgeted amounts at year end.

DISCUSSION

Long-term debt repayments

The auditors note that CCHC did not include long-term debt payments in its 2012 budget. The Hector and its debt obligation were transferred to CCHC in May 2012, subsequent to the 2012 budget being approved in August 2011. CCHC, as property/program manager, prepared and

approved cash budgets for The Hector on behalf of the Town. These budgets included long-term debt payments and continued to be used by CCHC upon the transfer of the property to CCHC. Long-term debt payments were already included in the 2013 and 2014 budgets prior to the auditors' letter. Therefore, no adjustments were required to be made to the approved cash budgets.

Amortization

CCHC previously prepared cash budgets, which did not include non-cash items such as amortization of assets and recognition of deferred lease revenues. The reason for this was that it was not necessary for audited financial statements, and it had resulted in CCHC requisitioning the Town for non-cash items, such as amortization. However, new accounting standards applied in the 2012 audit, which now require CCHC to include a budget column in the audited statements.

Budgets have been adjusted to account for non-cash items with the addition of 3 new line items:

- 1) Lease revenues, specifically recognition of annual deferred lease revenue as per the schedule in the 2012 audited statements.
- 2) Amortization, an estimate of annual amortization on assets used in general administration (computers, leasehold improvements)
- 3) Hector amortization as per the schedule contained in the 2012 audited statements.

In addition, the budget has been adjusted so expenses and revenues are titled and categorized as they are in the audited statements. In the future, CCHC will approve the cash budget and an adjusted cash budget for audit purposes at the same time.

ALTERNATIVES: None.

FINANCIAL IMPACTS: There is no change to the cash budget of the organization.

ATTACHMENTS: 2013 Adjusted Cash Budget for Audit Purposes
2014 Adjusted Cash Budget for Audit Purposes

Prepared by: Jennifer Bisley, Managing Director
Prepared on: January 18, 2014

2013 Adjusted Budget for Audit Purposes

	Budget for Cash Purposes 2013	Budget for Audit Purposes 2013
REVENUES		
General Revenues		
Town of Canmore transfer	\$ 275,000	\$ 275,000
Interest Income and Other	12,000	12,000
Leases		8,044
Resale Administration	25,000	25,000
Total General Revenues	\$ 312,000	\$ 320,044
EXPENSES		
Wages and Benefits	\$ 214,690	\$ 214,690
Resale administration	18,750	18,750
Professional fees	15,000	15,000
Contract service	25,000	25,000
Office	9,983	9,983
Communications	12,775	12,775
Telephone and utilities	3,250	3,250
Insurance	1,573	1,573
Computer	1,275	1,275
Memberships	900	900
Meals and entertainment	1,025	1,025
Travel and accommodation	2,250	2,250
Interest and bank charges	245	245
Amortization		3,250
	\$ 306,716	\$ 309,966
Excess of revenue over expenses before other	\$ 5,284	\$ 10,078
Other revenue (expenses)		
Hector rental revenue	\$ 605,047	605,047
Hector rental expenses	-170,087	-170,087
Hector amortization		-174,985
Hector interest expense	-262,978	-262,978
Housing resale revenue		
Housing resale expense		
	\$ 171,982	\$ -3,003
Excess of revenue over expense	\$ 177,266	\$ 7,075
Acquisition of Tangible Capital Assets		
Computer Software	-500	-500
Computer Equipment	-1,500	-1,500
Leasehold Improvements	-2,500	-2,500
	\$ -4,500	\$ -4,500
Investment in future housing development	-9,838	-9,838
Long-term Debt Repayments		
Hector Debenture Principal	-142,612	-142,612
Surplus/deficit before reserve transfers	20,316	-149,875 *
Cash Transfers from/(to) Reserves		
CCHC Capital Reserve Fund	9,838	
CCHC Operating Reserve Fund	2,428	
Hector building capital reserve fund	-32,582	
Net Transfers	- 20,316	
Cash Budget Balance	-	
In-kind and uncommitted revenues/expenditures**		
Town of Canmore rent in kind (non cash)	24,528	-
Rent expenditures	- 24,528	
Housing Project Development Funding	438,762	
Housing Project Development Expenditures	- 438,762	

* Difference of \$170,191 consists of lease revenues of \$8044 less total amortization of \$178,235

** Uncommitted revenues and expenditures are not included on the budget for audit purposes although the approved budget would be amended upon any commitment to a specific project plan.

2014 Adjusted Budget for Audit Purposes

	Budget for Cash Purposes 2014	Budget for Audit Purposes 2014
REVENUES		
General Revenues		
Town of Canmore transfer	\$ 275,000	\$ 275,000
Interest Income and Other	12,000	12,000
Leases		8,044
Resale Administration	25,000	25,000
Total General Revenues	\$ 312,000	\$ 320,044
EXPENSES		
Wages and Benefits	\$ 219,500	\$ 219,500
Resale administration	18,750	18,750
Professional fees	18,000	18,000
Contract service	25,000	25,000
Office	13,268	13,268
Communications	7,500	7,500
Telephone and utilities	3,322	3,322
Insurance	1,775	1,775
Computer	1,275	1,275
Memberships	900	900
Meals and entertainment	1,000	1,000
Travel and accommodation	2,000	2,000
Interest and bank charges	300	300
Amortization		3,500
	\$ 312,590	\$ 316,090
Excess of revenue over expenses before other	\$ -590	\$ 3,954
Other revenue (expenses)		
Hector rental revenue	625,650	625,650
Hector rental expenses	-177,906	-177,906
Hector amortization		-174,985
Hector interest expense	-255,787	-255,787
Housing resale revenue		
Housing resale expense		
	\$ 191,957	\$ 16,972
Excess of revenue over expense	\$ 191,367	\$ 20,926
BALANCE TO CASH BUDGET		
Acquisition of Tangible Capital Assets		
Computer Software	-500	-500
Computer Equipment	-1,500	-1,500
Leasehold Improvements	-500	-500
	\$ -2,500	\$ -2,500
Investment in future housing development	-9,965	-9,965
Long-term Debt Repayments		
Hector Debenture Principal	-149,803	-149,803
Surplus/deficit before reserve transfers	\$ 29,099	\$ -141,342 *
Cash Transfers from/(to) Reserves		
CCHC Capital Reserve Fund	9,965	
CCHC Operating Reserve Fund	-2,178	
Hector reserve fund	-36,886	
Net Transfers	- 29,099	
Cash Budget Balance	-	
In-kind and uncommitted revenues/expenditures**		
Town of Canmore rent in kind (non cash)	25,068	
Rent expenditures	- 25,068	
Housing Project Development Funding	438,762	
Housing Project Development Expenditures	- 438,762	

* Difference of \$170,441 consists of lease revenues of \$8044 less total amortization of \$178,485

** Uncommitted revenues and expenditures are not included on the budget for audit purposes although the approved budget would be amended upon any commitment to a specific project plan.