



2020-21 Kerry's Place Residential Services
Annual General Meeting

August 25, 2021 at 8:30pm

In Attendance: Robert Hart (Chair), Brian Evans, Phil Dowd, Donna Healey, Howard Weinroth
Regrets: Kate Carcone, Denise Evans

MINUTES

Welcome and Call to Order

Bob Hart, Chair of the Kerry's Place Residential Services Board of Directors welcomed those in attendance and thanked everyone for attending the Annual General Meeting for the 2020-21 fiscal year.

Due to the virtual nature of this meeting, the voting process was explained. Members in good standing have voting privilege and were asked to remain silent if in favour or say "opposed" to the motion being presented.

In compliance with the By-law, Sue VanDeVelde-Coke, Kerry's Place President and CEO, confirmed that sufficient notice of this meeting was given to the membership. Notice of this Annual General Meeting was mailed to the membership the week of August 9, 2021, and was also advertised on the Kerry's Place website.

As sufficient notice of the Annual General Meeting complied with the By-law, Bob Hart declared the 2021 Annual General meeting to be duly constituted.

Introduction of Board Members

Bob Hart introduced the members of the Kerry's Place Residential Services Board of Directors in attendance at the Annual General Meeting.

Robert Hart
Phil Dowd
Denise Evans
Donna Healey
Howard Weinroth

Bob extended his appreciation to the members of the Board and to Brian Evans for their time and dedication.

2019-2020 AGM Minute Approval



The first order of business was to approve the minutes of the 2019-2020 AGM. The minutes of the August 25, 2020 Annual General Meeting were posted online and available to all members.

MOTION: To approve the minutes of the Kerry's Place Residential Services Annual General Meeting dated August 25, 2020.

Moved by: Phil Dowd

Seconded by: Howard Weinroth

Carried

Chair Report

Chair's Report to members for fiscal year ending March 31, 2021.

The financial position of Kerry's Place Residential Services (KPRS) remains robust and we are well positioned even if house prices fall or interest rates increase. The excess of revenue over expenses was \$462,396. Brian Evans will report further on this within the Auditors Report.

Bob noted that much of his Chair report to the 2020 AGM was confined to a discussion of the fact that we were continuing to be met with pernicious by-laws and Official Plans designated to discriminate against the clients that Kerry's Place and KPRS serve. Many such by-laws and Official Plans contain provisions, which offend the Ontario Human Rights Code. Sometimes when we meet such provisions, we decide not to proceed with the purchase and move to an adjacent municipality.

58 Newbury Crescent, Brampton

The report last year high-lighted the problems caused by the City of Brampton which is a municipality in which Kerry's Place and KPRS already owned 5 houses and Kerry's Place operated a resource centre to serve the community. No complaints were on file with respect to these locations.

In November 2019, we closed the purchase of a home located at 58 Newbury Crescent. Before signing the Agreement of Purchase and Sale we had reviewed the relevant Brampton Zoning By-law and KPAS had extensive correspondence with municipal employees to confirm that (a) the area is zoned to permit Group Homes and (b) that neither of the exceptions in the by-law applied as there were no other group homes on Newbury Crescent nor were there too many Group Homes in the area. Under the existing Zoning By-Law, we could not apply for registration as a group home until after our purchase had closed and we became the registered owner.

We knew that the next step was to file an Application for Registration of a Group Home Type 1 with the City and that a number of inspections had to be made for fire code and other purposes. KPRS is obliged to comply with all provincial and municipal codes. Our Application was made promptly after closing the purchase.

Then Nimbyism raised its ugly head and the city's obligation to respect human rights went out the window. Neighbours wrote letters, which caused Council on November 20, 2019 to enact an Interim



Control Holding By-Law (ICBL) the effect of which was that we were prevented from taking any steps to proceed with the application. The by-law was to be in effect until May 20, 2020, but was extended.

KPAS hired a lawyer who sought an exemption from the Committee of Adjustments, but over the lawyer's objections the Committee refused to deal with the matter due to residents' complaints and adjourned the application until November 2020, a year after the property was purchased!

I mentioned at the time of writing last year's report that there was a chance that the City of Brampton would allow the ICBL to expire on August 24, 2020. And indeed it did expire and Kerry's Place began completing the requirements to enable it to be registered as a Group Home Type 1 which permits occupation by between 4 to 6 residents exclusive of staff. The requirements are onerous and expensive.

The good news is that it is expected that the registration will be completed soon and the first residents will be admitted in September or October. Almost two years after the purchase! I have sent congratulations to the Kerry's Place team leaders who worked so hard on this project.

Following the expiry of the ICBL Brampton Council received a report from Greg Bender, a consultant which was reviewed at a public meeting of the Brampton Planning and Development Committee (attended by Brian Evans) who reported that after looking at 12 Ontario Municipal regulatory frameworks the key recommendations for Type I Supported housing (3 to 10 residents; non-correctional) were:

- Be consistent with the Ontario Human Rights Commission requirements and rulings;
- Should be treated like any other residential property;
- Remove minimum distance requirements between these types Of homes; and
- Remove requirements for public meetings or open house consultations.

171 Harmony Road (Belleville)

In June 2020, we were notified that KPAS had an urgent need for a larger home in Belleville and that an ideal property had been found. This brought into focus the harsh realities of buying property at a time of high demand, rapidly escalating prices and the rejection of offers, which contained conditions. We were aware that we were bidding against one buyer who had previously been successful with a conditional offer and had done the necessary due diligence, but had been unable to firm up financing. And there was one other bidder.

Our board sprang into action and spent a day tracking down and cajoling municipal officials to give us information which pre-COVID could only be obtained by written request and by cheque. We were able to anticipate a number of renovations including the need for a drilled well to replace the dug well and were prepared to fund these costs if KPAS was not able to obtain funding for these extras. Needless to say this put a lot of additional pressure on the board and pointed out the need for a better model of purchasing. This transaction closed in September 2020, but the renovations have not been completed. Subsequently changes in design by Kerry's Place added additional costs. Part of the delay was in getting contractors to submit bids for required work-another sign of the times!

Post year matters



There have been two important developments:

- A. Our offer to purchase a home at 4 Neapolitan Drive, Scarborough to transitional aged youth was accepted in July 2021 and currently our lawyer is performing the title search. This time we were able to submit a condition for a home inspection and received generally favourable report for a house of its age. We negotiated a \$20,000.00 price reduction from the amount in our accepted offer. This purchase is scheduled to close on September 2, 2021.

Once again, this was a rushed transaction due to the agency from which these youth were coming needing to know by July that KPAS could house these individuals. KPRS wanted the house to be able to have 4 residents, but we are still working to learn whether the cost of the renovations merits the extra expense which brings me to the second development.

- B. Kerry's Place and KPRS have formed a joint committee to determine the future housing model(s). The first step, which is underway, is compiling an inventory of all existing homes to determine their viability as residents age while at the same time doing an inventory of the residents, which includes their present and future needs and the needs of new residents. The cost of compliance with building and fire by-laws has become excessive and I am hopeful that we will move to a design / build model which was first mentioned as a goal of Kerry's Place/KPRS in my annual report for the fiscal year ended March 31, 2016. There are a number of other exciting solutions being investigated.

Closing comments

Once again, I remind readers that the board is a close knit management board comprising 6 dedicated individuals and one consultant and without their expertise and commitment KPRS could not function as well it does. I thank them for their continued service and as well, I thank all the persons at Kerry's Place with whom Brian and the KPRS Board interact.

2020-2021 Financial Statements / Auditors Report

Bob Hart introduced Brian Evans, KPRS General Manager to present the Financial Statements and Auditors Report.

The Audited Financial Statements of Kerry's Place Residential Services, for the year ended March 31, 2021 were posted on Kerry's Place website in early August. The statements were audited by the firm of Bateman, Graham & Fitzpatrick Chartered Accountants, who provided our audit services for the last 5 years.

The financial position of KPRS remains strong as our annual excess cash flow increased for the fifth straight year to \$462K. During the past fiscal year, KPRS acquired one additional property for Kerry's Place at a total cost of \$969,000.



Our total debt ratio remains stable at 45% against the book value of our real estate assets and this ratio is significantly lower (37%) if measured on a mark to market value basis of our properties. Given the current robust real estate market over the last 12 months this ratio is likely even lower as in many cases we are using property appraisals that are several years old or book values to complete the calculation.

KPRS currently owns individual 24 properties and we will be closing the purchase of a newly acquired home in Scarborough on September 2 at a cost of \$950k. The sale of our Wingfield property in May 2020 resulted in KPRS reporting a \$46k gain on the sale. The expected movement of residents into our Belleville property later this fall will result in the listing of a Tweed based home for sale later in the year.

The Royal Bank continues to support KPRS through available credit lines and we currently have approximately \$6.5mm in available borrowing capacity to assist with future property purchases. Earlier this year at our request RBC committed our available credit lines until December 2025.

There were no significant changes in accounting principles or policies during the year.

The past 18 months has seen Governments at all levels incur unprecedented levels of debt as a result of CoVID. I believe that as a result of this massive debt load, inflation will increase materially forcing the Bank of Canada into significant interest rates increases over the next couple of years. The Bank of Canada at the beginning of the CoVID outbreak slashed their benchmark Bank rate from 1.25 % to 0.25%. I expect that the cost of any borrowings next year will likely be higher than the 5 year fixed rates we have locked into this year at 3.30%. On a weighted average basis our overall annual cost of debt declined slightly during the past fiscal year to 3.74%

There were no questions regarding the financial statements.

MOTION: To approve the Kerry's Place Residential Services Audited Financial Statements, for the year ended March 31, 2021.

Moved by: Brian Evans

Seconded by: Donna Healey

Carried

Appointment of Auditor for 2021-2022

The next order of business is the Appointment of our Auditor.

MOTION: To appoint the accounting firm of Bateman, Graham & Fitzpatrick Chartered Accountants as our Auditors for the year ending March 31, 2022.

Moved by: Brian Evans

Seconded by: Howard Weinroth

Carried

Election to the Board of Directors



At this time, Bob reported there is one Director up for re-election. Bob called upon Denise Evans to make the motion.

MOTION: To re-elect Donna Healey to a three-year term on the KPRS Board of Directors.

Moved by: Howard Weinroth

Seconded by: Phil Dowd

Carried

Approval of Past Actions of the Board

The next order of business was to approve the actions of the Board over the course of the past year.

MOTION: All resolutions, contracts, acts and proceedings of the Board of Directors, passed, made or taken since the last annual meeting of members as set out or referred to in the minutes of meetings in the Minute Book or in the financial statements are hereby approved, ratified and confirmed.

Moved by: Howard Weinroth

Seconded by: Phil Dowd

Carried

Other Business

We are now coming to the close of our meeting. Bob asked if any of the members have additional business to be discussed please unmute your line and state your name clearly prior to sharing your comment.

No other business was raised.

Meeting Adjourned

With no other business arising, Bob Hart thanked our members for attending and declared the 2020-2021 Kerry's Place Residential Services Annual General Meeting officially closed.

MOTION: To adjourn the 2020-2021 Kerry's Place Residential Services Annual General Meeting.

Moved by: Phil Dowd

Seconded by: Donna Healey

Carried