

**ANNUAL MEETING**  
**October 22, 2023**



# Annual General Meeting Agenda

Sunday, October 22, 2023  
2:00 PM  
Luther Home Chapel

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1. Greetings, Welcome and Roll Call
  2. Opening Devotion
  3. Approval of Agenda
  4. Approval of Minutes: October 23, 2022 Meeting
  5. Board Chairperson's Report
  6. Chief Executive Officer's Report
  7. Committee Reports
  8. Financial Report
  9. Appointment Of Auditors
  10. New Business
    - 10.1 Appointment/Re-Appointment of Board Members
  11. Other Business
  12. Adjournment



## Annual General Meeting

Sunday, October 23, 2022  
2:00 PM

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1. Greetings and Welcome

Cathy confirmed that quorum has been met, and welcomed everyone to the meeting, thanking them for attending the meeting on a Sunday afternoon.

Cathy explained to vote you do so verbally, and only in the negative for motions.

2. Opening Devotion

Cathy provided the opening devotion.

3. Approval of Agenda

**Motion 2022-10-23-01**

That the Agenda for the Annual General Meeting dated October 23, 2022 be accepted as presented.

Linda Kostiuk/Duane Kelln  
Approved

4. Approval of Minutes: October 24, 2021 Meeting

**Motion 2022-10-23-02**

That the October 24, 2021 Luther Home Corporation Annual General Meeting Minutes be accepted as presented.

Lori Brooks/Jim Mair  
Approved

5. Board Chairperson's Report

**Motion 2022-10-23-03**

That the Board Chairperson's 2022 Annual Report be accepted as presented.

Linda Kostiuk/Randy Hilderman  
Carried

Cathy noted that she did not include the dissolution of the 1084 Mobility suites, she explained that in April 2022 a letter was sent to the WRHA, stating the plan to dissolve the program, the Staff and clients were informed at this time as well. The transition went relatively smoothly, those eight suites are now being refurbished so they can be rented out again. She apologized for the omission in her report.

Cathy said that being in a PCH is a very tough job, whether it is as a Staff member, Family member or as Resident. She said that the Board has remained active by phone and zoom during the pandemic, many have attended Resident Council meetings and are doing the best that they can under the circumstances. Cathy thanked the staff for their dedication and care they provide our Residents.

A member asked where the tenants of the mobility suites went. Cathy answered that all of the clients moved except for one person, they have stayed in their own apartment with homecare and family care. The suites are being transformed into regular suites, they need a lot of work such as painting, new cabinetry, and flooring.

## 6. Executive Officer's Report

### **Motion 2022-10-23-04**

That the Chief Executive Officer's 2021 Annual Report be accepted as presented.

Lori Brooks/Marilyn Onisko  
Approved

Keith said that the focus of Luther Home has certainly been COVID, that even today we have received results for COVID. He said we have tried to increase socialization through programming and visitation, it is a balance which has been tough.

We have had two COVID outbreaks, which we managed quite well. We had a plan in place and added an additional Medical Doctor to Luther Home, thank you to Dr. Saunders and to Dr. Domke. We are trying to get back to a new normal which is difficult, as we see the dangers.

Volunteers have slowly returned to Luther Home, we are happy to have them back.

This past Summer the flooring project began, it is looking very nice, it is fresh and bright for our Residents and Staff.

The ADP has re-opened. It is operating three days per week. There is quite a demand for this service and possibility to increase our numbers is strong.

We have continued with Staff Appreciation, which is very important. Our staff have worked and continue to work so very hard, we have tried to do things to make them feel appreciated. We had a Staff BBQ at the end of September and we have plans to hold an in-person event on November 2. If COVID is rampant at that time it will be pulled back and made into an event similar to what we have done in the past two years.

The pandemic has exacerbated our human resource issues. As such it was no longer viable for us to staff the Mobility Suites. Staffing has been a challenge in the PCH as well. Retaining the majority of our staff and recruiting new staff has been our goal.

Inflation costs are increasing significantly and there has not been any corresponding funding increase, making it a very tough financial year. Food, fuel, heating, and water costs have all increased. The Board approved a deficit budget, stating they understand the dilemma we are in. Keith thanked the Board for the clear definition and support they have offered.

Keith thanked the Staff for their perseverance and dedication, and expressed how lucky we are to have them.

Question was asked if Corporate members or guests can come in to see the flooring renovations. Keith invited anyone who was interested in coming in to call and make arrangements.

## 7. Committee Reports

### Business Diversification Committee

Mike reported on the Diversification committee, saying that our efforts to look at different options to supplement our income is very important right now. We need to look at generating sources of revenue. We are looking at acquiring an apartment building or something similar. We have a business plan in place, and spoke to our Bank who could be the lender. We have casually looked at some properties and will become more aggressive as the pandemic lifts. It has to be the right fit at the right time, and we are progressing carefully.

The courtyard will be going through a refurbishment as well, we are working with an Architect for costs and plans. It will include some pruning, vegetation and the repair of the fountain.

### Nomination Committee

Mike reported that three Board members have terms that will end at the end of 2022. David Domke has chosen not to have his name go forward for another term, it was a very difficult time for him to be a Board member as almost all of his time serving was done so virtually. He provided great ideas and we thank him for that.

Marilyn Onisko and Lori Brooks have allowed their name to go forward for another three-year term.

We have a prospective new board member, Maria Aiello. Maria is a former staff member at Luther Home, she was our Staff Educator, she has served on several different boards and committees in different organizations. She has a nursing background, is a tenant at 1084 Powers and has a family member as a Resident at

Luther Home. These are very valuable qualities and he appreciates Maria for allowing her name to stand as a prospective board member.

## 8. Financial Report

### **Motion 2022-10-23-05**

That the Luther Home Corporation Consolidated Balance Sheet and Consolidated Statement of Revenue and Expenditures as of March 31, 2022 be accepted as presented

Mike Sterdan/Sandra Iwankow  
Approved

Jonathan reported that Craig & Ross completed their audit and have given us another clean audit opinion. This means that the Auditors have determined that the Luther Home Financial statements present fairly in all material respects, the financial position of the Corporation as at March 31, 2022. It is a qualified opinion due to the fact that our statements are consolidated together with a portion of the statements that follow Manitoba Housing reporting requirements.

There are a few things that have changed compared to last year. Our cash position has changed by \$220,000. Accounts Receivable increased by \$650,000 due to the CUPE support contract which will be settled by the end of this year, when approximately \$500,000 will be paid out. Anyone involved in MNU received a substantial increase dating back from 2017. Accounts Receivable is also high due to the extremely high COVID costs, all of the PCH's are in the same situation, we are fully funded for these expenses but there is a delay in receiving the funds. \$130,000 was owed to us before the end of the fiscal year last year.

The Adult Day Program has been closed for over two years, however we still received full funding for that program. The two years of funding was approximately \$200,000, which sat in our bank account, it helped with cash flow for items such as COVID supplies.

Everything else is pretty comparable to last year. Our Capital Assets are being amortized as normal.

The PCH ended with an operating surplus of \$3,400 mostly due to the additional funding that we received as part of the MNU settlement. We benefited from the extra funding that other homes received. We also had a lot of COVID expenses which were allocated. Unfortunately, food costs are not COVID related which will be in a deficit position.

1080 Powers has a deficit of \$8,000 which is unusual. This was due to higher than normal vacancies due to COVID. We were still able to transfer \$35,000 to the Reserve. 1080 is a MB Housing building, all deficits will be funded by MB Housing, and there will be no impact on our bottom line.

1084 Powers did well again, we ended with a \$13,000 surplus, and transferred \$100,000 to the reserves. Last year our surplus was \$22,000, but this year we had some vacancies and increased utility expenses.

364 Leila has had full occupancy for a full year. There were minimal expenses and very little maintenance expenses. \$4,800 was transferred to the Reserve.

Adult Day Program – This was the second full year that the program was closed. \$112,000 will have to be repaid and we can retain \$2,600.

Homecare - This is the final full year for the homecare program, we had a \$6,000 surplus which is good as there were extra costs associated with the closure of the program.

Management Services – We used \$8,000 for Staff Appreciation. This included the annual staff appreciation event as well as different treats or meals throughout the year to help keep the staff morale up.

Chaplaincy – 2021 and 2022 saw a higher than normal number of donations, which meant that we had to only transfer \$7,600 from the Christ Lutheran Legacy Fund

#### 9. Appointment of Auditors

##### **Motion 2022-10-23-06**

That the Luther Home Corporate Membership appoint Craig and Ross Chartered Accountants as external financial auditor for the Luther Home Corporation for the fiscal period April 1, 2022 to March 31, 2023.

Mike Sterdan/Duane Kelln  
Approved

Mike said that Craig & Ross have been our Auditors for several years and do a very good job. They work very well with Jonathan and Catherine.

#### 10. New Business

##### Appointment/Re-appointment of Board Members

##### **Motion 2022-10-23-07**

The Luther Home Corporate Membership approves the re-appointment of Lori Brooks and Marilyn Onisko, and the appointment of Maria Aiello to the Luther Home Board of Directors for a term ending on December 31, 2025.

Jim Mair/Sandra Iwankow  
Approved

As Mike reported earlier in the meeting two members of the Board have agreed to let their names stand for re-appointment and the appointment of Maria Aiello.

11. Other Business

Randy says that on behalf of Randy and Janet they appreciated the hard copies of this report ahead of time and thank everyone for all of their hard work.

Hanny says that she has spent time at Luther Home in the past couple of months and appreciates everyone.

Keith announced that Kathryn Hnatuk will be moving into a new role, he thanked her for her time at Luther Home and wished her well in her new endeavors.

12. Adjournment

**Motion 2021-10-24-08**

That the 2021 Luther Home Corporation Annual General Meeting be adjourned.

Mike Sterdan/ Duane Kelln  
Approved



## Chairperson's Report

Five years ago, the Board of Luther Home put together a plan to guide the work and on-going needs of the residents, the building, and the community of Luther Home. It was time to reflect on the goals of that plan and renew for another five years. On October 14<sup>th</sup>, the Board and staff engaged in a Strategic Planning session with KEM Consulting guiding our work. A survey was conducted with staff and families to gain information going into this session and we wish to thank everyone for their participation. The result of this work will be shared with staff and families soon.

We have finished upgrading all the flooring in Luther Home. This was done over a period of three months and with a COVID outbreak in the middle of it, took a little longer than expected.

Eight suites in 1080 Powers Street have been painted, new flooring, new cabinetry and bathroom upgrades have been completed. As of the first of October, all of those suites will now be rented.

The Luther Home van was sold. It had not been used since COVID, was not being utilized at all. And it would have needed quite a bit of work. The decision was to sell it. The money recouped from that sale will be used to upgrade the courtyard in the spring of 2024.

The financial and staffing challenges due to the Pandemic and the economy continue to be of constant concern. On the positive side, the Stevenson Report (as a result of the Maples Personal Care Home tragedy) has allowed us to hire an infection control officer. It has also increased staffing in Health Care Aids, Nursing and Housekeeping. These are minimum increments at this time, and funding has not been received for all that is promised, however, some increases to up the time of contact/day/resident have been made. Both the Nursing Union and the Health Care Aids have received an increase to their wages as their contracts have been settled. Some of the funding to cover the costs of promises made in those contracts has yet to be received.

Food costs and medical supply costs have been extremely challenging. The companies that have had contracts with Personal Care Homes are not able to meet their agreements and currently we are about 3,000 – 6,000 dollars over budget each and every month.

Much of the Board's work this year has been to consider a Diversification plan. It is unrealistic to think that the Government will fully fund all the things we believe are necessary to support our residents. Our Spiritual Care Coordinator, for example, is funded by a legacy fund of Christ Lutheran Church, but that fund will not last forever. You will see outlined in the committee reports the work of that committee of the Board.

We would like to thank our corporate members for your ongoing support of the work of Luther Home. If you are considering your charitable givings for 2023, we ask you to consider Luther Home in your deliberations, particularly in the area of Spiritual Care.

I would like to acknowledge the dedication and thoughtfulness of Mike Sterdan who is stepping down off the Board after many years of dedicated work. Thankfully, Mike has agreed to stay on the Diversification Committee! Mike brings a great deal of insight and thoughtful consideration to each and every board decision and we will miss the wisdom and passion he has brought to this work. Thank you, Mike, for all you have done to make Luther Home a better place to live and work.

We are seeking new Board members. If you know of anyone that you believe would be interested in this work, please contact myself [cathy.horbas@gmail.com](mailto:cathy.horbas@gmail.com), call or text at 204-232-9926.

Respectfully submitted,

Cathy Horbas, Chair

## Chief Executive Officer Report

I am pleased to present Luther Home's Annual Report for 2023. Each new year poses its own unique challenges and achievements as we move forward in serving our community by fulfilling our mission with love and compassion.

This past year has seen an emergence from nearly four years of pandemic restrictions. While COVID-19 remains a threat to our Residents and Staff, the effects have been lessened through vaccination and infectious immunity. We have learned however that the isolation and associated mental health concerns imposed by these restrictions is now the main threat. As such we have attempted to normalize our outbreak situations and limit resident (and family) restrictions to those which are absolutely necessary. While outbreaks are inevitable, our Staff are very experienced in dealing with these situations. Our infection control practices are effective and have proven to limit the numbers of residents infected and the time periods within outbreak. I would like to acknowledge the exceptional efforts of all of our Staff and Physicians in managing these difficult situations so well.

A return to normal has been indicated by the work that we do at Luther Home. In addition to dealing with overall higher costs attributed to the current inflationary climate, staffing positions has also become a challenge. We have seen some turnover in staff but by in large we have been able to maintain and enhance our staffing compliment with the assistance of new funding through the Stevenson Report. We also welcomed three new members to our Leadership Team – Oksana, Kelly and Kelsey – this past year. They have all fit in very well and their experience, initiative and new perspectives have been an injection of energy to our Team.

We have returned to business as usual with the very good results of our annual Standards Review, updated and enhanced protocols for End of Life Care, a much needed flooring replacement in the Personal Care Home, and major renovations to suites within our apartment buildings. Additionally, we have expanded the Adult Day Program to four day per week, instituted eChart access for all of our Nurses and Physicians, and offered many student placement opportunities within all of our staffing departments. Fundraisers have also returned with very successful Christmas Decoration and Perogy campaigns. A revitalized Tenant Association within our apartments has restarted and that will assist in enhancing our relationship with our tenants.

In-person acknowledgements and celebrations have also returned to Luther Home. We celebrated our Volunteers this past April with an in-person Volunteer Appreciation Tea for the first time since 2019. Resident outings and in-house events such as the Mother's Day Tea and Oktoberfest returned to the applause of the Residents. We were also very

fortunate to acknowledge and appreciate the work of Luther Home Staff with a return to our annual Staff Appreciation event last November. Our Staff do such remarkable work with the Residents that celebrating with our Staff in- person is essential and a well deserved acknowledgement of their amazing work. Regular staff appreciation meals continued as well with many tasty offerings available for Staff this past year.

One special acknowledgement is worth noting in this report. Mike Sterdan has been a Board Member at Luther Home since the 1990's, and he is "retiring" from that role at the end of December. Mike has been a dedicated and productive member of our community for these many years and has proven to be an exemplary mentor for me in my role. Thank you Mike, you will be missed!

Currently, Luther Home is working on an update to the Organizations' Strategic Plan. A facilitated strategic planning session was held on October 14 with representation from the Board of Directors, Management and key Staff members. The session was held to discuss issues, gain input and develop strategic priorities. These discussions will form the basis of Luther Home's strategic direction and path forward for the next number of years.

These are just a few of the highlights of 2022/23. These and many other achievements are the result of a real team effort. The Residents, their Families, the Staff, the Leadership Team, the Physicians, our Volunteers, and the Board of Directors all have a role to play to ensure that our programs and services continue to improve. Thank you to everyone involved!

As I look back over this past year I am proud of our accomplishments and of our ability to reemerge from the Pandemic as a stronger and more responsive corporation. While there are challenges ahead, I am inspired by the team we have in place and by the continued possibilities for those individuals and families who become engaged with Luther Home.

It is an honour to serve together with you!

Respectfully Submitted,

Keith Bytheway

Chief Executive Officer

# **Business Diversification and Capital Planning Committee Report**

## **Mandate:**

1. Explore alternatives to reduce Luther Home Corporation's reliance on government funding through the diversification of business operations while safeguarding the Corporation's current assets.
2. Identification and prioritization of current and future capital needs for the Personal Care Home, Apartment Complexes and Refugee Housing Unit (364 Leila).

## **Activities:**

- The 10 year capital plan that identifies Luther Home Corporation's future infrastructure and physical operating system needs is reviewed and updated on an ongoing basis.
- Luther Home's initiative to diversify its real estate holdings with the purchase of one or more revenue generating properties has advanced to the stage of assessing properties on the market and some that may be coming to the market. A real estate professional has been engaged to bring properties forward that meet Luther Home's criteria. Luther Home is in a position and prepared, subject to Board approval, to make an offer to purchase when suitable and financial viable property(s) are identified and assessed. A mortgage broker has been identified to seek out the best possible financial arrangement for the purchase(s). The long term goal of this initiative is to solidify Luther Home's financial position in order to continue to provide a high quality of care and service to care home residents and multi-unit housing tenants.
- The common areas, hallways, resident rooms and nursing stations flooring replacement project is complete. This has added greatly to the safety and aesthetics of these areas.
- The contract for the rejuvenation of the Luther Home courtyard has been awarded and the work is scheduled to be carried out in the spring of 2024.

## **Committee Membership:**

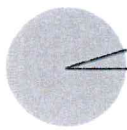
Board: Duane Kelln; Mike Sterdan

Staff: Keith Bytheway; Roy Hardie; Doug Wityshyn

**LUTHER HOME CORPORATION**

**FINANCIAL STATEMENTS**

**MARCH 31, 2023**



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**INDEPENDENT AUDITOR'S REPORT**

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**To the Directors of Luther Home Corporation:**

*Qualified Opinion*

We have audited the financial statements of Luther Home Corporation (the Corporation), which comprise the statement of financial position as at March 31, 2023, and the statements of operations, changes in net assets and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in our *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2023, and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

*Basis for Qualified Opinion*

Note 3 indicates that the Corporation follows certain accounting policies that are not in accordance with Canadian accounting standards for not-for-profit organizations in order to comply with the Operating Agreement with the Manitoba Housing Renewal Corporation. The effect of these departures from Canadian accounting standards for not-for-profit organizations materially impact capital assets and operating expenses of the Corporation but would not have a pervasive impact on the financial statements as a whole.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Corporation in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

*Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

*(continues)*

Independent Auditor's Report to the Directors of Luther Home Corporation *(continued)*

*Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.





Chartered Professional Accountants  
1515 One Lombard Place  
Winnipeg MB R3B 0X3  
June 19, 2023



**LUTHER HOME CORPORATION**  
**Statement of Financial Position**  
**March 31, 2023**

	2023	2022
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and marketable securities (Note 4)	\$ 542,953	\$ 732,815
Accounts receivable	508,684	976,565
Subsidy receivable from MHRC	32,455	8,161
Prepaid expenses	26,585	21,054
Inventory	31,825	31,134
	<u>1,142,502</u>	1,769,729
DUE FROM WINNIPEG REGIONAL HEALTH AUTHORITY (Note 5)	611,579	692,376
CAPITAL ASSETS (Note 6)	<u>4,036,618</u>	4,318,711
	<u>\$ 5,790,699</u>	<u>\$ 6,780,816</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued expenses	\$ 1,022,533	\$ 1,510,691
Excess subsidy due to Winnipeg Regional Health Authority	303,687	229,180
Current portion of long-term debt (Note 7)	<u>171,667</u>	<u>155,001</u>
	1,497,887	1,894,872
Term loans due on demand (Note 7)	<u>-</u>	<u>37,500</u>
	1,497,887	1,932,372
ACCRUED BENEFIT ENTITLEMENT	478,479	559,276
LONG-TERM DEBT (Note 7)	744,892	1,043,023
ASSET RETIREMENT OBLIGATION (Note 8)	18,763	-
SUBSIDY SURPLUS RESERVE	86,033	85,561
REPLACEMENT RESERVE (Note 9)	704,294	676,902
DEFERRED CONTRIBUTIONS		
Building - painting of resident rooms	57,185	38,838
Capital assets	<u>855,017</u>	<u>898,374</u>
	4,442,550	5,234,346
NET ASSETS		
Unrestricted	1,165,671	1,327,003
Internally restricted - Christ Lutheran Church (Note 10)	<u>182,478</u>	<u>219,467</u>
	1,348,149	1,546,470
	<u>\$ 5,790,699</u>	<u>\$ 6,780,816</u>

APPROVED ON BEHALF OF THE BOARD

  
 \_\_\_\_\_ Director  
  
 \_\_\_\_\_ Director

