

GOVERNING DURING CHALLENGING TIMES

CHALLENGE & OPPORTUNITY, TRUST

Brett Kirkpatrick, President & CEO, Community First Solutions

Rev. Ken Daniel, CEO – United Church Homes

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WHENEVER THERE IS A CHALLENGE,
THERE IS ALSO AN OPPORTUNITY

THE COMMUNITY FIRST SOLUTIONS STORY

Brett Kirkpatrick, President & CEO





A Rich History

Established in 1918, Community First Solutions is a not-for-profit organization that touches the lives of more than 30,000 Butler County residents annually. We operate two highly-rated Life Plan Communities, are one of the leading providers of mental health and behavioral services in the region, the largest provider of home delivered meals in Butler County, the founder of the second not-for-profit pharmacy network in the nation, and one of the largest employers in the city of Hamilton.

**BERKELEY SQUARE | WESTOVER | JAMESTOWNE | COMMUNITY BEHAVIORAL HEALTH | COMMUNITY FIRST PHARMACY
COLONIAL AT HOME | BRIDGES REHAB AT HOME | FOUNDATIONS COUNSELING | COLONIAL SCHOOL | LIFESPAN
FLEET TRANSPORTATION | MEALS ON WHEELS | ELEMENTS WELLNESS CENTERS**



By The Numbers



10

SERVICE LOCATIONS IN BUTLER COUNTY OH - THE LARGEST PROPERTY TAX PAYER IN THE CITY OF HAMILTON

\$51M

FY 22 OPERATING BUDGET

30,000

CLIENTS SERVED ANNUALLY



103

YEARS SENIORS HAVE CALLED US HOME



6

COUNTIES IN OUR CURRENT GEOGRAPHIC FOOTPRINT

1

OF THE LARGEST PRIVATE EMPLOYERS IN THE CITY OF HAMILTON



WE ARE NEVER AT A LOSS FOR CHALLENGES....

- Decreasing Reimbursement
- COVID
- Great Resignation
- Increase in For-Profit Competition and Industry Shifts

EMBRACE THE CHALLENGE

- **ADAPTING TO SIGNIFICANT SHIFTS IN GOVERNANCE & LEADERSHIP**
 - Moved from 5 separate boards – individual experts in their “areas” to ONE Community First Board
 - Change in CEO for the first time in 4 decades in Sept. 2018
 - #1 concern – how is the board going to react to new thoughts/vision/ideas

- **GREATEST GIFT WAS AN EXISTING CRISIS:**
 - Community Behavioral Health – 20% of our business, yet losing millions a year
 - New CEO day #3 – 1:1 with influential board member
 - Board witnessed change, heard about objective and subjective wins, saw the outcome and financial turnaround

GROW FROM THE EXPERIENCE

➤ CREDIBILITY & CONFIDENCE

- Built early credibility through quick wins
- Board gained faith in new leadership team
- Established precedence for team's ability to manage through challenges

➤ FOLLOWED BY STRATEGIC PLANNING

- Included (1st time) the Sr. Leadership team in the “planning sessions” as “experts”
- Allowing our leadership team to talk strategically with our board
- We educate and help lead the board through the process and planning
- Shifted from Board Operating with Us, to the Board Leading with Us!

POSITION BOARD & ORGANIZATION TO SUCCESSFULLY NAVIGATE ANY CHALLENGE

➤ APPROPRIATE BOARD COMPOSITION

- Balance, Diversity, Experience with Organization

➤ CREATED EXECUTIVE COMMITTEE

- Streamlined/Efficient/Responsive
- Industry Expertise
- Respected by peers

➤ SHIFTED BOARD FOCUS FROM OPERATIONAL TO STRATEGIC

- Operational issues discussed in conjunction with plan to correct and in broad context
- Board trusts leaders to focus on developing & implementing solutions

POSITION BOARD & ORGANIZATION TO SUCCESSFULLY NAVIGATE CHALLENGES

➤ COMMUNICATION

- Consistent Timing & Formatting
- Organized
- Proactive – Before, not after News
- Strategic in Focus
- Balanced – Opportunities/Struggles/Successes

➤ CREDIBILITY

- Board's confidence in leadership team – historic and ongoing “wins”

REMAIN FOCUSED ON FUTURE

- **STRATEGIC THINKING DISCUSSIONS**
 - The focus can't just be the “crisis” today

- **BALANCED WITH FUTURE STRATEGY**
 - Post COVID World
 - Mergers & Acquisitions
 - New IL Expansion
 - Fitch Rating
 - Refinancing Debt

- **ALWAYS HAVE A PLAN**

TRUST IS EVERYTHING

HOW GOVERNANCE DRIVES CHANGE: THE UNITED CHURCH HOMES STORY

Rev. Ken Daniel, CEO



Trust Comes First, Then Anything is Possible

- Pace of change for a 100+ year old organization
- Residential, health care, affordable housing—each an adaptation
- UCH today—644 SNF, 335 (IL/AL), 101 IL Cottages, 557 Middle Mkt.
- 1637 owned units in 14 communities in Ohio
- UCHM—6 communities in Ohio, TN
- Affordable Housing—62 facilities in 14 states

Building Good Governance

- From 24 to 12/15 members—racial, LGBTQ, age, gender identity, and professions
- Strong roots in UCC
- Transition from long tenured CEO in 2011
- Financial crisis of 2008 – divestiture of properties
- Lessons learned

Building Trust

- Started with a strategic plan
 - Trusted strategic consultant
 - Education about environment
 - Discipline to stay on plan
 - Communication from CEO
 - Rebalance from fiduciary only
 - Add strategic and generative work
- Operationalizing the Plan each year
 - Embedded best practices—
board education, exec session
 - CEO annual goal setting and evaluation
 - Board & Sr Executive relations

Building a Strong Board

- Integration of functions
 - Stewardship Councils (2012 to 2017)
 - Performance Committees (2018ff.)
 - Financial
 - Customer
 - Engagement–Mission/Advancement
 - Redesign of Executive Committee
- Parallel with Management Changes (Team centered design)
 - Leadership Centers
 - Navigate
 - Inspire
 - Venture
 - Transform
 - Optimize

Supporting Change & Key Wins

- Change the mix away from SNF
- Add IL cottages
- Program of acquisitions
- 17% growth 2020-21
- New construction/expansion
- Centennial Comprehensive Capital Campaign (2017-2022)
- Expanding executive skill sets
- Grow UCHM
- Divestitures (2010 and 2022)
- Affiliations
- Services
- Naviguide
- Digital service delivery
- Redefining our mission

Conclusion

- The energy of alignment!
- The fruits of trust!

Help Your Board Hit the Governance Bullseye

Thank you – Questions?

