



**CHURCHILL RHA INC.
CHURCHILL, MANITOBA R0B 0E0 CANADA**

BOARD OF DIRECTORS MEETING
Thursday, March 24th, 2011
Executive Board Room @ 12:00 p.m.

BOARD OF DIRECTORS

V. Flett, Chair
D. Macri, Board Member
K. DeMeulles, Board Member

EXECUTIVES

B. Sigurdson, Chief Financial Officer
P. MacEwan, Director of Clinical Services
D. Martens, Director of Community Services
N. Hughes, Director of Community Services

REGRETS:

D. Daley, Vice Chair
R. Sweeney, Director of Human Resources
D. Martens, Chief Executive Officer
J. Brown, MB Health Liaison

TELECONFERENCE:

Anita Janzen-Gemmell, CA - BDO

STAFF & PUBLIC PARTICIPATION

J. Hetherington, Nurse Manager
T. Lecompte, Patient Safety Officer

RECORDER

Valerie Brew, Executive Assistant

1.0 CALL TO ORDER

V. Flett called the meeting to order at 12:05 p.m.

2.0 ADDITIONS TO AGENDA

V. Flett added CRHA Advisory sub-committee under 14.2 New Business.

3.0 ACCEPTANCE OF AGENDA

MOTION: 27/11: *That the Board approved the agenda with one addition under 14.2 CRHA Advisory Sub-committee.*

Moved by: K. DeMeulles

Second by: D. Macri

CARRIED

4.0 MINUTES OF THE PREVIOUS MEETING

4.1 Board of Directors Minutes – February 24, 2011.

The Minutes of February 24th, 2011 were amended and approved

MOTION 28/11: *That the Board approved the minutes of February 24th, 2011 as amended.*

Moved by: D. Macri

Seconded by: K. DeMeulles

CARRIED

5.0 BUSINESS ARISING FROM PREVIOUS MEETING

5.1 Ethics Committee – Board Representation

V. Flett suggested waiting until new board members are in attendance before making a decision.

TABLED

6.0 AUDIT COMMITTEE SUBMISSIONS

6.1 Planning Letter - BDO

V. Flett introduced Anita Janzen-Gemmell CA from BDO. The planning letter was circulated to Board Members and A. Janzen-Gemmell highlighted some of the audit planning process as follows:

- Current developments in the profession - changes in the accounting standards to non-profit organizations and will have to move to the public sector accounting standard coming in 2013 year end.
- Auditing and Assurance Standards – as of December, 2010 new standards came into place. It is now along with many other countries under international audit standards. Main changes that will affect audit:
 - Materiality – there is a new performance materiality, percentage will be taken from the normal materiality number -working with a lower number for doing audit work.
 - Subsequent Events – will have to follow-up with lawyer and B. Sigurdson regarding any subsequent events and continue after meeting to review draft financial statements. Will be in touch with B. Sigurdson in June when reviewing to discuss anything that is happening which could affect financial statements, and sending inquiries to the lawyer regarding that.
 - The Auditor's Report – the page that BDO signs at the beginning of financial statement will have significant changes. Dawn will be bringing engagement letter next week which has appendix showing new audit report – details information on what is management's responsibility, auditor's responsibility.
- Independence – because doing audit, standards require that they tell you that they believe they are independent and able to do audit and required to give that information in writing.
- Responsibilities of the Auditor – isn't a new section, been audit/planning letter, indicates what their responsibilities are verses managements responsibility. Also talks about who's responsible for internal controls. The auditor looks at internal controls, but doesn't take responsibility for them. A walk-through the facility and discussion with management each year is to occur to see if there any gaps and to make recommendations.
- Audit Approach – talks about what kind of approach will be taken to do audit; whether taking combined approach or substantive audit approach. Combined – looking at controls as well as asking for back up (e.g. confirmation from the bank).
- Higher Risk Financial Statement Areas – where they need to spend extra time in audit and take time to focus on whether appropriate amount of work has been done. There may be more estimating, calculation or detailed work required. A. Janzen – Gemmell described the higher risk financial statement areas listed. Also mentioned, not listed, are the payroll amounts are accurate – testing done there as well.

- A. Janzen – Gemmell reviewed materiality definition and “performance materiality” addition. Materiality amount is established – the levels this year are \$270,000 and want to look at that numbers, if numbers need to be adjusted, they will look at the amount – based on revenue which is what budget are based on for non-profit audits.
- Reliance on an Expert – Mercer does calculations for pension and retirement amounts – relies on numbers.
- Audit Team and Estimated Timing of the Audit – dates are given of what is expected to be done.
- Audit Fees - are listed, through the proposal process put through with Churchill RHA.
- Management Representations – at the end of the year, management signs letter to BDO stating that all information has been given and that it is the right amount to use, lists off various things, called “Representation Letter.”
- Communication of Results – suggestions and items for management letter are reviewed with B. Sigurdson, then finalized, and given to Board for review.
- Besides new audit standards, the letter is very similar to previous years.

V. Flett thanked A. Janzen-Gemmell for her presentation. There were no questions raised.

7.0 COMMITTEE SUBMISSIONS

7.1 Parent Advisory Committee Minutes – February 2011

The Board reviewed the Parent Advisory Committee minutes and V. Flett asked if policy CC-4-60 was on the agenda for Board approval. B. Sigurdson will forward the policy to V. Brew to add to the agenda for the next Board meeting.

TABLED

8.0 CEO MONITORING REPORTS

8.1 General Executive Constraint (BP-B-70)

B. Sigurdson reviewed the monitoring report with the Board of Directors on behalf of D. Martens and reported compliance with policy BP-B-70 General Executive Constraints.

MOTION 29/11: *That the Board approved the General Executive Constraints monitoring report BP-B-70.*

Moved by: *D. Macri*
Seconded by: *K. DeMeulles*

CARRIED

9.0 POLICY VIOLATIONS

No policy violations reported.

10.0 BOARD SELF EVALUATION

10.1 Governance Commitment (BP-C-40)

V. Flett reviewed the Governance Commitment with Board of Directors and reported compliance.

MOTION 30/11: ***That the Board approved the policy BP-C-40 Governance Commitment.***

Moved by: ***K. DeMeulles***

Seconded by: ***D. Macri***

CARRIED

11.0 POLICY CHANGES

No policy changes were reported.

12.0 EDUCATION

No reports/correspondence submitted at this time.

13.0 COMMUNICATION

13.1 Chairman's Report

V. Flett & D. Martens attended at Safety Patient workshop in the early part of March in Winnipeg. V. Flett stressed the importance of patient safety and we should be following the same policies and procedures as the rest of the province. There are areas that need work and will be started once D. Martens returns. Binders on patient safety are available from the office for members to review.

13.2 Nunavut Members' Update

There is no representation from Nunavut.

13.3 Chief Executive Officer's Report

D. Martens report was submitted for review. V. Flett requested to defer information and feedback on the University of Manitoba Dental Program until the next meeting.

TABLED

13.4 Chief Financial Officer Report

B. Sigurdson reported on the financial statement for January 31, 2001. This included:

- Hospital Services in a surplus position largely due to unfilled positions, staff travel as well as decrease costs in supplies.
- Diagnostic Services shows a large surplus which is mainly due to unfilled position/relief for x-ray.
- NPTP continues to show a deficit due to large volume increase of medevacs. The number of medevacs has almost doubled from previous year. To date we have had 32 medevacs (April – January) compared to 21 last year in the same time period.
- EMS shows a deficit of \$57,356.03. Offset income is \$15,388.75 lower than previous year to date due to lower volume of calls.
- Daycare continues to show a deficit although it's much lower when comparing to previous years.
- Families First (Baby First) is reporting a deficit as we are waiting for our 3rd quarterly funding payments which was received in February 2011.

MOTION 31/11: ***That the Board approved the Financial Statement for January 31, 2011***

Moved by: ***K. DeMeulles***

Seconded by: ***D. Macri***

CARRIED

13.5 Chief of Staff's Report

No report at this time.

13.6 Director of Clinical Services Report

P. MacEwan's report was circulated for review and added the ward has increased of inpatients compared to previous months.

13.7 Director of Community Services & Chief Planning Officer Report

N. Hughes report was circulated for review. She added there was difficulty at the Receiving Home with freezing pipes. There were no questions.

13.8 Director Human Resources Report

R. Sweeney's report was circulated and V. Flett inquired to which staff member was funded to further their education in the health care field.

14.0 NEW BUSINESS**14.1 Write up for Hudson Bay Health**

The Board of Director's were asked to submit an article in the Hudson Bay Health News "From the Board. V. Flett suggested meeting to put an article together for submission once the new members starts.

TABLED**14.2 CRHA Advisory Sub-committee**

P. MacEwan gave a brief history on the chronic disease prevention initiative which was something the council has pursued and was successful in getting funding. The other piece of funding was the secure food source which is different funding. The committee talked about having a subcommittee to work on this specifically.

The Board of Directors agreed to have a sub-committee of the CRHA Advisory Council.

15.0 CORRESPONDENCE/INFORMATION**15.1 Board Leadership Publication – Jan/Feb 2011**

Circulated to Board members for information

15.2 DSM News – March 2011

Circulated to Board members for information

16.0 CONSENT AGENDA

No submissions.

17.0 PUBLIC PARTICIPATION

J. Hetherington displayed a picture that was painted by a local artist. The painting was purchased for the LTC resident area.

18.0 IN CAMERA

No in-camera meeting was held.

18.0 DATE OF NEXT MEETING

The next meeting has been scheduled for Thursday, April 21st at 12 noon.

19.0 ADJOURNMENT

V. Flett adjourned that meeting

MOTION 32/11: *That the meeting of the Board of Directors for March 24th, 2011 be adjourned*

Moved by: *K. DeMeulles*
Seconded *D. Macri*

CARRIED

MINUTES APPROVED BY:

Verna Flett, Chair
Churchill RHA Inc. Board

Date