

NANAIMO & DISTRICT HOSPITAL FOUNDATION

Finance, Investment & Audit Committee

Minutes

Room 1074 - NRGH

September 14, 2020: 3.00 pm

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

Guests: **Cory Vanderhorst, Jane Lumb - MNP**

Call to Order:

M. Smith called the meeting to order at 3.00 pm

Approval of Agenda:

The agenda was approved as presented.

MOTION: to accept the Agenda as presented

Moved by: P. Birrer, Seconded by: G. Scott

Carried

Approval of Minutes – June 18, 2020:

The Minutes were approved as presented.

MOTION: to approve the Minutes for June 18, 2020 as presented

Moved by: P. Birrer, Seconded by: M. Smith

Carried

Presentation of the 2019-2020 Audited Financial Statements

Cory Vanderhorst, the Audit Engagement Partner with MNP, presented the Foundation audited statements and the 2020 Audit Findings report. The Committee had some questions around the wording in some of the Notes and minor editorial changes were suggested. In Note 10 regarding Commitments, the point was made that several commitments are multi-year projects, and funds are disbursed at Island Health's request over several months/years. Additional wording to reflect this timeframe is to be added. A sentence was added to Note 1 to explain that the net proceeds of the two Foundation owned subsidiaries flow to the Foundation each year to offset costs. In the cash flow statement, a reclassification of the amount payable to Island Health at March 31, 2019 was

made; the payable had been classified as Cash paid for Operating Expenses rather than Grants to Programs. The Committee then went in-camera with the Auditors; the CEO and CFO left the room to allow discussion on any items requiring the Board's attention. The CEO and CFO rejoined the meeting after the discussion and departure of the auditors.

Review Monitoring Reports – EE7 – Financial Condition – 1st Quarter, EE10 – Endowing of Funds, and EE13 – Contracts & Agreements:

The CEO's written reports were presented and discussed.

EE7: The Committee reviewed the 1st Quarter financial reports for the Foundation. The CEO mentioned that revenues were down both against budget but up against the same period in the previous year. Overall revenues are \$767, 633 compared to a pro-rated budget of \$1,000,000. Expenses are similarly down from a pro-rated budget of \$275,000 for Q1 to actuals of \$173,686. Lifeline has continued to operate during Covid-19 much as before with net income of \$38,318 against a budget for the year of \$10,350 and \$50,019 for Q1 of last year. Code Brew closed on March 20 as a result of the pandemic, and did not re-open until June 1, 2020. A net loss of \$31,309 is therefore reported in the first quarter. Sales are continuing to improve and a suggestion was made that inventory be estimated each quarter and adjusted to better reflect the COGS and margin percentage as business increases.

EE10 and EE13: The Committee reviewed the Monitoring Reports and there was no discussion.

MOTION: to approve the Q1 Financial Statements
Moved by: G. Scott, Seconded by: P. Birrer

MOTION: to approve the Monitoring Reports for EE10 and EE13
Moved by: P. Birrer, Seconded by: G. Scott
Carried

Policy Review: BW6, EE13, BW8 and BW9A

Policy BW6 – Board Expense Claims and EE13 – Contracts & Agreements were reviewed by the Committee and no changes were made.

Policy BW8 was discussed and some wording changes were suggested. The Policy was deferred until the next meeting. Policy BW9A was also deferred until the next meeting.

MOTION: to recommend approval of Policy BW6 and Policy EE13, to the Board
Moved by: P. Birrer, Seconded by: M. Jenkins
Carried

Other Business

No Other Business was presented

Future Meeting Dates

Thursday, November 26, 2020

Thursday, March 18, 2021

Adjournment: The meeting adjourned at 4.45 pm