

Board Committee Report

Submitted To: PSFDH Board of Directors
Submitted by: K. Clupp, Chair
Subject: Audit/Finance Committee Report
Date: February 18, 2021

Date of meeting: February 18, 2021

Date of next meeting: March 18, 2021

Key Messages:

Open Session Updates:

- The financial statements representing ten months (April 1, 2020 – January 31, 2021) of activity were reviewed by the members.
- The hospital continues to experience unprecedented operating pressures due to the COVID-19.
- The hospital continues to work in partnership with the SELHIN, Ontario Hospital Association and the Ministry to seek reimbursement of incurred incremental costs and revenue losses. The leadership team continues to monitor impacts on a daily and weekly basis.
- The net result on hospital operations year to date is a \$2.6 million deficit which is a direct result of the COVID pandemic. Without the pressures of the COVID-19 pandemic, PSFDH would be progressing toward a balanced operating budget at year end.

COVID-19 Financial Update:

- To date the net hospital operational impact (shortfall) of COVID-19 is \$2.6 million. No additional funding received this month.

Closed Session Updates:

- HIS Regional Initiative and current legal matter updates were provided
- The committee received a presentation on the draft 2021/22 operating budget. Based on the closed session discussion, the committee is endorsing the draft 2021/22 operating budget. This will be brought forward at Tuesday's Board of Directors' meeting.
- LHIN and Ministry have indicated that there are delays in the HAPS/CAPS (budget) process and timelines. In the interim PSFDH continues to follow internal budgeting timelines and is on track to achieve by March 31, 2021.
- Insurance broker required information for fiscal 21/22 is underway.
- External Audit Services RFP is underway. D. Hodgins, D. Bellevue (PSFDH Finance Manager) and K. Clupp are participating with tender.

Action Items In-Progress/Pending:

- External Audit Services RFP in progress.
- 2021/22 draft Operating Budget will be presented at the next Board of Director meeting,

Upcoming Matters:

- An update on the Capital Planning Sub-Committee will be provided at upcoming meeting.
- Absenteeism of staff will continue to be monitored for trending.
- The 2020/21 audit plan & approach was deferred to the March 18, 2021 Finance Committee meeting.

- A Core Capital update was deferred to the March 2018 Finance Committee meeting.
- The Patient Days Analysis will be revised to include graphs showing trend lines in the 4th quarter.