

**Perth and Smiths Falls District Hospital
Finance Committee Minutes
Thursday, February 19th, 2026
Teams Meeting @ 7:30 a.m.**

Present: R. Dyke, (Chair), M. Cohen, C. Langstaff, E. Farrell, B. Smith, Dr. A. MacDonald, Dr. W. Hollis, K. Fair, M-L Hussak, S. Gauthier, M. Hallam (Guest) and S. Anderson (Guest)
Regrets: W. Bromm and K. Clupp
Recording Secretary: C. Rustan

1. Call to Order – R. Dyke

R. Dyke called the meeting to order at 7:31 a.m.

2. Adoption of Agenda – R. Dyke

*THAT the February 19th, 2026, Finance Committee meeting agenda be approved as presented by consensus.
CARRIED.*

3. Approval of Minutes – R. Dyke

*THAT the January 22nd, 2026 open session minutes be approved as presented by consensus.
CARRIED.*

4. Declaration of Conflict of Interest – R. Dyke

No conflicts were declared.

5. Consent Agenda Items

a) Board of Directors Expenditure Report

The Board expenditure report ending December 31st, 2025 was included in the package.

6. Financial Health Monitoring FY 2025/2026

a) Q3 Monthly Reporting Package

E. Farrell shared the Q3 Monthly financial package and noted the following highlights:

- 84% of our budgeted annual revenues and 73% of the budgeted annual expenses have been recognized.
- There is \$5.6M in available cash as of December 31, 2025 and the hospital received an additional \$1.7M which has pushed the cash failure date to June.
- Currently updating the cash flow forecast to submit it along with the cash advance request to OH.
- The current ratio is 0.7, which is an improvement and strictly due to the OFA loan transition from short-term to long-term.
- Currently forecasting a \$12M deficit for this fiscal year.

E. Farrell will be requesting a cash advance to provide enough funds to get to September when the funding packages are anticipated.

7. New Business/Business Arising

a) Audit Planning Report (KPMG)

Katie Mahon, Lead Audit Engagement Partner from KPMG joined the Finance Committee meeting to discuss the 2025/2026 audit plan. This year's materiality for the audit strategy is \$1,500,000 compared to last year which was \$1,400,000.

K. Mahon shared that KPMG uses an AI tool for research purposes and it is not used to complete KPMG's work. The AI research tool saves KPMG time from having to look through handbooks and standards.

K. Mahon will notify E. Farrell, should KPMG's use of AI change.

K. Mahon reminded the committee that this is the last year of their contract.

Dr. Hollis also inquired about our current cash state and the uncertainties about not making payroll. K. Mahon shared that it would be noted in KPMG's report that there continues to be material uncertainties about the ability to continue to operate. K. Mahon shared that there are ongoing discussions with the MoH with respect to going concern implications on the audit of a number of hospitals. Depending on the results of the discussions, additional financial statement disclosures may be required.

E. Farrell shared that a cash advance request will be submitted later this week.

KPMG kicked off the Finance meeting at 7:31 am and left the Finance Meeting at 8:03a.m.

8. Closed Session

MOVED by K. Fair
SECONDED by Dr. W. Hollis

THAT the Finance Committee move to closed session at 8:10 am.
CARRIED.

MOVED by K. Fair
SECONDED by Dr. Hollis

THAT the Finance Committee move out of closed session at 8:54 am.
CARRIED.

9. Date of Next Meeting

Next meeting is scheduled for Thursday, March 19th, 2026 at 7:30 a.m.

10. Adjournment – R. Dyke

MOVED by Dr. W. Hollis
SECONDED by K. Clupp

THAT the February 19th, 2026 Finance Committee meeting was adjourned at 8:55 a.m.
CARRIED.

DRAFT