

# **NORTHUMBERLAND HILLS HOSPITAL BOARD OF DIRECTORS**

**August 12, 2014  
Boardroom**

## **MINUTES**

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**Present:** J. Russell, Chair; B. Carman, T. Sears, C. Stewart, J. Hudson, B. Selby, L. Kay, C. Tozer, E. Merbis, T. McLean, B. Gerber, D. Mann, M. Bhargava, L. Davis, H. Brenner

**Regrets:** D. Broderick, A. Stratford, G. Metson,

**Staff:** C. Turk, E. Vosburgh, J. Gillard

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### **1. CALL TO ORDER**

J. Russell called the meeting to order at 10:40 am.

J. Russell extended his thanks to D. Mann for the past two excellent years as the Board Chair and to J. Hudson as Vice Chair for filling in during J. Russell's vacation. He also extended his kudos to L. Davis and the staff for all their work during the summer challenges. He welcomed all the new and returning Board Directors and Dr. Bhargava as President of the Medical Staff Association.

J. Russell extended his gratitude on behalf of himself and his family to the entire Board for the flowers sent for his mother's service.

### **2. CONFLICT OF INTEREST**

**None.**

### **3. APPROVAL OF AGENDA**

It was Moved by J. Hudson and Seconded by L. Kay to approve the agenda as circulated. Carried.

### **4. REPORTS**

#### **4.1 Finance and Audit Committee**

B. Gerber provided the report of the Finance and Audit Committee.

The Committee reviewed the first quarter variance report for period ended June 30, 2014. The hospital completed the quarter with an operating deficit of \$189,200 against a planned surplus of \$158,064. Some of the variance relates to staffing due to higher than budgeted occupancy and acuity. Senior staff are taking a closer look at the potential causes for this significant variance. Discussion was held on sustainability of the organization and mitigation strategies.

**It was Moved by C. Tozer and Seconded by B. Gerber to approve acceptance of the 2014-2015 Interim Financial Statements for the period ended June 30, 2014 as presented. Carried.**

The Committee reviewed the 2014-15 capital plan as revised. The 5-year capital plan review of current needs was used to initiate the revised plan and all items have been scored and prioritized by the Leadership team and reviewed by Medical Staff and Senior Management. The capital list was reduced to only those items that are affordable within the identified sources of capital funding available, which include the Foundation and Auxiliary.

**It was Moved by B. Gerber and Seconded by C. Stewart to approve the Revised 2014-15 Capital Plan of \$2,550,987. Carried.**

The proposed purchase of the cardiac and telemetry units was reviewed and discussed. A preferred vendor has been selected through an open competitive RFP process. These equipment investments will benefit patients through better patient safety and patient mobility, offsite monitoring capabilities and more timely interventions. The one-time capital cost of \$1,335,000 is lower than the \$2 million approved by the Board in the preliminary 2014-15 capital plan and the Foundation has confirmed that they have already raised sufficient funds for this capital purchase.

**It was Moved by B. Gerber and Seconded L. Kay to approve NHH to proceed with the purchase and replacement of cardiac monitors and telemetry units at a total estimated one-time capital cost of \$1,335,000 and annual software costs of \$9,064 per year. Carried.**

The Committee heard that GE Healthcare has proposed a Master Services Agreement to replace service agreements that are coming up for renewal. The proposed Master Services Agreement would provide NHH with an opportunity to transfer all service support agreements coming up for renewal and provide the same level of service and support that is already in place. Following discussion, it was agreed that the cancellation terms of the agreement would be further discussed with GE Healthcare and the Board will review the agreement at the September meeting following these further negotiations.

## **5. TERMINATION OF MEETING**

The meeting was terminated at 11:11 am on a motion from D. Mann.