

W E L C O M E

to the

67th ANNUAL MEETING

of

**SOUTH HURON HOSPITAL
ASSOCIATION**

Thursday, June 11, 2020

5:30 p.m.

VISION MISSION VALUES



Our VISION

To improve the overall health and well-being of our communities through being a leader and working with partners in an integrated and sustainable rural health care system.

Our MISSION

As your healthcare partner close to home, dedicated to quality and safe patient care we will:

- Treat everyone with respect, compassion and dignity
- Place patients and families as a core focus
- Build a workplace environment where all staff, physicians and volunteers feel valued and have opportunities to grow
- Strengthen and expand our relationships with stakeholders and health care partners
- Demonstrate our social responsibilities and good stewardship of all resources

Our VALUES Which Translate Into Actions

CARING – We will provide excellent care, and make our patients, staff, physicians and volunteers feel cared about.

ACCESSIBLE – We will overcome barriers, and work to ensure our patients have care “close to home”.

RESPONSIVE – Working hard to reduce wait times for services. We want our communities to know they can find help with their questions and concerns about their care.

INTEGRITY – We will make ethical decisions, embrace positive change, and face challenges with the intent to make the system better for those we care for.

NETWORKING – We will build strong collaborative relationships that provide our communities with health promotion strategies and solutions that are understandable with transitions that are seamless and easy to navigate

GROWTH – We will be good stewards of our resources, with worthwhile growth objectives and goals that stretch our physicians, staff and volunteers to reach their full potential as we strive to achieve our vision and mission.

SOUTH HURON HOSPITAL ASSOCIATION

ANNUAL GENERAL MEETING

Thursday, June 11, 2020

SHHA Boardroom B110 - 5:30 p.m.

Webex

A G E N D A

- | | | |
|-----------|--|----------------------|
| 1 | Welcome and Call to Order | <i>Aileen Knip</i> |
| 2 | Notice of Meeting | <i>Aileen Knip</i> |
| 3 | Minutes of the 66th Annual Meeting (<i>June 13, 2019</i>) | <i>Aileen Knip</i> |
| 4 | Reports to the General Membership | |
| | 4.1 Chair | <i>Aileen Knip</i> |
| | 4.2 President & Chief Executive Officer | <i>Bruce Quigley</i> |
| | 4.3 Auxiliary | <i>Anne Helm</i> |
| | 4.4 Auditor (<i>Seebach & Company</i>) | <i>Paul Seebach</i> |
| 5 | Governance Nomination Committee | |
| | 5.1 Report of Governance Nomination | <i>Aileen Knip</i> |
| 6 | New Business | <i>Aileen Knip</i> |
| 7 | Other Business | <i>Aileen Knip</i> |
| 8 | Recognition of Out-going Trustees | <i>Aileen Knip</i> |
| 9 | Closing Remarks | <i>Aileen Knip</i> |
| 10 | Adjournment | <i>Aileen Knip</i> |

***SOUTH HURON HOSPITAL ASSOCIATION
ANNUAL GENERAL MEETING***

**Held in Boardroom B110
South Huron Hospital Association
Thursday, June 13, 2019
1700 hours**

- 1) The 66th Annual Meeting of the South Huron Hospital Association (SHHA) was held in the Hospital Boardroom, A. Knip, Chair, presiding. A. Knip confirmed a quorum was present. A. Knip welcomed all those in attendance; Scott Nixon of the Exeter Lakeshore Times-Advance.
- 2) A notice of the 66th Annual Meeting was published in the Exeter Times Advocate and Lakeshore Advance for two (2) consecutive weeks, in accordance with SHHA Hospital By-Laws.
- 3) Minutes of the 65th Annual Meeting June 14, 2018.

Moved by: Ellen Shapiro

Seconded by: Karen Brown

Motion: To approve the minutes of the 65th Annual General Meeting, as presented. Carried.

- 4) Reports to the General Membership

The following four (4) reports were included in the Annual Report.

Board Chair (*Aileen Knip*)

Interim President & Chief Executive Officer (*Bruce Quigley*)

Auxiliary (*Anne Helm*)

Auditor (*Paul Seebach – Seebach & Company*)

A. Knip noted the firm of Seebach & Company will continue as auditors for the South Huron Hospital Association for the fiscal year 2019/2020 to 2021. Their multi-year appointment was approved in 2016.

Moved by: Bruce Shaw

Seconded by: Drew Robertson

Motion: To accept the four (4) general reports to the membership as presented. Carried.

5) Governance Nomination Report

A. Knip reported -

The following director is nominated to the Board of Directors of South Huron Hospital Association for a two (2) year term:

Dan Best

The following directors are nominated to the Board of Directors of South Huron Hospital Association for a further two (2) year term:

***Aileen Knip
Drew Robertson***

The following director is nominated to the Board of Directors of South Huron Hospital Association for a further one (1) year term:

Ellen Shapiro

The following representatives hold non-voting status on the SHHA Board of Directors:

***Bruce Quigley, Interim President & Chief Executive Officer
Dr. Ken Milne, Chief of Staff
Jennifer Peckitt, Site Director/CNE***

Moved by: Karen Brown

Seconded by: Debbie Mountenay

Motion: To accept the Governance Nomination Committee Report for the Board of Directors for the year 2019/2020. Carried.

6) New Business
No new business.

7) Other Business
No other business.

- 8) Recognition of Staff and Physicians/Out-going Trustees
A. Knip referred to the report contained in the Annual Report listing the service award recipients for the period of July 1, 2018 to June 30, 2019.

Board Recognition

A. Knip expressed thanks to all of the volunteer board members for their hard work, dedication and their wide range of expertise.

Special recognition and presentation was given to the Board members who have completed their term and will be leaving the Board.

- Roberta Teahen
- John McNeilly
- Christina Godbolt

Special recognition was also given to Katie Willert, who is leaving the organization after 13 years.

- 9) Closing Remarks
On behalf of the Board and the Hospital leadership team, A. Knip thanked everyone for attending.
- 10) The 66th Annual General Meeting adjourned at 1726 hours.

Moved by: Brad Sheeler

Seconded by: Ellen Shaprio

Motion: To adjourn the June 13, 2019 Annual General Meeting of South Huron Hospital Association. Carried.

Aileen Knip
Board Chair

Bruce Quigley
Interim President & CEO

Welcome to the 67th Annual General Meeting of the South Huron Hospital Association!



The Board of Directors, in collaboration with the President & CEO and leadership team, are pleased to present this 2019/20 Annual report, informing our patients, their families and the public we serve of the many successes at SHHA this past year. This would not be possible without the committed, hard work of our staff and physicians that demonstrate a team of true spirit and effort to our "Little Hospital That Does."

We are pleased to report that the hospital ended the fiscal year with a small surplus in operations. This is due to the continued cost containment efforts, which focused on partnerships and collaboration, in addition to the dedication of staff, physicians, and volunteers who contribute and support hospital operations every day.

The Board, Staff and Physicians would like to thank the South Huron Hospital Auxiliary, the South Huron Hospital Foundation and the community for their significant support during these unprecedented times of pandemic. The Auxiliary, through their Rummage Sale and Gift Shop, have contributed \$44,000 of support through the Foundation. The Foundation, through the community and donors, provided financial support of over \$396,700 towards patient care equipment and completed SHHA's fleet of new patient beds. The continued partnership of the SHHA Auxiliary and SHHA Foundation play a significant role in supporting our ability to provide the highest quality healthcare to the patients we serve!

As we move into the 2020/21 term, the healthcare system remains in a state of flux due to the COVID-19 pandemic and the ongoing development of the Ontario Health Teams. The SHHA Board and leadership team remains committed to sustainability, through continuous collaboration efforts, in order to create efficiencies and maintain a high quality of care to our patients, while doing so within the level of resources available.

Handwritten signature of Aileen Knip in blue ink.

Aileen Knip
Board Chair

Handwritten signature of Bruce Quigley in blue ink.

Bruce Quigley
President & CEO

Handwritten signature of Jennifer Peckitt in blue ink.

Jennifer Peckitt
Site Director/CNE

Handwritten signature of Dr. Ken Milne in blue ink.

Dr. Ken Milne
Chief of Staff

Reflecting on our Mission, Vision & Values and Strategic Plan for the past year....



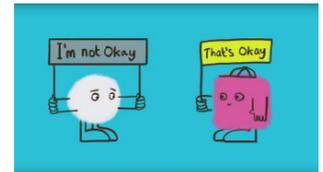
1. Focus on Safe, Quality Patient Care, Close to Home

- **Patient & Family Advisory Council (PFAC)** – met to collectively learn about *The Evolution of Patient Partnerships*, including the Ministry of Health’s vision for patient, family, and caregiver engagement and partnership, as well as reviewing the new Patient Declaration of Values (available at: www.ontario.ca/page/patient-declaration-values-ontario). Mathew Maynard of the Grand Bend Area Community Health Centre (GBACHC) and lead in the Connecting Rural Communities Collaborative was also a guest to introduce the project aimed to improve key determinants of health, including social inclusion.
- **Mental Health** – Through our work with the Huron Substance Misuse Working Group, interviews and surveys of frontline healthcare providers, police and Emergency Management Services, and patients with lived experience, we found that stigma towards those who have an addiction to substances is the largest barrier to giving and receiving medical treatment. The reflective training video which we helped produce was used for discussion among SHHA nurses, registration clerks, social worker and administration. At five “lunch & learns” (with free popcorn provided!) discussion was held around treating the whole person, realizing that addiction can happen to anyone, self-reflection, education, and self-care.
- **Safe Medication Administration**—In support of safer medication administration for patients, closed-loop electronic medication administration (including barcoding of patient identification and medications) was implemented in mid June. The new system supports nurses to avoid medication errors, thereby enhancing patient safety. Our Pharmacy Technicians were also instrumental in ensuring all of our medications were appropriately labeled and barcoded so that nurses could successfully scan at implementation.

Free Popcorn/ Video Event

“A Reflective Video with Conversation about Healthcare Stigma: A tool for the holidays and beyond!”

For All Staff and Doctors



2. Focus on our People & Workplace

- **Human Resources** – SHHA implemented a supplementary nursing night shift with the aim to:
 - ⇒ Improve staff safety, specifically by working in teams
 - ⇒ Help address staff ‘burnout’ linked to workload and overtime
 - ⇒ Facilitate access to an RN for problem solving and managing increasingly complex patient loads, particularly for early career nurses while working night shifts
 - ⇒ Develop competence and skills through cross-training and introduce composite roles/opportunities
 - ⇒ Ensure a 24 hour Emergency Department for our local community
- **Congratulations to our Staff:** **Dr. Ken Milne**, SHHA’s Chief of Staff, was honoured with two international awards in recognition of his contribution to academic medicine. On October 26th, in Denver Colorado, Dr. Milne was the first Canadian doctor presented with the Judith E. Tintinalli Award from the American College of Emergency Physicians. He was also the recipient of the Free Open Access Meducation Excellence in Education Award from the Society for Academic Emergency Medicine.
Jennifer Peckitt, SHHA’s Site Director and Chief Nursing Executive, was a recipient of the 2020 Chapter Awards for Distinguished Service by The Canadian College of Health Leaders for her significant contribution to the CCHL SouthWestern Ontario Chapter and her involvement in College activities, as well as her Leadership in educational programming.
- **Staff Appreciation** – Summer Appreciation BBQ, Nurses Week, a variety of fun Staff Association events through the year, and a total of 370 years of service honoured in long- time-service awards for 19 staff members at the Holiday Luncheon



3. Focus on Increasing the Value of Our Healthcare System

- **OTN (Ontario Telemedicine Network)** we now have a dedicated OTN room for physicians and specialists to provide remote in-patient and out-patient care, as well as for corporate and training use.
- **Infrastructure projects** — By means of the Health Infrastructure Renewal Fund (HIRF), South Huron Hospital Association installed a new sprinkler system, new windows, 3 new boilers and completed asbestos abatement with funding of

4. Focus on Working with Partners towards an Integrated & Sustainable Rural Health Care System



- **Ontario Health Team** - On December 6th, 2019 the Ministry announced the Huron Perth & Area-Ontario Health Team was one of the 24 successful applicants to form a new Ontario Health Team. The **goal** is to provide better, more connected **care** across the province. **Ontario Health Teams** are groups of providers and organizations that are clinically and fiscally accountable for delivering a full and coordinated continuum of **care** to a defined geographic population.
- **Timely and Efficient Transitions** - In November 2019 an initiative to improve discharge summary turnaround to Primary Care Physicians in the community resulted in 88% of discharge summaries being received within 48 hours of patient discharge.
- **In Times of Pandemic** - we are pleased to be working with GBACHC in the establishment of the COVID assessment/testing centre located in Grand Bend. Our primary care partners at GBACHC have taken a leadership role in this aspect of the pandemic response and SHHA looks forward to its continued valuable working relationship with GBACHC in this matter.
- **Information Systems & Cyber Security** - Significant advancements have been accomplished within information technology services with SHHA entering into a Information Systems agreement with London Health Sciences Centre. Through this partnership SHHA has experienced improved capabilities in both the response to technical challenges and in business continuity risk reduction. The SHHA and LHSC partnership has also produced comprehensive programming in order to deal with issues associated with cyber risk and in the development of a cyber secure culture.
- **South Huron District High School** - In April 2020, Dr. Milne assisted in developing and delivering a workshop for approximately 50 students enrolled in the Health and Wellness Specialist High Skills Major program. These students are interested in pursuing Health and Wellness careers. This initiative is often referred to as ICE (Innovation, Creativity and Entrepreneurship) and allows student the opportunity to explore current issues in their community related to Health and Wellness. Dr. Milne brought his critical thinking “Cooking Class” to the school along with some medical fallacies to identify current issues in Health and Wellness in Exeter and rural areas generally. Students were inspired to contribute to the problem solving efforts for Health and Wellness in our Community.
- **Partnering for Quality and the Digital Coalition** - The Association of Family Health Teams of Ontario awarded the program a provincial Bright Lights award for improving system performance and function for the Referral Forms Repository and Standardization in Primary Care Project. Please visit the link below to view the short video sharing the fantastic details on this voluntary coalition project.
https://www.youtube.com/watch?v=beVGA4_wjh4&feature=youtu.be
- **South Huron Medical Centre Partnering for Quality (PFQ) Projects** - SHHA has been working with the doctors at the Family Practice Clinic (FPC) to increase the benefit of our Smoking Cessation Toolbar. Now that patients have been identified to be smokers or not, we have taken the next step to implement reminders for cessation counselling either by the FPC doctors or by referral to the “Huron Butts Out” clinic which holds weekly clinics at the Medical Centre.

126 Employees
91 Physicians/Specialists

45 Nurses

SHHA Auxiliary



SHHA is extremely grateful to have a Hospital Auxiliary that works tirelessly to promote the organization and raise much needed funds for patient equipment. Events this year included the Fall Rummage Sale and the Hospital Gift Shop.

**On behalf of our staff and patients we thank you!
 Our Auxiliary is an integral part of our healthcare team.**



Thank you to our SHHA Foundation and their generous donors!
 Donations are essential for specialized training, a safe E.R. for staff and patients, and the purchase of vital medical equipment and technology!

**Approved Capital Funding provided by SHHA Foundation
 Auxiliary (\$44,000) and other Donors:
 \$396,700**

SHHA Finance

Total Revenue\$11 926 267
 Total Expense.....\$11 746 926
 Operational Surplus /(Deficit)..... \$179 341

2019/2020 Stats

	ER Visits	9,181
	Specialist Outpatient Visits	2,468
	Walk-In Clinic Visits.....	7,739
	Admitted Patients	601
	Lab Outpatient Visits	3,277
	Diagnostic Imaging	
	X-Rays	6,326
	Ultrasound.....	2,151
	BMD	569

Quality at SHHA

- The SHHA Board Quality, Utilization & Risk Committee met 6 times over the past year.
- Patients and their families regularly receive a Patient & Family Experience Survey.
 Now, our Patient & Family Experience Survey booklets are available in French too!
- Knowing that healthcare workers face the greatest likelihood of experiencing workplace violence, a strong focus was put on workplace violence assessment, prevention and education.
- Completing training in Awareness of Domestic Violence, SHHA's policies on Domestic Violence and Access to Supports, is now an expectation of privileges for SHHA physicians.
- In spite of the COVID-19 pandemic and the strain it put on staff and time to finish the year as intended, SHHA still met 13 out of 15 of our Quality Improvement Goals. A goal achievement of 88%!

To Donate:

South Huron Hospital Foundation
 24 Huron Street West, Exeter, ON, NoM 1S2
 519-235-2700 x 5133
 kimberley.payne@shha.on.ca
 www.shhf.on.ca



Contact Us:

South Huron Hospital Association
 24 Huron Street West, Exeter, ON, NoM 1S3
 519-235-2700
 shha.administration@shha.on.ca
 www.shha.on.ca



South Huron Hospital Auxiliary Report

2019-2020

South Huron Hospital Auxiliary Report 2019-2020.

We had another successful Fall rummage sale with a profit of \$13,751.75 thanks to the hard work of our many dedicated volunteers.

Some of our members attended the Radio-thon and we made a donation of \$10,000 to purchase a hospital bed and at our Christmas meeting we donated \$25,000 to purchase a defibrillator.

Unfortunately, the COVID-19 pandemic necessitated our cancelling the spring rummage sale as well as closing the gift shop thus cutting off our sources of income.

The Auxiliary has a membership of around two hundred with five Life members, three of whom attend our meetings and work at the rummage sales.

It has been my pleasure to serve as Auxiliary president these past two years and I know my successors will continue to support the hospital in any way possible.

Submitted: Anne Helm

**SOUTH HURON HOSPITAL ASSOCIATION
FINANCIAL STATEMENTS
MARCH 31, 2020**

SEEBACH & COMPANY
Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Governors and Members of the South Huron Hospital Association

Opinion

We have audited the accompanying financial statements of the South Huron Hospital Association ("the Hospital"), which are comprised of the balance sheet as at March 31, 2020 and the operating fund statement of revenue and expenses, statement of remeasurement gains and losses and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Hospital as at March 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAB).

Basis for Opinion

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 Hospital in accordance with the 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 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 PSAB, 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 Hospital's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Hospital or to cease operations, or has no realistic alternative but to do so.

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

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.

**SOUTH HURON HOSPITAL ASSOCIATION
BALANCE SHEET**

See Accompanying Notes to Financial Statements

As at March 31	2020	2019
ASSETS		
Current assets		
Cash	1,245,777	929,467
Short term investments (note 3)	23,558	28,324
Accounts receivable (note 2)	310,626	278,603
Inventories	124,155	84,237
Prepaid expenses	109,895	100,301
Due from South Huron Hospital Foundation (note 9)	108,127	94,046
	<u>1,922,138</u>	<u>1,514,978</u>
Long term investments (note 3)	<u>3,076,485</u>	<u>3,157,121</u>
Capital assets		
Capital assets, net book value (note 4)	<u>6,314,762</u>	<u>6,110,869</u>
	<u>\$ 11,313,385</u>	<u>\$ 10,782,968</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	1,321,925	1,165,359
Employee future benefits (note 7)	74,200	71,000
Deferred revenue (note 5)	713,014	636,987
	<u>2,109,139</u>	<u>1,873,346</u>
Long term liabilities		
Employee future benefits (note 7)	821,400	805,500
Deferred revenue (note 5)	5,368,499	5,034,310
	<u>8,299,038</u>	<u>7,713,156</u>
Net assets		
Invested in capital assets	233,249	439,572
Unrestricted - committed (note 10)	539,489	635,366
Unrestricted - uncommitted	2,245,140	1,818,535
	<u>3,017,878</u>	<u>2,893,473</u>
Accumulated remeasurement gains (losses)	(3,531)	176,339
	<u>3,014,347</u>	<u>3,069,812</u>
	<u>\$ 11,313,385</u>	<u>\$ 10,782,968</u>

On behalf of the board of governors:

A. Ken Gung - Chair
.....
[Signature] Treasurer.....

Seebach & Company
Chartered Professional Accountants

P.O. Box 758, 41 Ontario Street
CLINTON, ONTARIO N0M 1L0
Tel:(519) 482-7979
Fax:(519) 482-5761
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vbs@vbsca.ca

INDEPENDENT AUDITOR'S REPORT (continued)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism 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 Hospital'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 Hospital'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 Hospital to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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.

Seebach & Company

Chartered Professional Accountants
Licensed Public Accountants

Clinton, Ontario
May 28, 2020

**SOUTH HURON HOSPITAL ASSOCIATION
OPERATING FUND STATEMENT OF REVENUE AND EXPENSES**

See Accompanying Notes to Financial Statements

For the Year Ended March 31	2020	2019
Revenue		
Local Health Integration Network / Ministry of Health		
- Base Funding	7,986,679	7,695,827
- One Time Funding	137,253	43,916
- HOCC Funding	106,730	106,196
- Paymaster Funding	232,941	216,877
- Other Votes	3,300	3,300
Recoveries and miscellaneous	462,773	534,332
Amortization of deferred grants and donations - equipment	415,348	709,054
OHIP and patient revenue	2,447,018	2,338,497
Differential and copayment revenue	134,225	159,619
	<u>11,926,267</u>	<u>11,807,618</u>
Expenses		
Salaries, wages and purchased services	5,362,159	5,353,910
Medical staff services remuneration	1,997,018	1,920,448
Employee benefits	1,652,797	1,675,207
Supplies and other expenses	1,962,437	2,041,279
Medical and surgical supplies	157,079	139,224
Drugs and medical gases	181,668	169,025
Bad debts	10,903	8,688
Other votes - property taxes	3,300	3,300
Depreciation - equipment	419,565	425,964
	<u>11,746,926</u>	<u>11,737,045</u>
Excess (deficiency) of Revenue over Expenses from Hospital Operations	\$ 179,341	\$ 70,573
Amortization of deferred grants and donations - building	280,515	261,802
Depreciation - building and building service equipment	<u>(335,451)</u>	<u>(317,416)</u>
Excess (deficiency) of Revenue over Expenses for the year	<u>\$ 124,405</u>	<u>\$ 14,959</u>

**SOUTH HURON HOSPITAL ASSOCIATION
STATEMENT OF REMEASUREMENT GAINS AND LOSSES**

See Accompanying Notes to Financial Statements

For the Year Ended March 31	2020	2019
Accumulated remeasurement gains (losses), beginning of year	176,339	185,617
Unrealized holding gains (losses) attributable to investments	<u>(179,870)</u>	<u>(9,278)</u>
Accumulated remeasurement gains (losses), end of year	<u>(\$ 3,531)</u>	<u>\$ 176,339</u>

SOUTH HURON HOSPITAL ASSOCIATION
OPERATING FUND STATEMENT OF CASH FLOWS

See Accompanying Notes to Financial Statements

For the Year Ended March 31	2020	2019
Operating activities		
Excess (deficiency) of revenue over expenses for the year	124,405	14,959
Items not requiring (not providing) cash		
Depreciation	755,016	743,380
Working capital provided from operations	<u>879,421</u>	<u>758,339</u>
Cash provided from (used for) changes in operational balances		
Accounts receivable	(32,023)	115,432
Inventory	(39,918)	5,720
Prepaid expenses	(9,594)	(1,909)
Accounts payable and accrued liabilities	156,566	(1,109,768)
Employee future benefits	19,100	19,000
Deferred revenue	410,216	14,086
Due to/from South Huron Hospital Foundation	(14,081)	780,381
Cash provided from (used for) operating activities	<u>1,369,687</u>	<u>581,281</u>
Capital activities		
Net disposals (purchases) of capital assets	<u>(958,909)</u>	<u>(878,384)</u>
	<u>(958,909)</u>	<u>(878,384)</u>
Financing and investing activities		
Net investment sales (purchases)	<u>(99,234)</u>	<u>(165,714)</u>
	<u>(99,234)</u>	<u>(165,714)</u>
Increase (decrease) in cash	311,544	(462,817)
Cash and short term investments, beginning of year	<u>957,791</u>	<u>1,420,608</u>
Cash and short term investments, end of year	<u><u>\$ 1,269,335</u></u>	<u><u>\$ 957,791</u></u>

SOUTH HURON HOSPITAL ASSOCIATION
STATEMENT OF CHANGES IN NET ASSETS
 See Accompanying Notes to Financial Statements

For the Year Ended March 31				2020	2019
	Invested in Capital Assets	Unrestricted - Committed	Unrestricted - Uncommitted	Total	Total
Balance, beginning of year	439,572	635,366	1,818,535	2,893,473	2,878,514
Excess (deficiency) of revenues over expenses	(755,016)		879,421	124,405	14,959
Net change in investment in capital assets	548,693		(548,693)	-	-
Interfund transfers		(95,877)	95,877	-	-
Balance, end of year	<u>233,249</u>	<u>539,489</u>	<u>2,245,140</u>	<u>\$ 3,017,878</u>	<u>\$ 2,893,473</u>

SOUTH HURON HOSPITAL ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2020

1. Significant accounting policies

Nature of organization

The South Huron Hospital Association ("Hospital") is principally involved in providing health care services to the residents of the South Huron and surrounding municipalities. The Hospital is incorporated without share capital under the Corporations Act (Ontario) and is a charitable organization within the meaning of the Income Tax Act (Canada).

Basis of presentation

The financial statements of the Hospital have been prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board ("PSAB for Government NPOs").

Revenue recognition

The Hospital follows the deferral method of accounting for contributions which include donations and government grants.

Under the Health Insurance Act and Regulations thereto, the Hospital is funded primarily by the Province of Ontario in accordance with budget arrangements established by the Ministry of Health. Operating grants are recorded as revenue in the period to which they relate. Grants approved but not received at the end of an accounting period are accrued. Where a portion of a grant relates to a future period, it is deferred and recognized in that subsequent period.

Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related capital assets.

Contributed services

The Hospital is dependent on the voluntary services of many individuals. Since these services are not normally purchased by the hospital and because of the difficulty in estimating their fair market value, these services are not recorded in these financial statements.

Inventories

Inventories are valued at the lower of cost and net realizable value.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the hospital's ability to provide services, its carrying amount is written down to its residual value. Amortization is provided on assets placed into use on the straight-line basis over their estimated useful lives as follows:

Land improvements	10 - 20 years
Buildings	50 years
Building service equipment	20 - 25 years
Equipment	3 - 25 years

Vacation pay

Vacation pay is accrued for all employees as entitlements to these payments is earned.

Deferred building and equipment grants

Provincial and municipal building and equipment grants and donations received by the hospital are deferred and amortized on a straight-line basis at a rate corresponding with the depreciation rate for the related building or equipment.

Measurement uncertainty

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

SOUTH HURON HOSPITAL ASSOCIATION
NOTES TO FINANCIAL STATEMENTS (continued)

For the Year Ended March 31, 2020

1. Significant accounting policies (continued)

Investments

The Hospital has classified all stocks, bonds and other investment securities as available-for-sale which are carried at fair value. Bank guaranteed investment certificates are classified as held-to-maturity and are carried at cost. A write down of the carrying amount of held-to-maturity investments is charged against income when evidence indicates a permanent decline in the underlying value and earning power of an investment. Gains and losses on disposal of held-to-maturity investments are determined on a completed transaction basis.

2. Accounts receivable

	2020	2019
Ministry of Health	103,837	115,171
Insurers and patients	41,958	20,622
Other	<u>164,830</u>	<u>142,810</u>
	<u>\$ 310,626</u>	<u>\$ 278,603</u>

3. Investments

The Hospital's investments are recorded at market value, as per the investment statements provided by the holding institution for the period March 31, 2020.

	2020	2019
Short-term		
Cash in investment account	<u>23,558</u>	<u>28,324</u>
Long-term		
Common shares	186,398	211,238
Mutual funds	<u>2,890,087</u>	<u>2,945,883</u>
	<u>3,076,485</u>	<u>3,157,121</u>
	<u>\$ 3,100,043</u>	<u>\$ 3,185,445</u>

The cost of the investments as of March 31, 2020 was \$3,103,574 (cost March 31, 2019: \$3,009,106).

4. Capital assets

	Cost	Accumulated Amortization	Net Book Value 2020	Net Book Value 2019
Land	249,131	-	249,131	249,131
Land improvements	274,711	220,449	54,262	57,766
Buildings	8,789,173	4,443,861	4,345,312	3,917,260
Major equipment	<u>6,251,938</u>	<u>4,585,881</u>	<u>1,666,057</u>	<u>1,886,712</u>
	<u>\$ 15,564,953</u>	<u>\$ 9,250,191</u>	<u>\$ 6,314,762</u>	<u>\$ 6,110,869</u>

5. Deferred revenues

	2020	2019
Deferred grants from Ministry of Health	4,069,900	3,525,098
Deferred donations	2,011,613	2,146,199
Other	-	-
	<u>\$ 6,081,513</u>	<u>\$ 5,671,297</u>

SOUTH HURON HOSPITAL ASSOCIATION
NOTES TO FINANCIAL STATEMENTS (continued)

For the Year Ended March 31, 2020

6. Pension plan

Full-time and part-time employees of the hospital may be eligible to be members of the Hospitals of Ontario Pension Plan which is a multi-employer final average pay contributory pension plan. Employer contributions made to the plan during the year by the hospital amounted to \$416,563 (2019: \$423,947). These amounts are included in expenses in the operating fund statement of revenue and expenses and fund balance.

7. Employee future benefits

The Hospital accrues its obligations under employee benefit plans and the related costs. The Hospital has adopted the policy that the cost of retirement benefits earned by employees is actuarially determined using the projected unit method pro-rated on service and management's best estimate of salary escalation (where applicable), retirement ages of employees and expected health care costs.

The Hospital provides extended health care, dental and life insurance benefits to substantially all full-time employees.

At March 31, 2020, the Hospital's accrued benefit obligation relating to post-retirement benefit plans is \$895,600 (2019: \$876,500).

8. Financial instruments

The Hospital's financial instruments consist of cash and short-term investments, accounts receivable and accounts payable. It is management's opinion that the Hospital is not exposed to significant interest and credit risks arising from these financial instruments. The fair value of the financial instruments approximates their carrying amount.

9. Disclosure of economic interest

The South Huron Hospital Foundation (the "Foundation") is incorporated without share capital under the laws of the Province of Ontario and is a registered foundation under the Income Tax Act (Canada). The Foundation was established to receive and maintain a fund or funds and to apply from time to time all or part thereof for charitable purposes carried on by, in connection with, in relation to, for the benefit of or to enhance or improve the health care services in the area serviced by the South Huron Hospital and to do all such things as are incidental or conducive to the attainment of these objectives. The Foundation is managed and controlled independent of the Hospital.

During the year ended March 31, 2020, the Foundation provided donations totalling \$219,481 (2019: \$368,941) to the Hospital.

10. Commitments on unrestricted net assets

During the year, the Board of Directors committed \$539,489 (2019: \$635,366) of unrestricted net assets for specific capital development. These internally committed amounts are not available for other purposes without approval by the Board of Directors.

SOUTH HURON HOSPITAL ASSOCIATION
NOTES TO FINANCIAL STATEMENTS (continued)

For the Year Ended March 31, 2020

11. Financial risks and concentration of credit risks

Credit risk

Credit risk refers to the risk that a counterpart may default on its contractual obligations resulting in a financial loss. The Hospital is exposed to credit risk with respect to the accounts receivable.

The Hospital assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. The maximum exposure to credit risk of the Hospital at March 31, 2020 is the carrying value of these assets.

The carrying amount of accounts receivable is valued with consideration for an allowance for doubtful accounts. The amount of any related impairment loss is recognized in the operating fund statement of revenue and expenses. Subsequent recoveries of impairment losses related to accounts receivable are credited to the operating fund statement of revenue and expenses. The balance of the allowance for doubtful accounts at March 31, 2020 is \$5,633 (2019: \$2,383).

There have been no significant changes to the credit risk exposure from 2019.

Liquidity risk

Liquidity risk is the risk that the Hospital will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Hospital manages its liquidity risk by monitoring its operating requirements. The Hospital prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

There have been no significant changes to the liquidity risk exposure from 2019.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates or interest rates will affect the Hospital's income or the value of its holdings of financial instruments. The objective of market risk management is to control market risk exposures within acceptable parameters while optimizing return on investments.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows or a financial instrument will fluctuate because of changes in the market interest rates.

There has been no change to the interest rate risk exposure from 2019.

**GOVERNANCE NOMINATION REPORT
SLATE OF DIRECTORS FOR 2020/2021**

The following director is nominated to the
Board of Directors of South Huron Hospital Association
for a two (2) year term:

Nancy Peter

The following directors are nominated to the
Board of Directors of South Huron Hospital Association
for a further two (2) year term:

*Brad Sheeler
Bruce Shaw*

The following representatives hold non-voting status
on the SHHA Board of Directors:

*Bruce Quigley, Interim President & Chief Executive Officer
Dr. Ken Milne, Chief of Staff
Jennifer Peckitt, Site Director/CNE
Dr. Sean Ryan, President of South Huron Medical Staff Association*



Aileen Knip, Chair
Executive, Governance & Planning
Committee
South Huron Hospital Association

**SOUTH HURON HOSPITAL ASSOCIATION
BOARD OF GOVERNORS 2019/2020**

Voting Board Members

Aileen Knip	Chair
Debbie Mountenay	Vice Chair
Brad Sheeler	Treasurer
Karen Brown	Member
Ellen Shapiro	Member (resigned October 2019)
Drew Robertson	Member
Nancy Peter	Member
Bruce Shaw	Member
Dan Best	Member
Anne Helm	Auxiliary Representative

Ex-Officio Board Members

Bruce Quigley	Interim President & CEO/Secretary
Dr. Ken Milne	Chief of Staff
Jennifer Peckitt	Site Director/Chief Nursing Executive
Dr. Sean Ryan	President of South Huron Medical Staff Association

LEADERSHIP TEAM

Interim President & CEO	Bruce Quigley
Site Director/CNE	Jennifer Peckitt
Associate Clinical Leader	Gina Taylor
Director Ambulatory Services	Heather Klopp
Director of Facilities	Mike Fagan
Chief Financial Officer	Darlene Borland
Human Resources Associate	Peter Kronenberg

EMPLOYEE/PHYSICIAN SERVICE AWARDS

July 1, 2019 - June 30, 2020

40 Years!

Dr. Peter Englert Family Practice Physician

30 Years!

Sheila Jackson-Elder Registered Nurse – Diabetes Educator
Sherry McCann Ward Aid and Sterile Processing

25 Years!

Beverly Walkom Registered Nurse

20 Years!

Dr. Krista Fatum Family Practice Physician
Dr. Mark Nelham Emergency and Hospitalist Physician

15 Years!

Tammy Dickens Health Records Technician and Privacy Officer

10 Years!

Jessie Brown Social Worker
Kathy Boyes Materials Management Coordinator
Janet Corbett Food Services
Alyshia Geoffrey Housekeeping
Callie Pearson Lab Technician
Maureen Regier Ultrasound Technician
Melissa Sorensen Accounts Receivables and Billing Clerk

5 Years!

Anna Bilcke Food Services
Justine Gelinas Food Services
Dr. Neeraj Patel Chief Hospitalist and Family Practice Physician
Justine Sheppard Ultra Sound Technician
Jessica Slaght Registration Clerk
Adriana Walker Registered Nurse