

**BOARD MEETING MINUTES**  
**Thursday, August 15, 2013 at 1:00 pm**  
**CFWY Office, Hinton AB**

**PRESENT:**

Chair	Lorraine Johnston-MacKay	TOWN OF HINTON
Vice Chair	Johannes Zwart	TOWN OF GRANDE CACHE
Secretary/Treasurer	Tammy Strang	TOWN OF EDSON
IRC Chair	Shawn Berry	YELLOWHEAD COUNTY
Director	Brenda Zinck	TOWN OF JASPER
Director	Bill Bulger	TOWN OF HINTON
Director	Maxine Lappe	YELLOWHEAD COUNTY

**APOLOGIES:**

Director	Greg Pasychny	TOWN OF EDSON
Director	Gilbert Wall	TOWN OF JASPER
Director	Shawn Moulun	TOWN OF GRANDE CACHE

**STAFF PRESENT:**

General Manager      Nancy Robbins

**1. CALL TO ORDER:**

Chair Lorraine Johnston-MacKay called the meeting to order at 1:10 pm

**2. ADDITIONS TO THE AGENDA**

- 5.2 IRC Update on Loans
- 5.3 Collections Centralization with CFNA
- 5.4 Nomination for Community Futures Volunteer of the Year

**3. APPROVAL OF THE AGENDA**

**STRANG** That the agenda be accepted as amended. **CARRIED**

**4. Old Business**

**4.1 Post-Secondary Working Group Action Plan**

Chair Lorraine Johnston-MacKay presented the background of the relationship between CFWY, the Town of Hinton and GPRC to the Board of Directors. The Memorandum of Understanding signed in March 2012 was discussed as well as a recent meeting between Lorraine, Nancy, Mayor Duncan, Town of Hinton CAO Bernie Kreiner and Town of Hinton EDO, Kimberley Worthington.

The Post-Secondary Working Group has created an Action Plan that requires CFWY Board of Directors approval.

Discussion ensued and a number of issues were raised. A major concern is that transition period in the organization in the past year has changed both our focus and our staff resources. CFWY does not have the human resources to commit to the action plan as was previously available when the Memorandum of Understanding was signed.

**LAPPE** That the "A New Community Learning Centre for Hinton Action Plan" presented by the Post-Secondary Working Group be accepted by the CFWY Board of Directors

**DEFEATED**

(2 in favour, 5 opposed)

The CFWY Board of Directors still supports the Memorandum of Understanding. It is requested that the Chair follow up with the committee with a letter.

**5. New Business**

**5.1 WD Revitalization Initiative Questionnaire**

The BOD completed the questionnaire. Nancy will write a collective response and then forward it to the Chair and then the BOD for feedback before submitting it to WD.

The final version is added to the minutes as an attachment.

**ZWART** Motion to go in camera at 3:20 pm **CARRIED**

**5.2 IRC Update on Loans**

**LAPPE** Motion for in camera session to end at 3:30 pm **CARRIED**

**5.3 Centralization Collections with CFNA**

Chair Lorraine Johnston-MacKay presented information on the current to centralization collections procedures with the CFNA. The idea behind the Centralized Collections Department with Alberta CF offices began in March 2012. CFWY is in support of the initiative and is looking for opportunities to discuss with other CF offices.

Nancy will gather information on current Chairs of the other Alberta CFs and help Lorraine design a plan to bring the issue up with at the provincial CFNA meetings in October.

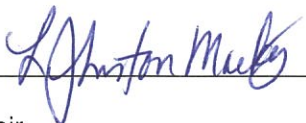
**5.4 Nomination for Community Futures Volunteer of the Year**

CFWY Board of Directors, General Manager and Staff completed the nomination process to nominate Brenda Zinck for the Community Futures Volunteer of the Year. The award will be announced at the CFNA Annual Conference in October.

6. **Next Meeting:** Monday, September 16, 2013 at 2:00 pm at the Galloway Museum in Edson. A free tour of the museum is offered starting at 1:00 pm/

**7. Adjournment**

**ZINCK** Adjourned meeting at 3:40 pm

  
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Chair

  
\_\_\_\_\_  
Secretary/Treasurer



## Revitalization Initiative Questionnaire

CF Name (s): West Yellowhead Region: AB  
 CF Location(s): West Yellowhead Region (Jasper, Hinton, Edson, Grande Cache, Yellowhead County) Date: 8/30/2013

### Performance & Alignment:

1. What elements should be considered in developing a new CF performance model?
  - a. If minimum performance expectations are based on organizing CFs into groups, how should CFs be grouped? For example, what do you think about the proposed groupings below?

<b>Group one</b>	Large population base, major population centre to drive innovation and business productivity, or maybe adjacent to major metropolitan centre, etc.
<b>Group two</b>	Moderate population, no major centre but a number of smaller communities with good transportation links, etc.
<b>Group three</b>	Remote/aboriginal – over 50% aboriginal, small population base, poor transportation links, etc.

If grouping of CFs are to occur by WD, it is preferable if they are done by province and not over the entire Western region. Because of the unique economic and cultural characteristics of each province, it is not in the best interest of the CF program to group all 90 CFs in to comparable categories. If groupings are to occur, it is preferable that they be done provincially.

Even if groupings are done by province, it is still difficult to divide CFs into groups. In Alberta, for example, there are strong differences between the north and the south and differences between quasi-urban and rural offices. Regions that are closer to urban centres do not have the operational challenges such as travel and distance that larger, more rural regions have. The size of the region is, at times, a barrier to successful operations as funding requires a strict budget for expenses. While we are not advocating that the regions need to change, we do feel that there needs to be some consideration as to the size of the region when designing groupings of CFs.

Another important consideration for designing groupings of CF offices is access to resources. West Yellowhead has communities in its region that still struggle with simple internet access, for example. Capacity for both our operations and for the businesses that we serve is limited when what can be considered basic operational needs are, at times, difficult to obtain. Not all offices face the same challenges and opportunities for economic growth and diversification. This is an important consideration as the discussion continues on changing the current model.

- b. What suggestions do you have to ensure that CFs establish realistic targets? For example, should annual targets be set as the average performance over the last three years? Other ideas?**

We do see a positive approach to setting annual targets based on the average performance of the individual CF office over the last three years. Minimum performance standards and operational funds should be based upon performance of the individual CF office. However, we also acknowledge that economic and demographic trends can have a tremendous influence on the performance of the individual CF office. Offices do experience changes and periods of transition at times that can influence operations and performance. It is ideal that the CFNA is in place and they could offer the additional role of advising WD of management, operational and any notable trends that could prevent individual CF meeting their MPS.

Another area of concern is the main focus on the actual number of loans each CF achieves in a fiscal year. More focus needs to move to the impact that CF office has on the communities in which they work. While the number of loans are important, it is also the other required duties of the CF office that are a measure of their success in the community. Follow up and support to loan clients is very important to the success of the small business and currently, there is no measure by WD to recognize this contribution by the CF.

- c. What can WD do to improve the performance of CFs that do not meet their MPS? What role can CFs play to improve their individual and collective performance?**

Performance appraisals from WD would be a welcomed addition to the CF program. These could be conducted by the provincial association (i.e. CFNA) or by the WD officer. The provincial association plays a key role in helping and mentoring those CF offices who are in transition or are looking for new ways to meet their MPS. The relationship with the WD officers is also critical with the CF office; however, we are finding that they have a heavy workload and are not always able to come to the CF office to help or offer assistance in person. They are a valuable resource, however, and work very hard for the CF office as it is required.

- 2. How can WD and CFs better enhance the alignment of the CF program with Government of Canada and WD priorities?**

As operational funds remain stable and the cost of living and expenses increase, CF offices are finding they must operate under strict operational budgets and look for alternative sources of revenue. It is preferred that focus continue on areas that can be centralized within the provincial association to alleviate the pressure on both the operational budget and the limited number of staff required to carry out the requirements of the CF program. As common areas such as marketing the CF program, collections, webpage development, etc. are conducted by the provincial association, there is more flexibility for the CF office to conduct its mandate and objectives.

WD priorities are more difficult to accomplish in rural communities than in regions that have access to urban centres. It is important to realize that smaller, more rural communities may have different diversification needs than offices closer to urban centers. While WD's priorities are important, it is often

more difficult to meet the priorities as the needs of the rural business community are different than what the CF office can offer. One of our biggest accomplishments in the past fiscal year was financing a partner loan on a community's first major grocery store. While this loan does not meet all of the priorities set by WD, it does meet the requirements of the small community and enhances rural economic diversification.

While innovation, technological creativity and wealth generating sectors are part of our clientele, we are discovering that these clients do not need the loan products offered by the local CF office. They will use our business coaching and training services; however, the requirements of our loan program does not meet their needs. Most businesses who are aligned with these priorities can either (a) receive funding from a mainstream financial institution because of their innovative business or (b) are requiring more financing than the \$150,000 ceiling on CF loans.

### **Governance & Accountability:**

- 1. Do you think the proposed Governance and Accountability Framework is appropriate for your CF? If not, why?**

The proposed Governance and Accountability Framework mirrors our current practices at CFWY.

- 2. How can the proposed Governance and Accountability Framework be improved?**

In terms of the suggested framework, we also offer the follow suggestions

- Change the 9 years to 8 years to be in alignment with municipal elections (our board of directors consists of municipal councillors, for example)
- Minimum standards for board members may be hard to obtain in rural communities where volunteers are limited; municipal councillors usually represent the general population of the community so we are already meeting these standards

- 3. What are some examples of appeals processes that have worked for you?**

We have a standard appeals process in place; however, in our collective experience, we can find only one example of when the appeals process was utilized. We are discovering that we spend a lot of time with our clients prior, during and after the loan application process and even with refusals, appeals are not usually requested.

**CF Association Structure:**

**1. If WD funded one pan-western CF Association:**

**a. What are the advantages?**

While we do not support the recommended changes to one pan-western CF association for all four provinces, we do welcome a review of the program to make sure that all elements of the Community Futures program are relevant.

**b. What are the disadvantages?**

Our relationship with the CFNA is invaluable to the operation of our CF office. We believe that all four western provinces each have a unique culture and economy and it is paramount to have a provincial association representing each province. The support for board development and the mentorship offered to managers is crucial to the success of each CF office.

**c. Would you support this model?**

We believe that the current model is effective. The CFNA is very active in the province and is able to understand the current issues facing Albertan CF offices.

**d. Would you be prepared to financially support a separate CF Association in your province?**

No. We would be unable to commit our operating funds to financially supporting a provincial CF association. We also have the concern that if there is a fee for service, not all CF offices will commit to funding the association making service delivery inconsistent.

**2. The CF Associations and CF Pan West presently deliver a variety of services to CFs.**

**a. What are the key services that you would like to see continued by a pan-western association (should it be determined to proceed with this structure)?**

All the services that are currently offered by both the Pan West Association and CFNA are vital to our CF office. CFLIP is especially important as it enables us to offer more financial support to our clients.

**b. Are there any services currently offered that may be outdated and no longer relevant for today's environment? If so, what are they?**

The CFNA is an ever changing organization and we find they positively review and implement change in their delivery of services. We do not see any of their services as outdated and irrelevant.

**c. Are there other services that you would like a pan-western CF Association to deliver that are currently not available? If so, what are they?**

Our preference is to continue with the model of a provincial association for each western province. We encourage more centralization of areas that are required by all CF offices (i.e. human resources, payroll, accounting, loan documentation, training, marketing, etc.). We would also like to see centralization of collections. This is an excellent way for the provincial association and WD to maximize our services to our rural communities and also free resources for staff to be focus on other areas of program delivery.

**3. What are your thoughts on the structure, composition and representation for the Board of Directors of a potential new pan-western CF association?**

Once the decision is made to create a new pan western CF association, we will provide input on the creation of a new board. However, it is important to note that “super boards” are often expensive to maintain due to travel requirements and there is a concern that smaller CF offices will lose their autonomy in the larger structure.

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Tammy Strang	Secretary/Treasurer	<a href="mailto:tammys@edson.ca">tammys@edson.ca</a>
Shawn Berry	IRC Chair	<a href="mailto:sberry@yellowheadcounty.ab.ca">sberry@yellowheadcounty.ab.ca</a>
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