

NANAIMO & DISTRICT HOSPITAL FOUNDATION

Finance, Investment & Audit Committee

Minutes

Zoom

March 11, 2021 @ 3.00pm

Present: **M. Smith (Treasurer)** **J. Perrino (CEO)**
 P. Birrer **S. Ryan (CFO)**
 M. Jenkins
 T. Wheeler

Regrets: **T. Harris**
 G. Scott

Call to Order:

M. Smith called the meeting to order at 3.05 pm

Approval of Agenda:

The agenda was approved as presented.

MOTION: **to accept the Agenda as presented**
Moved by: **T. Wheeler, Seconded by: M. Jenkins**
Carried

Approval of Minutes – November 26, 2020:

The Minutes were approved as presented.

MOTION: **to approve the Minutes for November 26, 2020 as presented**
Moved by: **M. Smith, Seconded by: P. Birrer**
Carried

Review Monitoring Reports – EE7 – Financial Condition – 3rd Quarter, EE8 – Board Restricted Funds, and EE11 – Asset Protection:

The CEO's written reports were presented and discussed.

EE7: The Committee reviewed the Q3 financial reports for the Foundation. The CEO mentioned that total revenues are \$2,889,309 compared to a pro-rated budget of \$3,000,000 for 75% of the year. Expenses are similarly down from a pro-rated budget of \$825,000 for Q3 to actuals of \$720,400. Revenue includes wage subsidies received of \$167,105, and the salaries expense is shown at the gross amount. During Q3, Lifeline lent Code Brew \$100,000 for the purchase of equipment for the new Kiosk, which opened in December 2020. Foundation staff

is recommending that Lifeline forgive this loan in Q4; Lifeline has a healthy bank balance, and good equity, and Code Brew is reporting an operational deficit of almost \$100,000 at Q3, which is expected to increase during Q4.

EE8: The Committee noted that the CEO and CFO met with the Foundation's investment advisor on March 3 to discuss the fund's performance to January 2021. The CEO confirmed that the \$550,000 set aside by the Board remains part of the investment portfolio, with a market value at December 31, 2020 of \$1,049,633.

EE11: The Committee accepted the CEO's written report with no questions.

MOTION: to approve the Q3 Financial Statements
Moved by: M. Jenkins, **Seconded by:** T. Wheeler
Carried

MOTION: to accept Management's recommendation to forgive the \$100,000 loan from Lifeline to Code Brew for the purchase of equipment for the Kiosk Expansion.
Moved by: M. Smith, **Seconded by:** P. Birrer
Carried

MOTION: to approve the Monitoring Reports for EE7, EE8, and EE11
Moved by: P. Birrer, **Seconded by:** M. Smith
Carried

Policy Review: EE7, EE8, EE9, and EE11

Policy EE7 – Financial Condition, EE8 – Board Restricted Funds, and EE11 – Asset Protection were reviewed by the Committee and no changes were suggested.

Policy EE9 - Investments was discussed at the request of the Investment Manager. TD is recommending a change to Paragraph 8, to allow for fixed income investments in pooled funds where some holdings may be less than investment grade. The Committee supports this change to the Policy and recommends it to the Board for approval.

MOTION: to recommend approval of Policy EE7, EE8, and EE11, to the Board
Moved by: P. Birrer, **Seconded by:** M. Smith
Carried

MOTION: to recommend approval of Policy EE9 to allow for investment in pooled fixed income investment funds, where some portion of the investment may be less than investment grade rated
Moved by: M. Smith, **Seconded by:** M. Jenkins
Carried

Other Business

The 2021-2022 Budget for the Foundation, Lifeline, and Code Brew was reviewed and discussed by the Committee. The Management Fee paid by Code Brew to the Foundation was included in the budget even though the payment of it will project an operational deficit by Code Brew. As a legitimate charge to Code Brew for Foundation staff time in the management of the business, the Committee felt that the fee should be charged consistently. The Committee recommends approval of the Budget, as presented, to the Board.

MOTION: to recommend approval of the 2021-2022 Budget to the Board for the Foundation, Lifeline, and Code Brew, and the proposed 2021-2022 Grant to Island Health, as presented.

Moved by: T. Wheeler, **Seconded by** P. Birrer

Carried

Future Meeting Date

Monday, June 22, 2021 at 3pm.

Adjournment: The meeting adjourned at 4.25 pm