

Stevenson Memorial Hospital
Joint Meeting of the Finance Committee and Board of Directors
February 5, 2018
5:00pm -Rehab Room

In attendance:

Elected Directors: Michael Martin, Board Chair; Darlene Blendick (by phone); Colleen Butler; Norm Depta; Wendy Fairley; David Knight; Paul Edmonds; Sheila Kaarlela; Marie-Pierre Lussier; John Murray; Jan Tweedy

Ex Officio Directors: Jody Levac, President & CEO; Carrie Jeffreys, VP, Patient Services & Chief Nursing Executive; Diane Munro, President SMH Auxiliary; Dr. Barry Nathanson, Chief of Staff; (by phone)

Advisory Members: John Endert

Staff: Paul Heck, Chief Financial & Information Officer

Regrets: Shelly Cunningham; Marg Barber; Dr. Shazia Ambreen; Tim MacDonald

1.0 WELCOME & CALL TO ORDER

1.1 Quorum

M. Martin welcomed the Directors and Advisory Members to the meeting and advised there was a quorum for both the Finance Committee and Board of Directors.

1.2 Declaration of Conflict of Interest

M. Martin reminded those in attendance of their responsibilities as Board members with respect to the conflict of interest as outlined in the Corporation's Bylaws and asked if anyone present wished to declare a conflict of interest. No declarations were made.

1.3 Approval of the Agenda

***Motion: Moved by S. Kaarlela, seconded by M.P. Lussier.
"THAT the Board of Directors accepts the agenda a presented."
All in favour. Motion passed.***

2.0 2018/19 Hospital Annual Planning Submission (HAPS)

M. Martin explained that on January 18, 2018, the Finance Committee received a presentation on the 2018/19 HAPS and passed the following motion:

"That the Finance Committee instruct Hospital Staff to proceed to make modifications to draft 2018/19 Hospital Annual Planning Submission (operating budget), as discussed at the meeting, and

that it not exceed \$1.8M deficit, and that it be presented to the Board of Directors for approval.” All in favour. Motion carried.

Initially, Management had presented a deficit of \$1.5M to the Finance Committee Meeting and after discussion, it was decided to let management include additional requests and the budget was not to exceed \$1.8M.

After that meeting, Hospital Senior Leadership attended a meeting at the Central Local Health Integration Network (Central LHIN) to understand the consequences of the hospital submitting a deficit budget. Hospital Senior Leadership also made inquiries to peer hospitals about their experience on submitting a deficit to their LHIN. It was strongly recommended to avoid it if it is at all possible.

Based on this information, Hospital Senior Leadership is recommending that the deficit budget be amended from its initial presentation to the Finance Committee on January 18, 2018. Management is recommending that the deficit budget be reduced to \$867,679.

The new revised deficit budget was discussed with consideration of the redevelopment plans as well as the impact to care and growth. The mitigation plans of the recommendations were reviewed.

C. Jeffreys presented a list of annual and one-time funding initiatives that have been submitted to the Central LHIN to date: Of the 12 proposals submitted, 5 have been approved, 6 denied and 1 is pending. Funding allied health resources will be one of the goals of the future funding requests. Resources identified at the Finance meeting are important but the risk of submitting a large deficit outweighs the risks of not adding the additional resources.

The \$450,000 additional base funding increase was discussed and the committee will continue to receive updates on the resolution between SMH and the Central LHIN.

2018/19 Hospital Annual Planning Submission (HAPS) (Operating Budget) Approval

- Finance Committee Endorsement

Motion: Moved by D. Munro, seconded by J. Endert.

“THAT the Finance Committee amend its initial endorsement of presenting a deficit not exceeding \$1.8M and further recommends, that the Board of Directors approve the 2018/19 Hospital Annual Planning Submission as presented with a projected deficit of \$867,679.”

All in favour. Motion carried.

- Board of Directors Approval

Motion: Moved by N. Depta, seconded by S. Kaarlela.

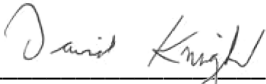
“THAT the Board of Directors accepts the recommendation of the Finance Committee and approves the 2018/19 Hospital Annual Planning Submission as presented with a projected deficit of \$867,679.”

All in favour. Motion carried.

There being no further business, the meeting adjourned at 6:55 p.m.



Mike Martin, Chair, Board of Directors



David Knight, Chair, Finance Committee

Sarah MacDougall, Recording Secretary