



HOSTELLING INTERNATIONAL
Pacific Mountain Region

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

**BOARD OF DIRECTORS
MEETING SUMMARY**

DATE:	Saturday, April 14 & Sunday, April 15, 2007	
TIME:	April 14 8:45am to 5:00pm MDT April 15 9:00am to 3:00pm MDT	
PLACE:	Calgary Area Outdoor Council 1111 Memorial Drive NW, Calgary	
PRESENT:	Jeff Leung	Chair
	Claire Johnson	Vice Chair
	Mark Sowinski	Vice Chair
	Jon Azpiri	Director
	Alastair Campbell	Director
	Bob West	Director
REGRETS:	Craig Brown	Director
STAFF:	Alistair McLean	CEO
CONSULTANTS:	Wayne Amundson	AXI
	Robin Robertson	AXI
RECORDER:	Alistair McLean	CEO

1. Call to order

Meeting called to order at 8:35am MDT.

2. Adoption of Agenda

- A. McLean requested addition of Item 7.b.1.7 – Lebanon Hostel Grant

ON A MOTION DULY MADE, carried unanimously.

BE IT RESOLVED THAT: the approval of the agenda as amended, is hereby acknowledged and ratified by the Directors of the Association.

3. Attendance

- A. McLean advised that all directors were in compliance with Bylaws.

4. Adoption of minutes of last meeting

- Minutes of February 10/11, 2007 Board Meeting.

ON A MOTION DULY MADE, carried unanimously.

BE IT RESOLVED THAT: the approval of the minutes dated February 10/11, 2007 as presented, is hereby acknowledged and ratified by the Directors of the Association.

5. Ownership Linkage

5.1 Ownership Linkage Proposal

- W. Amundson advised currently in research and planning stage. Has lined up a writer.
- Program being ramped up over the next two months.

6. Board Education

6.1 Ends – Timeframes and Monitoring Process

- W. Amundson provided an education presentation on managing and monitoring policies and provided the Board members the necessary tools to carry out this work.

6.2 Bylaws – Better Practices in Membership Organizations

- W. Amundson presented an education session on understanding Bylaws and their better practices for the Board members.

7. Items for Decision

a. Ends

There were no agenda items in this section.

b. Governance Process

b.1 National Interface

b.1.1 Appointment of HI-C NAGM Delegate

- J. Leung advised of the requirement for the Board to officially appoint a delegate and alternate to the 2007 HI-C National Annual General Meeting being held June 10, 2007 in Banff.
- There was a short discussion around who the delegate, and alternate, should be.

ON A MOTION DULY MADE, carried unanimously.

BE IT RESOLVED THAT: the Board appoints Jeff Leung as the delegate, and Claire Johnson as alternate observer, for HI-C-PM Region at the 2007 NAGM being held in Banff, AB, is hereby acknowledged and ratified by the Directors of the Association.

b.1.2 Review of Proposed HI-C Bylaw Revisions

- J. Leung advised that the enclosed proposed revisions to the National Constitution and Bylaws will be presented at the 2007 NAGM, and requested any comments or concerns to be raised at the NAGM.

b.1.3 NEB Board Nominee

- A. McLean advised that Ed Hemmings will not be standing for re-election at the 2007 NAGM and requested any suggestions for candidates from the PM Region who would be willing to run.
- After a short discussion, A. McLean to contact Robin Smith and Lawrence Gerritsen to inquire of their potential interest to run for a position on the NEB.

b.1.4 TJ/GL Situation & NSGM

- J. Leung and A. McLean reviewed the current TJ/GL situation as discussed at the last HI-C Presidents' call.
- He advised that a NSGM has been called for May 7, 2007 to accept a new regional association for the territories of Quebec and the Great Lakes.
- Discussion was held on the restructuring situation around the country.

ON A MOTION DULY MADE, carried unanimously.

BE IT RESOLVED THAT: the Board directs the delegate or alternate to vote in support of the proposed resolution of the May 7, 2007 NSGM, is hereby acknowledged and ratified by the Directors of the Association.

b.1.5 Appointment of HI-C NSGM Delegate

- J. Leung advised that under the National Constitution and Bylaws, HI-C-PM is required to appoint a delegate for the NSGM of May 7, 2007.
- There was a short discussion on the current status of the TJ and GL Regions and who the delegate should be.

ON A MOTION DULY MADE, carried unanimously.

BE IT RESOLVED THAT: the Board appoints Jeff Leung as the delegate, and Jon Azpiri as alternate, for HI-C-PM Region at the NSGM of May 7, 2007 in regard to the acceptance of a new regional association for the territories of Quebec and the Great Lakes, is hereby acknowledged and ratified by the Directors of the Association.

b.1.6 CRA Funding

- A. McLean advised the Board of the current status and position of HI-OE and requested further clarification from the Board on their funding decision to help support the charity status challenge.

b.1.7 Lebanon Hostels

- A. McLean provided background information regarding a request from the Lebanon Hostel Association to HI-C through IYHF.
- After a lengthy discussion, the Board felt that this was an international responsibility that comes under the National Office.

b.2 Audit Committee Appointment

b.2.1 Nominations Committee

- J. Leung gave a short report on the status of the Nominations Committee.
- J. Leung advised that there will be a contested election with 6 candidates for 5 positions.

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- A. McLean requested that the Board formally approve the enclosed Notice of the Annual Meeting of Members, the Form of Proxy, and Management Information Circular.
 - There was a discussion regarding the Calgary Townhall Meeting, and the suggestion that the Townhall include an event of some sort.
 - Discussion was around the AGM date.
 - A. McLean advised that Board Chair needs to appoint three scrutineers a minimum of 45 days in advance of the AGM.

ON A MOTION DULY MADE, carried unanimously.

BE IT RESOLVED THAT: the approval of the Notice of Annual Meeting of the Members, the Form of Proxy, and the Management Information Circular for the 2007 AGM, is hereby acknowledged and ratified by the Directors of the Association.

b.2.1.1 Kate Rosen Resignation

- J. Leung advised that Kate Rosen has forwarded her letter of resignation from 3 Boards, effective March 2007.
- J. Leung thanked Kate for her time as a PM Region Board member and Chair of the Nominations Committee.

b.2.2 Audit Committee

- J. Leung advised there is a requirement to formally approve a motion to put before the members at the AGM, appointing KPMG as auditors for the 2007/08 fiscal year.
- Board asked Audit Committee to possibly review tendering audit process for 2008/09 fiscal year.

ON A MOTION DULY MADE, carried unanimously.

BE IT RESOLVED THAT: the approval of the placement before the members at the Annual General Meeting of the motion to appoint KPMG as auditors for the 2007/08 fiscal year, is hereby acknowledged and ratified by the Directors of the Association.

b.2.3 Governance Committee

- C. Johnson advised that the Committee met and reviewed Policies 2.1 to 2.12, except 2.6 and 2.7.
- Discussion held around review process.

b.2.3.1 Board Self Management Policies Section 2

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- C. Johnson provided feedback from the Governance Committee on their review of Section 2 of the Policies.
 - In the meeting, the Board members reviewed the Policies in Section 2.
 - Governance Committee to redraft Policy 2.4 – Governing Process for June Board meeting.
 - AXI to redraft Policy 2.5 – Cost of Governance and 2.8 – National Association by June Board meeting.

b.2.3.2 Board Self Management Policies Section 2.6/2.7

- AXI presented a proposed new Policy 2.1.
- AXI also presented a proposed new Policy 2.6.

ON A MOTION DULY MADE, carried unanimously.

BE IT RESOLVED THAT: the Board adopts the new Policy 2.1 – Governing Style, as amended:

“The Board will govern lawfully and with an emphasis on outward vision, commitment to obtaining ownership input, encouragement of diversity in viewpoints, strategic leadership, clear distinction of Board and CEO roles, collective decision, and a proactive future focus. Accordingly:

- 2.1.1 *The Board will direct, control and lead the organization through the careful establishment and review of broad written policies. The Governance Committee Chair shall have the authority to revise policies to reflect minor changes that, in his or her opinion, do not significantly alter the meaning of the policy, and shall notify the Board of all revisions made to policy. Any revision that will significantly alter the meaning of a policy shall be decided by the full Board. Any Board member or the CEO may request that a review of or a change to specific policies be added to the Board meeting agenda.*
- 2.1.2 *The Board will undertake continual Board development, including Board education in every face-to-face Board meeting (ranging from 20-25% of Board meeting time) and orientation of new Board members.*
- 2.1.3 *The Board will monitor and evaluate its own processes and performance, and will implement appropriate means to achieve governing excellence.*
- 2.1.4 *The Board shall exercise its governing authority as a whole. No individual Board member may exercise such authority except as instructed by the Board.*

2.1.5. *The Board shall establish effective and regular ways of monitoring compliance with Executive Limitation Policies and progress in achieving Ends Policies.*”

is hereby acknowledged and ratified by the Directors of the Association.

ON A MOTION DULY MADE, carried unanimously.

BE IT RESOLVED THAT: the Board deletes the current Policy 2.6/2.7, and adopts the following Policy – Board Self Evaluation, at the end of Section 2:

“In order to discipline itself and its efforts, the Board shall regularly self-evaluate its own processes and performance. Accordingly,

2.6.1. *At each meeting Directors in attendance shall complete a Board Meeting Self Evaluation questionnaire that focuses on assessing the Board’s adherence to its policies and to policy-based leadership during the conduct of its meetings.*

2.6.2. *The Board shall, over the course of the year, self-evaluate its compliance with all Board Self-Management and Executive Relationship Policies. To maximize the use of face-to-face meeting time for Ends-related work, the Board will use a Board Policy Compliance Worksheet process. The process shall be coordinated by the Governance Committee Chair, however each Director shall be assigned specific policies for which he or she shall facilitate worksheet completion by Directors and reporting to the Board. The results shall be discussed during face-to-face Board meetings.*

2.6.3. *The Board shall maintain a Governance Performance Improvement Plan (based on results from 2.6.1. and 2.6.2.) comprising planned actions to address identified Board performance improvements needed.”*

is hereby acknowledged and ratified by the Directors of the Association.

b.2.4 CEO Review Committee

- J. Leung provided an update on the Committee work since the last meeting.
- Board went In Camera at 3:20pm to discuss report. Board came out of In Camera at 4:10pm.

ON A MOTION DULY MADE, carried.

BE IT RESOLVED THAT: the Board approves the CEO Review Committee recommendation, is hereby acknowledged and ratified by the Directors of the Association.

c. Executive Limitations

c.1 Resolution to Approve Revised Policy 4.12.4

- Further to the February 10/11, 2007 Board meeting, there is a requirement to officially amend Policy 4.12.4.

ON A MOTION DULY MADE, carried unanimously.

BE IT RESOLVED THAT: the policy 4.12.4 be amended to read as follows: “Access shall not be limited to any hostel on long weekends and closed for longer than 45 days without prior Board approval,” is hereby acknowledged and ratified by the Directors of the Association.

c.2 Asset Transfer Update

- A. McLean provided background information on letter from legal council.
- Discussion around the whole transfer issue and possible other solutions.
- A. McLean to provide a final recommendation at June Board meeting.

c.3 Jericho Hostel Lease/Capital Update

- A. McLean provided a short update on the current status of the Jericho Hostel lease and capital projects.

d. Board-CEO Relationship

d.1 Board-CEO Relationship Policy Revision & Development

- AXI introduced a new Monitoring Executive Performance Policy for Board review.
- AXI introduced a new CEO Compensation Policy and new CEO Bonus Compensation Policy.

ON A MOTION DULY MADE, carried unanimously.

BE IT RESOLVED THAT: the Board adopts the new Monitoring Executive Performance Policy:

“Executive job performance will be determined using accomplishment of Board Ends policies and organizational operation within the boundaries established by Board policies on Executive Limitations. Accordingly,

- 3.6.1. Monitoring is simply to determine the degree to which Board policies are being met.*
- 3.6.2. The Board may acquire monitoring data: (a) through CEO reports (b) through reports by external parties selected by the Boards, and (c) through direct Board inspection.*
- 3.6.3. In every case, the standard for compliance shall be any reasonable CEO interpretation of the Board policy being monitored. The Board is the final judge of reasonableness, but will always judge with a “reasonable person test” rather than with interpretations favoured by Board members or the Board.*
- 3.6.4. The policies, which instruct the CEO, will be monitored by a method and a frequency chosen by the Board.*
- 3.6.5. Annually, the Board will use the ends policy monitoring information to conduct a formal evaluation of the CEO’s performance.”*

is hereby acknowledged and ratified by the Directors of the Association.

ON A MOTION DULY MADE, carried unanimously.

BE IT RESOLVED THAT: the existing Policy 3.4 will be replaced by the new CEO Compensation Policy:

“The Board will compensate the CEO at fair market value for services within the context of fiscal responsibility to the organization. Accordingly,

- 3.4.1. At a minimum of once every three years, the current base compensation will be compared to market and adjustments made accordingly by the Board. CEO base compensation will be established at a level comparable to 90th percentile of the market. Salary would NOT decrease if market study decreased.*
- 3.4.2. The level comparable to 90th percentile of market may be determined by either of these approaches:*
 - 3.4.2.1. If a market survey of comparable organizations (minimum of 10 organizations) is undertaken, compensation can be set at the 90th percentile.*

3.4.2.2. *If the most recent CSAE Association Executive Benefits and Compensation Report is used, 90% of the average base salary for the top quartile of respondents (top 25%) will be used. The average is used to eliminate the distortions caused by a minority of high profile national association CEO positions. Based on range information provided related to the quartile, this represents a reasonable approximation of the 90th quartile.*

3.4.3 *On the anniversary date each year, the CEO will receive a cost of living adjustment. The cost of living adjustment will be determined using at least two external sources and based on the location of the head office. During years of base salary comparison and adjustment, there will be no cost of living adjustment.”*

is hereby acknowledged and ratified by the Directors of the Association.

ON A MOTION DULY MADE, carried unanimously.

BE IT RESOLVED THAT: the Board adopts the new Policy 3.5 - CEO Bonus Compensation:

“Annually, the CEO Bonus criteria will be based on evidence of ends progress. Accordingly,

3.5.1. *The bonus shall be capped at 11% of base salary.*

3.5.2. *There are 10 ends and sub ends policies being monitored by the Board. For each ends policy or sub ends policy where the Board deems there was sufficient evidence to show progress during the previous 12 months, the CEO shall receive 10% of the total allowable bonus.*

3.5.3. *When an end or sub-end policy is added or substantially altered, it may not be possible to implement action and achieve progress in a short period of time. Accordingly,*

3.5.3.1. *Until such time as that end or sub-end has been in place for more than one full fiscal year, the Board will also consider evidence of CEO actions or efforts to achieve progress when determining applicable bonus in relation to any new or substantially altered end or sub-end policy.”*

is hereby acknowledged and ratified by the Directors of the Association.

8. Monitoring CEO Performance

8.1 Revised Ends #1 Monitoring Report

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- C. Johnson presented a report on Ends #1 Monitoring.
 - Discussion around report and process.

ON A MOTION DULY MADE, carried.

BE IT RESOLVED THAT: the monitoring report has been assessed and accepted as providing reasonable interpretation and evidence of progress in all aspects of Ends Policy 1.1.1., is hereby acknowledged and ratified by the Directors of the Association.

ON A MOTION DULY MADE, carried.

BE IT RESOLVED THAT: the monitoring report has been assessed and accepted as providing reasonable interpretation and evidence of progress in all aspects of Ends Policy 1.1.2., is hereby acknowledged and ratified by the Directors of the Association.

ON A MOTION DULY MADE, carried. 1 Against (M. Sowinski).

BE IT RESOLVED THAT: the monitoring report has been assessed and accepted as providing reasonable interpretation and evidence of progress in all aspects of Ends Policy 1.1.3., is hereby acknowledged and ratified by the Directors of the Association.

8.2 Policy Limitations Report 4.3, 4.4, & 4.5

- C. Johnson presented the monitoring report on Policies 4.3, 4.4, and 4.5.
- Discussion around report and process.

ON A MOTION DULY MADE, carried unanimously.

BE IT RESOLVED THAT: the monitoring report has been assessed and accepted as providing reasonable interpretation and evidence of compliance in all aspects of Policy 4.3., is hereby acknowledged and ratified by the Directors of the Association.

ON A MOTION DULY MADE, carried unanimously.

BE IT RESOLVED THAT: the monitoring report has been assessed and accepted as providing reasonable interpretation and evidence of compliance in all aspects of Policy 4.4, is hereby acknowledged and ratified by the Directors of the Association.

ON A MOTION DULY MADE, carried unanimously.

BE IT RESOLVED THAT: the monitoring report has been assessed and accepted as providing reasonable interpretation and evidence of compliance in all aspects of Policy 4.5, is hereby acknowledged and ratified by the Directors of the Association.

9. Monitoring Board Performance

9.1 Board Performance Review Tools

- AXI presented several monitoring tools for Board members to use on Board self-performance.
- Board carried out review of Section 2 of the Policy Manual using the new tools.
- All tools and forms will become an appendix to the Policy Manual Binder.

10. Information Requested by the Board

10.1 Board Budget Update

- A. McLean provided a status update on the current 2006/07 Board budget.

10.2 Merger Discussions Update

- A. McLean provided an update on merger discussions with NA, SK, and MB.
- Final RDT report on NA/PM Region merger presented to Board for review.
- Board conference call set for April 23, 2007 at 5pm MDT to discuss report.

11. “Nice to Know” Information

11.1 Operations – any nice to know questions re: operations

- A. McLean advised of another excellent month of results for March, and outlook for April was positive.
- A. McLean provided update on the Whistler project development.

11.2 IYHF CEO Meeting – Germany

- A. McLean provided a short update on IYHF CEO meeting.
- A. McLean advised that HI-C and HI-C-PM Region will be hosting the November 2008 IYHF Board meeting and possibly the March 2008 IYHF CEO meeting.

11.3 Next Board Meeting

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- Discussion around future Board meetings. The following schedule was agreed to:
 - April 23, 2007 at 4pm PDT / 5pm MDT – conference call re: RDT Report
 - May 22, 2007 at 4pm PDT / 5pm MDT – conference call re: Audited Financial Statements
 - June 25, 2007 at 4pm PDT / 5pm MDT – conference call re: Policy Section 2 and Asset Transfer Recommendation
 - June 27, 2007 at 7pm PDT – HI-C-PM Region AGM at the Capilano Suspension Bridge in Vancouver, BC.
 - TBD early September – Board Orientation
 - September 28, 2007 – Town Hall Meeting in Calgary
 - September 29/30, 2007 – HI-C-PM Region Board Meeting in Alberta.

12. Self-evaluation of governance process at this meeting

Summary and Evaluation

- AXI introduced new Board Meeting Evaluation Form.
- Board members completed form evaluating meeting.

13. Adjournment

Moved by C. Johnson.

Meeting adjourned at 2:25pm MDT on Sunday, April 15, 2007

Chair

Secretary