

GEORGE DERBY CARE SOCIETY



**ANNUAL GENERAL MEETING
23RD JUNE 2016**

Proudly Serving Veterans Since 1988



Our **Vision** is to be the **Centre of Excellence**
in the provision of supportive, independent living, complex
and dementia care for
Veterans of the Armed Forces,
and the general **Senior** population.

*We are most effective when we act with **integrity and compassion.***

Our **Mission**

We are a community based continuing care residence for **Canadian Veterans** of the **Armed Forces.** We enable our residents to maintain their optimal level of health and wellness in a supportive, environment. We provide therapeutic programs and coordinate access to other necessary health care services.

We encourage
family involvement
*in **Life at the Centre.***

A MESSAGE FROM THE PRESIDENT



Welcome to the 2016 Annual General Meeting!

It is my pleasure to welcome you to the 2016 Annual General Meeting.

We have had quite the year. In November George Derby once again went through Accreditation. Our dedicated staff passed the process. We do have some improvements to make, and our management team is working very diligently to meet the accreditation team's recommendations.

In December, after many years of planning, we had a sod turning ceremony for The Derby Manor; a senior's independent affordable housing partnership project with BC Housing and City of Burnaby. It was an exciting time for everyone who had been involved in the long process of designing, approving and financing of the project.

Our Board also had to make some serious decisions in regards to the financial situation of George Derby Centre. We realized we could no longer maintain the status quo as we have lost many of our veterans. As a result the financing that is supplied to George Derby to provide all the extra care for the veterans has decreased drastically. We were also under pressure from Fraser Health to provide more care hours to all our residents. The Board had to make the very difficult decision to contract out the positions of the Registered Nurses and Licensed Practical Nurses in order to make our fiscal responsibilities and maintain our care to our veterans and residents. The transition has been very hard for everyone. We are dedicated to providing the best possible care to all our residents and we continue to have this as our main focus.

I would like to recognize three departing Board of Directors – Bill Summersgill, Frank Smyth and Glenn Abel. Thank you for their contributions to George Derby Centre.

Thank you.

Joanne Reid
President
George Derby Care Society
June 2016

Farewell...

At the close of this Annual General Meeting, we will say farewell to three of our members, Mr. Bill Summersgill, Mr. Frank Smyth and Mr. Glenn Abel.

Bill has served three consecutive terms on the Board for a total of nine years. Throughout his years of service Bill has served as President of the Board of Directors and has participated on numerous committees. Bill's dedication and commitment will be greatly missed.

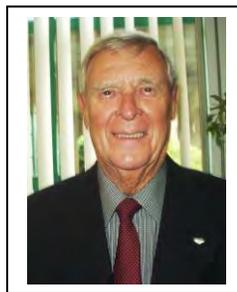
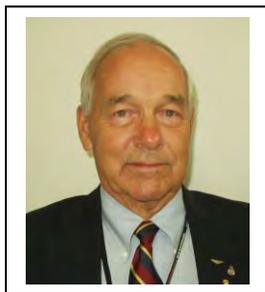
Frank has served two consecutive terms on the Board for a total of six years. Frank has given thoughtful deliberation and consideration to many discussions. He has participated on a number of committees and his dedication and commitment will be missed.

Glenn has served two consecutive terms on the Board for a total of six years. Glenn has participated on a number of committees and his dedication and commitment will be missed.

Their presence around the board table will be sorely missed.

Although it is time to say farewell, we know that Bill, Frank and Glenn will continue to support George Derby Centre and remain ardent advocates in the community for the betterment of Veterans.

We thank them for their tireless contributions to George Derby Centre.



We wish you well!

A MESSAGE FROM THE EXECUTIVE DIRECTOR



Greetings and Welcome to George Derby Centre.

This is my second formal report at George Derby Care Society's Annual General Meetings. When I took on the role of Executive Director, I committed myself to take George Derby Care Society to a new level of success, which is a shared goal by you, members of the George Derby Care Society and the Board of Directors as well as the operation team.

Let me take this opportunity to express my gratefulness to all the members of the George Derby Centre - Board of Directors, staff, community partners and volunteers for their dedication in caring for our veterans and seniors who call the Centre their home. Your passion, commitment and determination provide a strong force in tackling the challenges in our operation.

As our President mentioned, it was quite a year; eventful and demanding, which, I anticipate, will continue on in the months ahead. There are obvious issues in managing our finance, human resources and stakeholder relations. However, the resilience of our Society, its leadership and team solidarity, we actually made quite a number of achievements, and are managing reasonably well over those complex and defying issues that are generally afflicting residential care and health care. The following is a brief account on: Governance, Finance, Team Building, Client Relation, Community Partnership, and a glimpse at the envisioned future of the George Derby Care Society.

Governance: Thank you for the Board's leadership and support. As the Executive Director, I work in arm's length with the Board of Directors in developing high-level strategies and making key organization decisions, as well as managing the overall operations and resources. This is an effective governance framework that enhances our stewardship and accountability. Last year we met regularly and conducted special meetings to address extraordinary issues.

Finance: We intended to balance our books knowing that it would not be easy. We have been making progress on operation efficacy since May 2014, which made it harder to find more saving without stretching too thin or too lean. In the wake of funding amendments in response to the decreased number of veterans staying at George Derby Centre; increased operation costs in enhancing care due to declined client acuity as well as inflationary adjustments, we made additional restructuring that fosters the best quality care within the resource we have.

Undesirably, we got into a deficit. One of the reasons is the upsurge in enhancing the care to our residents. We are funded at 2.87 hours of direct care per resident per day (DCH). In the year 2012/13, we were at 2.51, 2013/14 at 2.68, 2014/15 at 2.79 and we achieved 2.87 a few months before the year 2015/16. Increase DCH means additional staff. The cost to bring our DCH from 2.51 to 2.87 is more than a million dollars.

Hence, we need to find a way to balance our budget without compromising the care we provide to our residents. The Board of Directors and the management team have exhausted many viable cost-saving measures and are exploring the contract-out option. We started the process in March 2016, following all the legal and required practices and procedures. We have communications with many stakeholders including our staff, the union, residents and families, authorities and partners, MLAs and MP as well as the local media. The negotiation is still active at the time when I am preparing this report (June 16, 2016).

First and foremost, we are committed to the fiduciary responsibility entrusted to George Derby Care Society, a not-for-profit and charitable organization. We will continue our effort to balance our budget while not compromising resident care. We will monitor and intervene as needed in order to maintain a healthy finance status on an ongoing basis.

Team Building: We are fostering a continuous quality improvement culture across George Derby with a safe, gentle caring environment for our residents; a culture that we are proud of, which accentuates teamwork, resident-centered, quality focus and the desire to move beyond what we are already good at. We are not there yet. Despite achieving the accreditation standard in November 2015, the recent licensing reviews reveal quite a few inconsistencies that we have to work on. An action plan has been established to get us there.

Client Relation: We continue to work with our residents and families on an individual basis, and through formal care plan meetings. As well, we work with the Resident Council and the newly established Family Council on quality improvement options.

Community Partnership: Thank you for the ongoing support of our stakeholders and partners in serving our veterans and seniors. George Derby values these partnerships and will continue to enhance these relations.

Examples include the partnership with Fraser Health Authority that demonstrates George Derby Care Society's commitment to quality care; the following are some facts:

- i. Data on least Restraint: (from the Canadian Institute for Health Information) CIHI average for daily physical restraints

	2011	2012	2013	2014	2015
	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Canadian Average	15.2%	13.2%	11.8%	10.9%	9.7%
BC Average	13.8%	12.9%	12.1%	11.7%	10.5%
George Derby Centre	0.9%	1.6%	1.0%	0.6%	0.6%

This data validates the accomplishment in our least restraint practices.
Credit goes to the team.

- ii. Our team has been working with FHA in piloting the PREVIEW-ED Tool with remarkable results – picking up symptoms for early detection of COPD, dehydration, pneumonia and UTI which led to reduced transfer rate to Emergency by 65%. This reduction obviously can save health care dollars.
- iii. Our team has also been working with FHA’s Polypharmacy Risk Reduction Working Group since January 2016. There were educational and information sessions conducted at George Derby Centre for our physicians and frontline staff. Medication reconciliation activities will start in July 2016.

Another successful collaboration is the partnership amongst the Canadian Mortgage and Housing Corporation, BC Housing, City of Burnaby in our housing project – the Derby Manor, an independent affordable housing project. The construction is underway and we anticipate it will be ready by this time next year.

Other partnerships include but not limited to the Medical Pharmacy, the Legions, the local School Board and volunteers.

I will continue to reach out to our existing and potential partners recognizing their contributions and support, and to explore new initiatives.

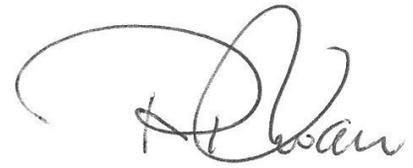
Future of George Derby Care Society: The society will continue to thrive under the same strategies we adopted last year.

- Appreciate team work and contribution of every members of the team, be they residents, families, volunteers, employees, services providers and community partners;
- Be healthy and safe through creating gentle, caring and secured environment;
- Continuous quality improvement by establishing a culture of client-centered care through enhanced collaboration, coordination, and cooperation;

- Determination; building on the foundation of George Derby's purpose, core values and accomplishments, we continue to strengthen our dynamic, interactive, collaborative approach so as to enhance our adaptiveness and resilience in a very complex seniors care system.

- E's ways to persevere and thrive:
 - Effectiveness and efficiency: Do more of the right things but spend less
 - Engagement: Do more with partnerships
 - Evolvment: Do more through enhancement and expansion

Again, it has been a tough year; but we remain focused with strategies that allow us to better serve the changing needs of our residents and seniors. I am sure we will have another challenging but rewarding year!

A handwritten signature in black ink, appearing to read 'Ricky Kwan', with a large, stylized flourish at the beginning.

Ricky Kwan
Executive Director
George Derby Care Society
June 2016



FINANCIAL STATEMENTS

GEORGE DERBY CARE SOCIETY

MARCH 31, 2016

George Derby Care Society

Statement of Financial Position

March 31, 2016

	General Fund	Specific Purpose Fund	2016	2015
Assets				
Current				
Cash and term deposits	\$ -	\$ -	\$ -	\$ 564,301
Accounts receivable	1,074,047	-	1,074,047	669,371
Inventory	42,989	-	42,989	51,758
Prepaid expenses	13,788	-	13,788	12,775
	<u>1,130,824</u>	<u>-</u>	<u>1,130,824</u>	<u>1,298,205</u>
Restricted cash and term deposits				
Replacement reserve	1,358,958	-	1,358,958	1,249,781
Deferred capital funding	129,749	289,577	419,326	475,345
Resident cash held for safekeeping	103,865	-	103,865	103,626
	<u>1,592,572</u>	<u>289,577</u>	<u>1,882,149</u>	<u>1,828,752</u>
Property and equipment (Note 5)	14,349,385	429,957	14,779,342	11,479,395
	<u>\$ 17,072,781</u>	<u>\$ 719,534</u>	<u>\$ 17,792,315</u>	<u>\$ 14,606,352</u>
Liabilities				
Current				
Bank indebtedness	\$ 202,296	\$ -	\$ 202,296	\$ -
Accounts payable and accrued liabilities	2,853,328	-	2,853,328	2,432,960
Current portion of accrued retirement allowance (Note 6 (a))	197,250	-	197,250	188,200
Current portion of long-term debt (Note 7)	1,009,255	-	1,009,255	920,494
	<u>4,262,129</u>	<u>-</u>	<u>4,262,129</u>	<u>3,541,654</u>
Deferred capital funding (Note 4)	767,345	719,534	1,486,879	1,925,865
Accrued retirement allowance (Note 6 (a))	1,749,820	-	1,749,820	1,506,765
Long-term debt (Note 7)	9,732,223	-	9,732,223	6,706,272
Resident cash held for safekeeping	103,865	-	103,865	103,626
	<u>16,615,382</u>	<u>719,534</u>	<u>17,334,916</u>	<u>13,784,182</u>
Net assets				
Invested in property and equipment (Note 8)	2,970,311	-	2,970,311	2,402,109
Replacement reserve (Note 3)	1,358,958	-	1,358,958	1,249,781
Unrestricted	(3,871,870)	-	(3,871,870)	(2,829,720)
	<u>457,399</u>	<u>-</u>	<u>457,399</u>	<u>822,170</u>
	<u>\$ 17,072,781</u>	<u>\$ 719,534</u>	<u>\$ 17,792,315</u>	<u>\$ 14,606,352</u>

On behalf of the Board

Director

Director

See accompanying notes to the financial statements.

George Derby Care Society

Statement of Operations

Year ended March 31

	General Fund	Specific Purpose Fund	2016	2015
Revenue				
Fraser Health Authority				
Operating grants	\$ 14,115,948	\$ -	\$ 14,115,948	\$ 13,678,595
Resident user fees	6,743,019	-	6,743,019	6,883,099
Veterans Affairs Canada				
Program grants	1,873,873	-	1,873,873	2,622,634
Amortization of deferred capital funding (Note 4)	449,313	137,596	586,909	611,372
Donations	21,335	-	21,335	14,628
Other	69,603	-	69,603	65,665
	<u>23,273,091</u>	<u>137,596</u>	<u>23,410,687</u>	<u>23,875,993</u>
Expenses				
Salaries and wages (Note 6)	14,595,260	-	14,595,260	14,199,283
Employee benefits	4,557,305	-	4,557,305	4,268,239
Mortgage interest	168,563	-	168,563	129,887
Dietary and food	776,759	-	776,759	779,895
General services	536,372	-	536,372	655,155
Maintenance and facility operations	1,089,461	-	1,089,461	1,056,076
Linen and laundry	247,767	-	247,767	267,239
Amortization	831,604	137,596	969,200	995,548
Resident care and incontinency supplies	379,170	-	379,170	311,340
Property taxes	151,936	-	151,936	138,081
Veterans Affairs Canada				
Enhanced care	277,689	-	277,689	459,420
Enhanced funding	185,875	-	185,875	240,196
Artworks	28,765	-	28,765	85,150
Other	26,630	-	26,630	40,810
	<u>23,853,156</u>	<u>137,596</u>	<u>23,990,752</u>	<u>23,626,319</u>
Recoveries from BC Housing	<u>(215,294)</u>	<u>-</u>	<u>(215,294)</u>	<u>(112,399)</u>
	<u>23,637,862</u>	<u>137,596</u>	<u>23,775,458</u>	<u>23,513,920</u>
(Deficiency) excess of revenue over expenses	<u>\$ (364,771)</u>	<u>\$ -</u>	<u>\$ (364,771)</u>	<u>\$ 362,073</u>

See accompanying notes to the financial statements.

George Derby Care Society

Statement of Cash Flows

Year ended March 31

2016

2015

Cash flows provided by (used in)

Operations

(Deficiency) excess of revenue over expenses	\$ (364,771)	\$ 362,073
Items not involving cash and term deposits		
Amortization	969,200	995,548
Amortization of deferred capital funding	(586,909)	(611,372)
Amortization of deferred revenue	(19,049)	20,825
	<u>(1,529)</u>	<u>767,074</u>
Change in non-cash working capital items		
Accounts receivable	(404,676)	370,044
Inventory	8,769	7,032
Prepaid expenses	(1,013)	3,380
Accounts payable and accrued liabilities	420,368	(205,936)
Accrued retirement allowance	252,105	140,595
Resident cash held for safekeeping	239	4,017
	<u>274,263</u>	<u>1,086,206</u>

Investing

Acquisition of property and equipment	<u>(4,269,147)</u>	<u>(267,206)</u>
---------------------------------------	--------------------	------------------

Financing

Repayment of long-term debt	(950,484)	(906,008)
Proceeds from long-term debt	4,065,196	-
Capital funding	166,972	119,390
	<u>3,281,684</u>	<u>(786,618)</u>

(Decrease) increase in cash and term deposits	(713,200)	32,382
---	-----------	--------

Cash and term deposits

Beginning of year	<u>2,393,053</u>	<u>2,360,671</u>
End of year	<u>\$ 1,679,853</u>	<u>\$ 2,393,053</u>

Cash and term deposits consists of:

(Bank indebtedness) cash and term deposits	\$ (202,296)	\$ 564,301
Restricted cash and term deposits	<u>1,882,149</u>	<u>1,828,752</u>
	<u>\$ 1,679,853</u>	<u>\$ 2,393,053</u>

See accompanying notes to the financial statements.

OUR COMMUNITY OF CARING

George Derby Centre remains indebted to the many individuals and organizations who consider our residents when making a charitable donation. Financial contributions and donations assist the Centre in providing special programs and activities that enrich the lives of our veteran population and in maintaining the homelike atmosphere provided at George Derby Centre.

Charitable contributions also enable the Centre to purchase much needed equipment that assists staff to provide care to our residents in a safe manner.

We are also grateful to the service organizations who maintain our residents' social connections with friends in the Royal Canadian Legion and Army, Navy and Air Force Units for special lunch outings. Our residents thoroughly enjoy their hospitality.

It is this volunteer spirit and dedication to our veteran residents that provides social interaction for our residents and exemplifies the positive relationships built with our community partners.

OUR VOLUNTEERS

Throughout the past year, George Derby Volunteers continued to actively assist and support our residents, family members and staff in so many ways. Volunteers assist in the operation of the Gift Shop seven days per week and through the money raised last year provided significant funds towards our ongoing enhancement of our residents' environment.

George Derby Centre remains indebted to our Volunteers for their constant support to the betterment of our resident's lives.

The volunteers assisted with recreational programs, one-to-one visits, provided library, reading, seamstress and other personal services. We have increased our partnership with Cariboo High School students. They have a greater presence at the centre and are active volunteers assisting with programs, bingo, one-to-one visits and a variety of other activities. We connected with eight students who were paired with residents over several months and gathered information and life history on the resident for our intergenerational program.

We extend sincere appreciation to our volunteers who dedicate much time and effort toward the enrichment of our residents' lives.

OUR COMMUNITY PARTNERS

The George Derby Care Society wishes to acknowledge the ongoing support provided by **Veterans Affairs Canada** for the enhanced programs and services. We also acknowledge the commitment and funding support of **Fraser Health** that assists the Centre in providing complex care in a safe and secure environment.

Sincere gratitude is extended to the BC/Yukon Command to the **Royal Canadian Legion**, all veteran service organizations and our friends, family members and community partners for their ongoing support of the veterans living at George Derby Centre.



Veterans Affairs
Canada

Anciens Combattants
Canada





GEORGE DERBY CENTRE

**7550 Cumberland Street
Burnaby, BC V3N 3X5
604-521-2676**

www.geogederbycentre.ca

