



Listowel Wingham Hospitals Alliance

2019 / 2020

Annual Report



Listowel Wingham Hospitals Alliance Annual General Meeting Table of Contents

- **2020 Meeting Agenda**
- **Minutes of Listowel Wingham Hospital Alliance Annual Meeting June 12, 2019**
- **Reports:**
 - Report of the Board Chair and President & Chief Executive Officer
 - Reports of the Chiefs of Staff
 - Report of the Treasurer
 - Audited Financial Statements
 - Report of the Governance and Nominations Committee
 - Report of the Listowel Memorial Hospital Auxiliary
 - Report of the Wingham and District Hospital Auxiliary
 - Report of the Listowel Memorial Hospital Foundation
 - Report of the Wingham and District Hospital Foundation
- **Medical Staff**
- **Visiting Physicians - Clinics**
- **Board of Directors**



LISTOWEL WINGHAM HOSPITALS ALLIANCE

Annual Meeting of the Corporations of The Listowel Memorial Hospital and The Wingham and District Hospital Wednesday June 10, 2020 1900 Hours

Teleconference 1-866-613-5223

Access Code: 8515430

MEETING AGENDA

- 1.0 Call to Order
- 2.0 Opening Remarks - Welcome to Corporation Members, Hospital Staff and Visitors
- 3.0 Minutes of June 12, 2019 Annual Meeting
- 4.0 Reports
 - 4.1 Report of the Board Chair and Chief Executive Officer
 - 4.2 Report of the Chief of Staff – Listowel Memorial Hospital
 - 4.3 Report of the Chief of Staff – Wingham and District Hospital
 - 4.4 Treasurer's Report – Listowel Wingham Hospitals Alliance
 - 4.4.1 Presentation of the Audited Financial Statements for the Listowel Memorial Hospital 2019/2020
 - 4.4.2 Presentation of the Audited Financial Statements for the Wingham and District Hospital 2019/2020
 - 4.4.3 Appointment of Auditors for 2020/2021
 - 4.5 Governance and Nominations Committee Report
 - 4.5.1 Thank you to Outgoing Members
 - 4.5.2 Nomination and Election of Directors for a Two Year Term - Listowel Memorial Hospital
 - 4.5.3 Nomination and Election of Directors for a Two Year Term – Wingham and District Hospital
 - 4.6 Report of the Auxiliary to Listowel Memorial Hospital
 - 4.7 Report of the Auxiliary to Wingham and District Hospital
 - 4.8 Report of the Listowel Memorial Hospital Foundation
 - 4.9 Report of the Wingham and District Hospital Foundation
- 5.0 Adjournment
 - A meeting of the Listowel Wingham Hospitals Alliance Board of Directors shall take place immediately following the Annual Meeting where the Board shall elect/appoint the following Officers:
 - a) Chair
 - b) 1st Vice Chair
 - c) 2nd Vice Chair
 - d) Past-Chair
 - e) Treasurer
 - f) Secretary

Listowel Wingham Hospitals Alliance 2019 Annual General Meeting Minutes

**Listowel Memorial Hospital Corporation
Wingham and District Hospital Corporation
Wednesday June 12, 2019
Listowel Memorial Hospital, Outpatient Building**

Welcome

Greetings were extended to all members and guests. It is noted that this is a concurrent meeting of the two corporations.

1.0 Call to Order

The meeting was called to order 1902 at hours.

2.0 Chair's Remarks

Welcome the corporation members, hospitals staff, board members and community members.

Tom Soltys questioned if quorum was present to hold the annual meeting of both corporations.

The bylaws were reviewed and it was determined that Four (4) Members of a corporation entitled to vote present in person at a meeting will constitute a quorum at a meeting of Members of that corporation. Also, any member of the Board of Directors shall be considered a member of the Corporations for their entire term on the Board. Since each board member is also a member of the corporation, quorum is present to conduct the annual meetings.

3.0 Minutes of the Previous Meeting

MOTION: Moved By: Bert Johnson

Seconded By: Krishna Beharry

To adopt the minutes of the June 13, 2018 Annual General Meeting of the Listowel Memorial Hospital Corporation and the Wingham and District Hospital Corporation.

Motion Carried

4.0 Reports

4.1 Report of the Board Chair and Chief Executive Officer

Karl Ellis, Chief Executive Officer presented the report.

Highlights from the report include:

- Number of changes taking place including renovations and updates at both hospitals. Wingham included oncology, pharmacy and the operating room while Listowel includes obstetrics and plans for laboratory renovations. State of the art diagnostic imaging equipment has also been updated at both sites.

Listowel Wingham Hospitals Alliance 2019 Annual General Meeting Minutes

- The implementation of clinical documentation and One Chart will allow patients to access their medical records electronically. This project is still in progress.
- Penny extends her thanks to the entire board for their support as chair and welcomed Krishna as the new board chair.
- Thank you Tom for serving as treasurer of the board.
- One thing that is consistently heard among the staff and community is about the benefits of the clinical space in the new oncology department. This renovation has been well received and will serve us well into the future.
- With the oncology program, treatment days have increased to four days on a trial basis and will be reassessed for future sustainability.
- Dr. Ramsewak has been missed within the surgical program. With the timing of the Wingham operating room being closed, we have been able to maintain our volumes with the support of the Stratford surgeons
- Quality Improvement Plan work that was started this past fiscal year, will be built on in the year ahead
- Physician recruitment – we have recruited 6 physicians to the two sites over the last 12 months. This is a credit to the community along with the recruiters.
- As we recruit new physicians, Dr. Gear and Dr. Rutherford will be missed at both our sites and we wish them all the best in their retirement.
- Looking to recruit a new surgeon in the upcoming year, along with an OB Gyn and hope to welcome back Dr. Ramsewak.
- Welcome to Barb Major-McEwan in her role as Chief Financial Officer
- Early Years Centre is in construction at Royal Oaks with hopes to attract a few more tenants to fully occupy the facility.
- Financially – small surpluses at each site which are notable given the funding increases received in the past few years.
- As Ontario works towards Ontario Health Teams, the work between the LWHA and the two FHT is notable. Having a strong single voice for healthcare in northern Huron Perth will serve us well as we continue to work through the change
- 100th anniversary celebration of the Listowel Memorial Hospital will be held June 19th in the parking lot which includes a staff reunion, barbeque, speeches and hospital tours.
- Thank you to the board members for the work on the strategic plan this past year and having the hospital corporations look beyond the walls of the hospital. Taking into consideration the services that patients need not only in the hospital but in the community will serve us well and is accredited to the board.
- Thank you to Penny for serving as chair over the past year and Kris Dekker for her service over the past 12 years. Thank you to Rosemary for her service and we looking forward to benefiting from her expertise in her new role.
- Welcome to Lee Anderson and Rick Boisvert as new members of the board

Listowel Wingham Hospitals Alliance 2019 Annual General Meeting Minutes

- Thank you to Russell for his service as chair of the medical advisory committee. He will be missed at the board meetings along with many other meetings throughout the hospital.
- Thank you Tom for his service as treasurer of the board.

4.2 Report of the Chief of Staff – Listowel Memorial Hospital

Dr. Latuskie presented the Report of the Chief of Staff for the Listowel Memorial Hospital.

Highlights from the report include:

- Russell has served his last year as chief of staff but will miss the job in some ways as it has allowed a window into what is planned for the future and the opportunity to work with people throughout the hospital and community.
- Chief of staff report was included in the package
- It has been a bipolar year in regards to recruitment as the new doctors have really provided sustainability for the future
- Dr. Rameswak's absence has challenged staff, however everyone has risen to the challenge and we have continued to provide the majority of the services.
- Looking forward to growing OB services and the opportunities with this program
- Dr Rutherford will be missed however, he has put much time into the hospital and deserves his retirement.
- Appreciated working with everyone and thanks to all board members for their support and expertise and the management for all their support and confidence in the way they manage and support the hospital.
- Dr. Suggitt has been asked to take over the role of chief of staff at a later date which will be brought to the board for approval. She will offer a lot of enthusiasm and expertise and be a good fit for the role.

4.3 Report of the Chief of Staff – Wingham and District Hospital

- Greg was unable to attend, report was included in the package.

4.4 Treasurer's Report – Listowel Memorial Hospital and Wingham and District Hospital

Tom Soltys presented the Report of the Treasurer for the Listowel Wingham Hospitals Alliance.

Highlights from the report include:

- Surpluses at both hospitals again this year
- Pleased with the increased transformation funding into our base
- Thank you to the hospital foundations for the capital donations to support capital purchases and the ongoing redevelopment.
- Another successful Gala was recently held in Listowel.

4.4.1 Listowel Memorial Hospital Corporation Audited Financial Statements 2018/2019:

Listowel Wingham Hospitals Alliance 2019 Annual General Meeting Minutes

Auditors report

- Provide an opinion on the validity and reliability of the hospital financials – a clean audit report was issued for both hospitals
- Very happy with the co-operation from Barb and Kerri through the audit and their support
- The Audit report was reviewed at the May board meeting

Chief Financial Officer

• **Listowel results**

- Less liability and increased current assets, more positive financial position than 2018
- Statement of operations – reported on a regular basis showing surplus of \$358,211 prior to the amortization of building and land improvements.
- Net assets provide an indication of how the assets have been used to fund the use of the capital. As we budget going into the 20/21 fiscal year, we will need to be mindful of how we budget for funding of capital due to the decrease in net assets

• **Wingham results**

- Increased assets along with long term liabilities and a decreased in unrestricted net assets are a result of the ongoing redevelopment, with increased long term debt in order to finance the capital purchases and construction costs.
- Financial position is not as strong as 2018.
- Cash flow should improve as we continue to receive the MOHLTC funding and the capital project wraps up in the early part of 2020
- Statement of operations – reported regularly, surplus of \$78,260 prior to the amortization of building and land improvements.
- Net assets provide an indication of how the assets have been used to fund the use of the capital. As we budget going into the 20/21 fiscal year, we will need to be mindful of how we budget for funding of capital due to the decrease in net assets
- Well positioned moving into 19/20 with required diligence on the part of management to work within the funded budget to work within the resources
- Thank you to the board for their commitment and look forward to another great year

Listowel Wingham Hospitals Alliance 2019 Annual General Meeting Minutes

MOTION: Moved By: Krishna Beharry Seconded By: Rosemary Rognvaldson

To accept the Audited Financial Statements of the Listowel Memorial Hospital for the year ended March 31, 2019 as presented.

Motion Carried

4.4.2 Wingham and District Hospital Corporation Audited Financial Statements 2018/2019:

MOTION: Moved By: Dale Gilcrhist Seconded By: Tom Soltys

To accept the Wingham and District Hospital's Audited Financial Statements for the year ended March 31, 2019 as presented.

Motion Carried

4.4.3 Appointment of Auditors:

MOTION: Moved By: Krishna Beharry Seconded By: Bert Johnson

To appoint the firm of Seebach and Company as Auditors for the Listowel Memorial Hospital for 2019/2020.

MOTION: Moved by: Hugh Clugston Seconded By: Kris Dekker

To appoint the firm of Seebach and Company as Auditors for the Wingham and District Hospital for 2019/2020.

Motion Carried

4.5 Governance & Nominations Committee Report

4.5.1 Thank you to Outgoing Member Kris Dekker

P. Mulvey presented K.Dekker with a certificate of appreciation and a gift

4.5.2 Election of Directors – Listowel Memorial Hospital

MOTION: Moved By: Kris Dekker Seconded By: Tom Soltys

To appoint to the Listowel Wingham Hospitals Alliance Board of Directors for a 2-year term ending in 2021

- Lee Anderson
- Krishna Beharry
- Rick Boisvert
- Bert Johnson

Motion Carried

Listowel Wingham Hospitals Alliance 2019 Annual General Meeting Minutes

Election of Patient Representative – Listowel Memorial Hospital

MOTION: Moved By: Kris Dekker Seconded By: Hugh Clugston

To appoint to the Listowel Wingham Hospitals Alliance Board

As a non-voting patient representative for a 2-year term ending in 2021

- Rosemary Rognvaldson

Motion Carried

4.5.3 Election of Directors – Wingham and District Hospital

MOTION: Moved By: Rosemary Rognvaldson Seconded By: Tom Soltys

*To appoint to the Listowel Wingham Hospitals Alliance Board
of Directors for a 2-year term ending in 2021.*

- Gord Hunt
- Doug Miller
- Penny Mulvey

Motion Carried

4.6 Report of the Auxiliary to Listowel Memorial Hospital

The Auxiliary Report was available in the Annual Report document for review.

4.7 Report of the Auxiliary to the Wingham and District Hospital

The Auxiliary Report was available in the Annual Report document for review.

4.8 Report of the Listowel Memorial Hospital Foundation

The Listowel Memorial Hospital Foundation Report was available in the Annual Report document for review.

4.9 Report of the Wingham and District Hospital Foundation

The Wingham and District Hospital Foundation Report was available in the Annual Report document for review.

Listowel Wingham Hospitals Alliance 2019 Annual General Meeting Minutes

- Chair P. Mulvey thanked both Foundations and Auxiliaries for their significant contributions and look forward to working with them in the upcoming year.

5.0 Adjournment

MOTION: Moved By: Kris Dekker

Seconded By: Tom Soltys

That the Annual General Meeting be adjourned at 1929 hours.

Motion Carried

The Board then convened for the Inaugural Meeting to elect the Executive of the Board.

.....
Penny Mulvey, Chair

.....
Karl Ellis, Secretary

REPORTS

***BOARD CHAIR AND
CHIEF EXECUTIVE
OFFICER
REPORT***

Annual Report

In reflecting back on this fiscal year, there have been two events that have defined our experience at the Listowel Wingham Hospitals Alliance. A significant cyber security event in late September had a profound impact on both hospitals and primary care for much of the fall. The spring of 2020 has brought the COVID-19 virus pandemic resulting in health systems the world over focusing time, energy and resources to responding. Despite these unexpected and challenging events, there remains much that we can celebrate.

Quality Care that is Patient-Centered

Surgical Services

New day surgery space was opened in Wingham this year along with a new Medical Device Reprocessing Department. The timing of having this redeveloped space available couldn't have been better as we welcomed Dr. Zeeshan Rana, our new general surgeon to the Listowel Wingham Hospitals Alliance in March 2020. We remain thankful to the group of general surgeons from Stratford who provided general surgery services in the absence of a local general surgeon. It is anticipated that our general surgery program will expand in both volume of cases and case complexity in the months ahead.

Oncology Services

Following the opening of the new oncology and adjacent pharmacy space last year and the increase to 4 treatment days per week, the oncology program has experienced significant growth in case volumes. Patients continue to be impressed with the clinical space and the care provided in Wingham. Efforts will continue to establish a post recovery clinic in Wingham to support cancer survivors. The provincial funding model for cancer care has challenged previous efforts to establish this clinic.

Outpatient Social Work

The Listowel Wingham Hospitals Alliance utilized one-time small, rural and northern funding to trial having a part time social worker available to support outpatients and the emergency departments at both sites. Patients benefited greatly from this resource which focused on linking patients to existing services and programs in the community. There are many mental health, addiction and social programs available, though they remain fragmented and occasionally difficult to access. This local resource 'bridged the gap' and provided assistance for individuals often struggling with life's challenges to the extent they sought assistance in the emergency departments. This role continues on a contract basis as we seek permanent sources of funding.

Obstetrics

Obstetrical volumes declined this year in the absence of the ability to offer C-Sections on site. Having a general surgeon available to offer this procedure is expected to provide this service opportunities to grow again. Staff and physicians continue with the MORE OB training program.

Clinical Documentation

Project and planning work to develop additional electronic clinical documentation within our electronic medical record continued until the pandemic occurred in March. All participating hospitals remain hopeful to have this project back on track this summer and incorporate additional data into the MyChart system before the end of our 2020/2021 fiscal year.

Quality Improvement Plan

Our Quality Improvement Plan for 2019/20 focused on improving joy at work, workplace violence and mental health and addictions. Our work in 2020/21 will continue with planned improvements in these 3 areas.

Nurturing Individual and Collective Potential

Physician Transitions

Dr. Sean Henderson and Dr. Justin Puntillo were able to move to their newly renovated clinic in Lucknow in January. This opened up space for Dr. Alex Peel, geriatrician to locate her clinic in the Royal Oaks Health and Wellness Centre in February while Dr. Rana, general surgeon occupied space there in March.

After a short time with us Dr. Anthony Davies departed from his practice at Listowel in December 2019.

Staff Transitions

Kelly Finlayson joined the Alliance as Vice President Clinical Services, Chief Nursing Executive in April after Shannon Maier's departure from the role in February.

Jan McKague-Weiser has been providing support to the health professional recruitment efforts of both hospitals and communities since January 2020.

Board Member Transitions

Dr. Terry Suggitt joined the board as Chief of Staff of the Listowel Memorial Hospital. Tom Soltys has completed a full term of 12 years of service and will be stepping away from the board. Tom served as Treasurer for much of his time on the board. Gord Hunt will also be

stepping down from the Board. Gord served as the first joint chair of the Listowel Wingham Hospitals Alliance Board in 2016/17.

Sustainable and Resilient Environment

Redevelopment Projects

Construction initially began on the Wingham redevelopment project in March 2017. After 3 full years, it's almost hard to remember the Wingham site before hoarding, barriers and construction activity. In that time, much has changed:

- Locate pharmacy adjacent to oncology
- NAPRA compliant pharmacy
- Improved patient space for oncology
- Single modern inpatient team station
- Improved day surgery facilities
- Accessible outpatient space closer to the main entrance
- Ambulatory care space for visiting specialists
- Modern diagnostic imaging equipment
- Medical device reprocessing department compliant with modern standards

We also owe our Wingham and District Hospital Foundation and community our collective thanks for financially supporting this redevelopment.

We welcomed the Huron County Early Years Centre into the Royal Oaks Health and Wellness Centre as that facility continues to grow as a community hub of health and social services for Wingham and area.

Construction on the new laboratory in Listowel was essentially complete when the pandemic arrived. Plans are underway to return laboratory equipment and staff to this new space in July. We appreciate the efforts of our facilities and purchasing staff for leading this work and our Listowel Memorial Hospital Foundation for their financial support.

Information Technology

Hospital staff, physicians and patients displayed exceptional resiliency, creativity and patience following the entire loss of hospital and primary care information technology infrastructure as a result of a malicious virus attack. New methods of communicating and providing safe health care were implemented in very short timeframes. While this was an exceptionally challenging event for the organization, a positive outcome was the update and refresh of our information technology infrastructure along with some stellar examples of teamwork and collaboration amongst staff and our health care partners. Just prior to the September cyber event, we must not forget that our hospital network was also completely replaced. This is an essential component of hospital infrastructure in our electronic world.

Operating Financial Results

Financially, we were surprised in the fall by an additional 1% of based funding for 2019/20 on top of 1% that had been provided earlier. This unexpected revenue resulted in a modest operating surplus of \$245,034 in Listowel and \$118,169 in Wingham.

Partnerships for a Seamless Patient Experience

Ontario Health Teams

Just prior to Christmas, the Huron Perth and Area Ontario Health Team was approved. This organization will focus its efforts on addressing the care needs of complex patients, mental health and addictions and palliative care. While relationships continue to strengthen amongst the over 60 organizations involved in this Health Team, the pandemic has definitely slowed progress on its objectives. The Listowel Wingham Hospitals Alliance, North Huron Family Health Team, North Perth Family Health Team, North Huron Family Health Network and North Perth Family Health Network are all signatories to the agreement and participating in the Huron Perth and Area Ontario Health Team development.

Family Health Team and Hospital Board Collaboration

As the Ontario health care landscape shifts with the dissolution of Local Health Integration Networks and the creation of Ontario Health, effective local governance of health care remains a priority. Through representation on the local Family Health Team boards, the hospitals continue to support governance collaboration between the Family Health Teams.

Neighbourhood of Care Project

The hospital was pleased to facilitate the development of a new model of home care for North Huron. This Local Health Integration Network funded model will result in the creation of a team of home care providers responsible for providing care to a defined population. It is anticipated that this change will result in improved satisfaction for both patient and provider. Unfortunately, the go-live for this trial project was delayed by the pandemic. We sincerely hope this project will resume once safe to do so. This project was the result of the hospital board accepting a broader responsibility to our local citizens to ensure that access to health care services is available across the health care spectrum including beyond the walls of the hospital.

Future Oriented Board Considerations

The hospital board continues to consider the impact of the structural changes to the health care system and the hospitals' role within the system. Consistently, the hospital is willing to facilitate in whatever manner possible to enhance the provision of health care locally. We are actively working to safely resume our full spectrum of health care services locally in the midst of a pandemic. Preparations must also be undertaken for an Accreditation Canada survey in September 2021. Long term capital planning for health care facilities in Listowel will also occur.

While the COVID-19 pandemic has defined much of 2020 to date, the hospital board will need to consider the long term impact this world event will have on the structure of health care in Ontario, availability of funding and system expectations.

Respectfully Submitted,

Krishna Beharry
Chair, Listowel Wingham Hospitals Alliance

Karl Ellis,
President and CEO, Listowel Wingham Hospitals Alliance

CHIEFS OF STAFF REPORTS

Well my first year as Chief of Staff has been a roller coaster.

Code Grey saw us going old school and returning to paper. Thankfully our IT department, with some outside help, got us up and running as fast as they could. It also highlighted how computer centric our world has become.

We have had a switch in recruiters in the past year. Kim Kowch moved to a full-time position with the town. North Huron has been graceful in allowing us to share their recruiter with them. Jan McKague has been working hard to help us fill our gaps and find new colleagues to join our group.

Unfortunately Dr. Anthony Davies chose to leave our local group. This has left a gap in our anesthesia coverage. With Dr. Seary and Dr. Trojnar also having maternity leaves in the past few months, this has meant that we needed to apply to EDLP to help with our ER coverage. Due to the hard work of Jan, she has managed to recruit some regular ER locums outside of the EDLP program. This has decreased our reliance on EDLP and also meant that our local physicians have not had to pick up as many shifts to keep our department open.

Perhaps the biggest addition to our medical staff this year is Dr. Zeeshan Rana as our new general surgeon at the beginning of March this year. While our Stratford surgical colleagues have been great in help cover our general surgery needs, it will be nice to be able to revive our surgical and obstetrical programs. Our obstetrical department has already seen a noticeable difference in our transfers to other hospitals for further care.

Speaking of obstetrics, our OB program is being revitalized. With the addition of Dr. Cameron as an obstetrical provider last year, and Dr. Rana for surgical coverage this year, LMH is proud to provide low risk obstetrical care to our community and surrounding communities. The OB clinic is up and running. All six local obstetrical providers rotate through the clinic seeing prenatal patients and helping those patients at the birth of their child. The clinic also accepts referrals from outside physicians whose patients may live in Listowel and want to give birth locally.

Finally the last few months have been very much centred around Sars-CoV-2 and the pandemic. Much work has been done by all staff in the hospital in preparing for the potential surge. Fortunately we have not experienced a surge locally, but if it happens we are ready. I must recognize the leadership team in being forward thinking and putting in long hours making sure we were ready. I also must recognize the fluidity of our hospital staff in all departments being able to accept all the ever changing protocols that were occurring in the first few weeks. Now that things have stabilized, that same staff will work hard at keeping the hospital running with the usual and mundane but be ready for the surge to happen.

Thank you to everyone who makes this Hospital a wonderful place to work, call home and a place that our community can heal from their illnesses.

Respectfully Submitted,
Dr. Terry Suggitt

The past year has seen many changes and challenges. The hospital has been so fortunate to recruit two new specialists Dr. Alex Peel a geriatrician and Dr. Zeeshan Rana a general surgeon who in addition to being a general surgeon has the surgical skills to perform caesarean sections. The two specialists are very rare and we are so very fortunate to have recruited them to our facilities.

To the staff members who have left we wish them all the best . To the new employees we wish them all the best in continuing the great work of the people they are replacing.

Construction at the hospital slowly coming to an end. The renovated operating room is up and running . The ambulatory areas are almost complete.

The oncology program continues to provide incredible service to patients. The program now runs four days per week with the potential to moving up to five days per week. The work that Sheri DiGiovanni and her staff have done is truly remarkable.

The rehabilitation program continues to help people in their journey forward. The rehabilitation program provides services to local / regional patients.

The family health team continues to provide services to our local patients. The executive director's role has been consolidated between the two facilities and the savings have been put towards direct patient care.

One of the greatest challenges experienced by the healthcare system and society in recent times is the COVID-19 pandemic. The hospital and local community have done a fantastic job adjusting to the pandemic. The road forward with regards to the pandemic is not clear but we are all doing our best with the information we have at the present time.

In closing, I would like to acknowledge all the staff and our local community for their dedication and support in dealing with the COVID-19 pandemic. Without YOU! we cannot move forward.

Respectfully
Dr. Greg Antoniadis

TREASURER REPORT

Listowel Wingham Hospitals Alliance Report of the Treasurer 2019 / 2020

The Listowel Wingham Hospitals Alliance (LWHA) functions with a single Committee of the Whole governance structure. The entire board receives detailed financial reports and participates in discussions with respect to the non-clinical and financial operations. The Committee of the Whole also functions as the Audit Committee for both corporations.

Both corporations received an unqualified audit report from Seebach & Company. Financial results and statistics on clinical activities are presented separately for the corporations. The financial results of both reflect similar operating results, with surpluses from operations, and deficiencies after amortization of building and land improvements. Listowel's operating surplus was \$245,034 and excess [deficiency] of revenue over expenses was [\$214,207]. Wingham ended the year with an operating surplus of \$118,169 and excess [deficiency] of revenue over expenses of [\$262,893]. Both corporations experienced improved working capital positions for the year.

The operating surplus for Wingham is a result of revenue ahead of budget by \$118,169 due to an additional MOH unbudgeted 1% funding increase of \$131,000. There were overages in multiple areas that used the 1% base increase of \$131,000 and the electricity rebate of \$86,714. The revenue was over budget by \$2,680,856 which resulted from a funding increase of 1% that was not budgeted and an additional 1% (\$131,000) received in November 2019. The Oncology drug recoveries were \$1,757,068 higher than budget. This additional revenue is offset with higher than budgeted drug expenses from the Oncology Program operating at 4 days per week since April 2019. Oncology was supported with \$274,537 in transition funding, as well as, \$165,300 for the increased Oncology visits. Compensation was over budget by \$419,672 due to increased worked time from COVID-19 pandemic and cancelled vacations. In addition, overtime was over budget by \$261,521 which also increased the benefit cost. Sick time was over budget by \$32,789 and maternity leave benefits were under budget by \$46,180. Supplies were over budget by \$2,061,638 due to the additional cost of \$1,690,501 for the Oncology Program antineoplastic drugs. This cost was offset by higher drug revenues for the antineoplastic drugs. The electricity cost was \$86,714 under budget with the rebate. Due to a legislation change this rebate will end October 2020. With patient requirements, re-opening of the operating room, oncology operating 4 days per week, pandemic planning and PPE requirements medical surgical supplies were over budget by \$90,668. The department purchased service was over by \$269,136 as a result of the cybersecurity event expenses. There were additional wages for the Small Rural and Northern projects that were offset by additional operating revenue recoveries.

Similarly to Wingham, the operating surplus of \$245,034 for Listowel resulted from an additional unbudgeted 1% funding increase of \$149,000 and an electricity rebate of \$164,414. The revenue was over budget by \$655,505 resulting from a funding increase of 1% with an additional 1% received in November 2019. The recovery revenue was ahead of budget by

Listowel Wingham Hospitals Alliance Report of the Treasurer 2019 / 2020

\$387,881 due to the NP/NHFHT Executive Director wages, which were not budgeted and are offset with increased management compensation. The organization received a payment of \$139,377 from Healthcare Insurance Reciprocal of Canada for code grey expenses. There was amortization of Grants and Donations that exceeded budget by \$147,765 which is offset by increased purchased service compensation relating to projects under the Small Rural and Northern Funding. The compensation was over budget by \$ 291,909 which was the result of the NP/NHFHT Executive Director wages that were not budgeted and are offset by increased recovery revenue. There was also increased worked time as a result of COVID-19 pandemic and cancelled vacation. The post-retirements benefits evaluation adjustment at year-end was higher than budgeted. Overtime was over budget by \$99,261 which also resulted in an increased benefit cost. The maternity leave benefits were \$34,472 over budget. The department purchased service and drug expenses were both over budget by \$224,320 and \$43,127, respectively. The electricity cost was under budget by \$164,414 due to the rebate received. This rebate, with legislation change will be discontinued October 2020.

For the 2020 fiscal year, the MOH announced that the 1% one-time funding received would be added to base along with an additional 1% Funding Increase across the board for small hospitals. These funds have started to flow resulting in a yearly amount of \$263,650 for Listowel and \$300,327 for Wingham. The Hospital Infrastructure Renewal preliminary funding allocations were provided in April 2020. These are subject to annual appropriation by the Legislative Assembly of Ontario. An additional business case was submitted requesting an additional \$210,000 to complete an elevator on top of the preliminary funding allocation. There has been no further details provided on the Small, Rural and Northern Funding.

We are grateful to both communities for their financial support through their Foundations. This allows both corporations to purchase much needed equipment that is not funded through the Ministry of Health.

In terms of Hospital operations, we are tracking several indicators including Occupancy, Surgical Procedures, Ambulatory Care Visits, Alternate Level of Care, percent Discharges with Conservable Bed Days, Oncology Chemo Visits by month and Emergency Department visits. We will continue to evaluate patient care trends, the potential hospital impact, and how we can position both hospitals, along with our health care partners, to best serve our communities today and for the years ahead.

Respectfully submitted,
Doug Miller, Board Treasurer

**LISTOWEL MEMORIAL HOSPITAL
FINANCIAL STATEMENTS
MARCH 31, 2020**

SEEBACH & COMPANY
Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Governors and Members of Listowel Memorial Hospital

Opinion

We have audited the accompanying financial statements of Listowel Memorial Hospital ("the Hospital"), which are comprised of the statement of financial position as at March 31, 2020 and the statements of operations, changes in net assets, remeasurement gains (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.

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

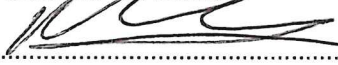
Clinton, Ontario
May 20, 2020

**LISTOWEL MEMORIAL HOSPITAL
BALANCE SHEET**

See Accompanying Notes to Financial Statements

As at March 31	2020	2019
ASSETS		
Current assets		
Cash	1,558,215	826,518
Short-term investments (note 5)	576,714	430,000
Accounts receivable (note 3)	1,052,151	739,220
Inventories	262,440	245,108
Prepaid expenses	293,372	297,862
	<u>3,742,892</u>	<u>2,538,708</u>
Investments (note 5)	69,806	655,880
Loan receivable (note 6)	1,000,000	1,000,000
Bequest receivable	81,554	81,554
Capital assets, net book value (note 7)	25,363,755	26,261,973
	<u><u>\$ 30,258,007</u></u>	<u><u>\$ 30,538,115</u></u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities (note 4)	2,370,182	2,021,010
Deferred contributions (note 8)	58,317	58,317
Current portion of long-term debt (note 9)	127,926	127,926
	<u>2,556,425</u>	<u>2,207,253</u>
Long term liabilities		
Deferred contributions (note 8)	619,520	675,895
Long-term debt (note 9)	42,668	170,591
Post-employment benefits (note 10)	740,675	740,547
Deferred capital contributions (note 11)	14,096,514	14,647,979
	<u>18,055,802</u>	<u>18,442,265</u>
Net assets		
Invested in capital assets	11,096,647	11,315,477
Unrestricted	1,078,496	743,951
	<u>12,175,143</u>	<u>12,059,428</u>
Accumulated remeasurement gains	27,062	36,422
	<u>12,202,205</u>	<u>12,095,850</u>
	<u><u>\$ 30,258,007</u></u>	<u><u>\$ 30,538,115</u></u>

On behalf of the Board:

..... Director

..... Director

LISTOWEL MEMORIAL HOSPITAL**STATEMENT OF OPERATIONS**

See Accompanying Notes to Financial Statements

For the Year Ended March 31	2020	2019
Revenue		
Ministry of Health and Long-Term Care		
- Hospital operations	15,140,453	14,842,453
- Emergency and on call coverage	1,744,118	1,751,127
Inpatient	226,252	272,993
Outpatient	1,641,850	1,580,902
Investment income	34,778	78,515
Recoveries and other income	1,560,703	1,503,138
Amortization of deferred capital contributions - equipment	887,775	682,506
	<u>21,235,929</u>	<u>20,711,634</u>
Expenses		
Salaries and wages	9,708,088	9,478,298
Medical staff remuneration	2,647,519	2,598,740
Employee benefits	2,964,420	2,845,070
Supplies and other expenses	3,779,125	3,643,692
Medical and surgical supplies	386,923	425,365
Drug expense	267,773	251,667
Amortization of equipment	1,230,786	1,101,130
Interest on long-term debt	6,261	9,461
	<u>20,990,895</u>	<u>20,353,423</u>
Excess of revenue over expenses before other revenue and expenses	<u>245,034</u>	<u>358,211</u>
Building and land improvements		
Amortization of deferred capital contributions	645,468	633,649
Amortization of building and land improvements	(1,104,709)	(1,087,550)
	<u>(459,241)</u>	<u>(453,901)</u>
Excess (deficiency) of revenue over expenses for the year	<u>(\$ 214,207)</u>	<u>(\$ 95,690)</u>

LISTOWEL MEMORIAL HOSPITAL
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	Total	Total
Balance, beginning of year	11,315,477	743,951	12,059,428	12,155,118
Excess (deficiency) of revenues over expenses	(802,252)	588,045	(214,207)	(95,690)
Contributed land (note 12)	329,922		329,922	-
Investment in capital assets, net	253,500	(253,500)	-	-
Balance, end of year	<u>11,096,647</u>	<u>1,078,496</u>	<u>\$ 12,175,143</u>	<u>\$ 12,059,428</u>

LISTOWEL MEMORIAL HOSPITAL
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	<u>36,422</u>	<u>87,518</u>
Unrealized holding gains (losses) attributable to portfolio investments	(9,360)	(3,276)
Amounts reclassified to statement of operations:		
Loss (gain) on dispositions of portfolio investments	<u>-</u>	<u>(47,820)</u>
	<u>(9,360)</u>	<u>(51,096)</u>
Accumulated remeasurement gains (losses), end of year	<u><u>\$ 27,062</u></u>	<u><u>\$ 36,422</u></u>

LISTOWEL MEMORIAL HOSPITAL**STATEMENT OF CASH FLOWS**

See Accompanying Notes to Financial Statements

For the Year Ended March 31	2020	2019
Operating activities		
Excess of revenue over expenses for the year	(214,207)	(95,690)
Items not requiring (not providing) cash		
Amortization expense	2,335,495	2,188,680
Amortization of deferred capital grants and donations	(1,533,243)	(1,316,155)
Realized loss (gain) on sale of investments	-	(47,820)
Working capital provided from operations	588,045	729,015
Cash provided from (used for) changes in operational balances		
Accounts receivable	(312,931)	262,074
Inventory	(17,332)	(5,389)
Prepaid expenses	4,490	(56,963)
Accounts payable and accrued liabilities	349,172	103,337
Post-employment benefits	128	(11,731)
Deferred contributions	(56,375)	(56,430)
Cash provided from (used for) operating activities	555,197	963,913
Investing activities		
Disposals of investments, net	430,000	115,942
	430,000	115,942
Capital activities		
Net disposals (purchases) of capital assets	(1,437,277)	(1,882,914)
Less: value of contributed capital assets	329,922	-
Deferred building and equipment grants and donations	981,778	1,296,711
	(125,577)	(586,203)
Financing activities		
Net proceeds (repayments) from long-term debt	(127,923)	(127,923)
	(127,923)	(127,923)
Increase (decrease) in cash	731,697	365,729
Cash, beginning of year	826,518	460,789
Cash, end of year	\$ 1,558,215	\$ 826,518

LISTOWEL MEMORIAL HOSPITAL

NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2020

Listowel Memorial Hospital (the "Hospital") is a non-profit organization incorporated without share capital under the laws of the Province of Ontario. The Hospital provides health care services to the residents of North Perth and surrounding area. The Hospital is a registered charity under the Income Tax Act and, as such, is exempt from income tax.

1. Significant accounting policies

The financial statements of the Hospital are the representations of management. They 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).

The Listowel Memorial Hospital Foundation referred to in the notes is a separate entity whose financial information is reported separately from the Hospital.

a) 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 and Long-term Care and the South West Local Health Integration Network (LHIN). The Hospital has entered into a Hospital Service Accountability Agreement (the H-SAA) for fiscal 2019/2020 with the LHIN that sets out the rights and obligations of the parties to the H-SAA in respect of funding provided to the Hospital by the Ministry/LHIN. The H-SAA also sets out the performance standards and obligations of the Hospital that establish acceptable results for the Hospital's performance in a number of areas.

If the Hospital does not meet its performance standards or obligations, the Ministry/LHIN has the right to adjust funding received by the Hospital. The Ministry/LHIN is not required to communicate certain funding adjustments until after the submission of year-end data. Since this data is not submitted until after the completion of the financial statements, the amount of Ministry/LHIN funding received by the Hospital during the year may be increased or decreased subsequent to year-end.

Contributions 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 to be received can be reasonably estimated and collection is reasonably assured.

Restricted contributions for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets.

Amortization of buildings is not funded by the LHIN and accordingly the amortization of buildings has been reflected as an undernoted item in the statement of operations with the corresponding realization of revenue for deferred contributions.

Revenue from patient services is recognized when the service is provided and the amount to be received can be reasonably estimated and collection is reasonably assured.

Ancillary revenue is recognized when the goods are sold and services provided.

LISTOWEL MEMORIAL HOSPITAL
NOTES TO FINANCIAL STATEMENTS (continued)

For the Year Ended March 31, 2020

1. Significant accounting policies (Continued)

b) Inventories

Inventories are recorded at the lower of average cost and net realizable value. Cost comprises all costs to purchase, convert and any other costs incurred in bringing the inventories to their present location and condition.

c) Capital assets

Purchased capital assets are recorded at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments that extend the estimated life of an asset are capitalized. Construction in progress is not amortized until construction is substantially complete and the assets are ready for use.

Capital assets are capitalized on acquisition and amortized on a straight line basis over their estimated useful lives as follows:

Land improvements	3 - 20 years
Buildings	20 - 40 years
Equipment	4 - 20 years

d) Contributed services

Volunteers contribute numerous hours to assist the Hospital in carrying out certain charitable aspects of its service delivery activities. Due to the difficulty of determining the fair value, contributed services are not recognized these financial statements.

e) Retirement and Post-employment Benefits

The Hospital provides defined retirement and post-employment health, dental and life insurance benefits to eligible retired employees. The Hospital has adopted the following policies with respect to accounting for these employee benefits:

- (i) The costs of post-employment benefits are actuarially determined using management's best estimate of health care costs and discount rates. Adjustments to these costs arising from changes in estimates and experience gains and losses are amortized to income over the estimated average remaining service life of the employee groups on a straight line basis. Plan amendments, including past service costs are recognized as an expense in the period of the plan amendment.
- (ii) The costs of the multi-employer defined benefit pension plan are the employer's contributions due to the plan in the period.

f) Management Estimates

The preparation of financial statements in accordance with PSAB for Government NPOs requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Actual results could differ from management's best estimates as additional information becomes available in the future. Areas of key estimation include determination of allowance for doubtful accounts, inventory obsolescence, amortization of capital assets and actuarial estimation of post-employment benefits.

LISTOWEL MEMORIAL HOSPITAL
NOTES TO FINANCIAL STATEMENTS (continued)

For the Year Ended March 31, 2020

1. Significant accounting policies (Continued)

g) Financial instruments

Cash and equity instruments quoted in an active market are measured at fair value. Accounts receivable, loans receivable, accounts payable, and long-term debt are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

When investment income and realized and unrealized gains and losses from changes in fair value of financial instruments are externally restricted, the investment income and fair value changes are recognized as revenue in the period in which the resources are used for the purpose specified.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

2. Cash

Cash consists of bank deposits that are held at one chartered bank. The accounts earn interest at a rate of bank prime less 1.8%, payable monthly.

3. Accounts Receivable

	2020	2019
Patient services	198,465	265,382
Other	336,824	374,107
Due from Wingham and District Hospital	<u>518,754</u>	<u>101,646</u>
	1,054,043	741,135
Less: Allowance for doubtful accounts	<u>(1,892)</u>	<u>(1,915)</u>
	<u>\$ 1,052,151</u>	<u>\$ 739,220</u>

4. Related Party Transactions

The Hospital has an alliance agreement with the Wingham and District Hospital and shares a management team and other resources. The services resulted in staff charges of \$464,084 (2019: \$402,868) from Wingham and District Hospital. The Hospital provided staff services to Wingham and District Hospital which resulted in recoveries of \$1,265,441 (2019: \$1,221,825). At March 31, 2020, accounts receivable includes \$715,859 (2019: \$180,980) that is due from Wingham and District Hospital. These transactions are in the normal course of operations and are measured at the exchange amount of consideration established and agreed to by the related parties.

LISTOWEL MEMORIAL HOSPITAL
NOTES TO FINANCIAL STATEMENTS (continued)

For the Year Ended March 31, 2020

5. Investments

	2020	2019
Sun Life Financial shares (cost: \$42,744)	69,806	79,166
Guaranteed Investment Certificates, 2.05% - 2.35% maturing between June 2020 and December 2020	<u>576,714</u>	<u>1,006,714</u>
	646,520	1,085,880
Less current portion	<u>576,714</u>	<u>430,000</u>
	<u>\$ 69,806</u>	<u>\$ 655,880</u>

6. Loan Receivable

	2020	2019
Wingham and District Hospital, 2.25%, interest only payable annually, due March 2022	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>

7. Capital Assets

	Cost	Accumulated Amortization	Net Book Value 2020	Net Book Value 2019
Land	1,457,256	-	1,457,256	1,127,334
Land improvements	826,734	569,933	256,801	313,111
Buildings	23,472,828	7,463,147	16,009,681	16,162,951
Equipment	<u>24,087,951</u>	<u>16,447,934</u>	<u>7,640,017</u>	<u>8,651,149</u>
	49,844,769	24,481,014	25,363,755	26,254,545
Construction in progress	-	-	-	7,428
	<u>\$ 49,844,769</u>	<u>\$ 24,481,014</u>	<u>\$ 25,363,755</u>	<u>\$ 26,261,973</u>

Assets included in construction in progress are not amortized until available for use.

8. Deferred Contributions

Deferred contributions represent unspent externally restricted funding that has been received and relates to a subsequent year. Changes in the contributions deferred to future periods are as follows:

	2020	2019
Balance, beginning of year	734,212	790,642
Contributions received during the year	-	-
Less: amounts recognized as revenue in the year	<u>(56,375)</u>	<u>(56,430)</u>
Balance, end of year	<u>\$ 677,837</u>	<u>\$ 734,212</u>

Deferred contributions are comprised of:

	2020	2019
North Perth Family Health Team prepaid rent for medical clinic lease expiring in February 2032	677,422	733,797
Other prepaid rent	<u>415</u>	<u>415</u>
	677,837	734,212
Less: current portion	<u>58,317</u>	<u>58,317</u>
Balance, end of year	<u>\$ 619,520</u>	<u>\$ 675,895</u>

LISTOWEL MEMORIAL HOSPITAL
NOTES TO FINANCIAL STATEMENTS (continued)

For the Year Ended March 31, 2020

9. Long-Term Debt

	2020	2019
Listowel Memorial Hospital Foundation, prime less 0.5%, loan receivable in monthly installments of \$10,660 plus interest, due August 2021	170,594	298,517
Less: current portion	<u>127,926</u>	<u>127,926</u>
	<u>\$ 42,668</u>	<u>\$ 170,591</u>

Scheduled principal payments required over the next five fiscal years are as follows:

2020/2021	\$ 127,926
2021/2022	42,668
2022/2023	-
2023/2024	-
2024/2025	-

10. Post-Employment Benefits

Pension Plan

Substantially all of the employees of the hospital are eligible to be members of the Healthcare of Ontario Pension Plan (HOOPP). The plan is a multi-employer plan and therefore the Hospital's contributions are accounted for as if the plan were a defined contribution plan with the Hospital's contributions being expenses in the period they come due. Contributions made to the plan during the year by the Hospital amounted to \$919,453 (2019: \$914,169) and are included in employee benefits on the statement of operations. Variances between actuarial funding estimates and the actual experience could be material and any differences are funded by participating members.

LISTOWEL MEMORIAL HOSPITAL
NOTES TO FINANCIAL STATEMENTS (continued)

For the Year Ended March 31, 2020

10. Post-Employment Benefits (continued)

Other Benefits

The Hospital provides post-employment health care, dental and life insurance benefits to eligible retired employees. The hospital's liability at March 31 for this plan is as follows:

	2020	2019
Accrued benefit obligation	667,474	595,948
Unamortized net actuarial gain (loss)	<u>73,201</u>	<u>144,599</u>
Post-employment benefits liability	<u>\$ 740,675</u>	<u>\$ 740,547</u>

In measuring the Hospital's accrued benefit obligation, a discount rate of 3.00% (2019: 2.80%) was assumed. For extended health care costs, a 5.25% annual rate of increase was assumed, then decreasing to an ultimate rate of 3.57% per annum increase; and, for dental costs, a 3.00%-4.75% annual rate of increase was assumed. The most recent actuarial valuation was prepared as at April 1, 2020. Actual results could differ from this estimate as additional information becomes available in the future.

	2020	2019
Current year benefit cost	75,458	46,114
Interest on accrued benefit obligation	19,738	18,306
Amortized actuarial (gains) losses	<u>(9,370)</u>	<u>(11,851)</u>
Expense for the year	<u>\$ 85,826</u>	<u>\$ 52,569</u>
Benefits paid during the year	<u>\$ 75,458</u>	<u>\$ 46,114</u>

11. Deferred Capital Contributions

Deferred capital contributions represent the unamortized amount and unspent amount of donations and grants received for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations.

	2020	2019
Balance, beginning of year	14,647,979	14,667,423
Contributions received	981,778	1,296,711
Amortization of deferred contributions - equipment	(887,775)	(682,506)
Amortization of deferred contributions - building and land improvements	<u>(645,468)</u>	<u>(633,649)</u>
Balance, end of year	<u>\$ 14,096,514</u>	<u>\$ 14,647,979</u>

LISTOWEL MEMORIAL HOSPITAL
NOTES TO FINANCIAL STATEMENTS (continued)

For the Year Ended March 31, 2020

12. Hospital Foundation and Auxiliary

Listowel Memorial Hospital Foundation

The Listowel Memorial Hospital Foundation is an independent corporation incorporated without share capital which has its own independent Board of Directors and is a registered charity under the Income Tax Act. The Foundation was established to raise funds for the use of the hospital. Donations received during the year were \$329,922 (2019: \$874,373).

During the year, the Hospital received a contribution of a parcel of property from the Foundation valued at \$329,922. The property was contributed to the Hospital with the purpose of using the land for Hospital operations.

Listowel Hospital Auxiliary

The Listowel Hospital Auxiliary is a volunteer organization affiliated with the Listowel Memorial Hospital and is engaged in a wide range of services for the betterment of the Hospital. The organization periodically transfers funds to the Hospital to be used for the purchase of equipment and supplies for the hospital. During the year, the Auxiliary donated \$0 (2019: \$13,000) to the Hospital.

13. Commitments

The Hospital has made a commitment for the installation of a hospital and clinic wide network and phone system replacement. A five-year lease in the amount of \$302,942 was signed during the 2019/2020 fiscal year. The remaining lease payments at March 31, 2020 were \$271,053.

14. Financial Instrument Risks

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of market factors. Market factors include three types of risk: interest rate risk, currency risk, and equity risk. The Hospital is not exposed to significant currency risk or equity risk as it does not transact materially in foreign currency or hold significant equity financial instruments. The Hospital's investment policy limits equity instruments to 10% of the fair value of the total investment portfolio. At March 31, 2020, a 10% movement in stock markets with all other variables held constant, could impact the market value of the equity instruments held by \$7,000 (2019: \$7,900).

Interest rate risk

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates. The Hospital is exposed to this risk through its interest bearing investments and term debt.

LISTOWEL MEMORIAL HOSPITAL
NOTES TO FINANCIAL STATEMENTS (continued)

For the Year Ended March 31, 2020

14. Financial Instrument Risks (continued)

Credit risk

Credit risk is the risk of financial loss to the Hospital if a debtor fails to make payments of interest and principal when due. The Hospital is exposed to this risk relating its cash, accounts receivable, and debt holdings in its investment portfolio. The Hospital holds its cash accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. The Hospital's investment policy operates with the constraints of the investment guidelines issued by the Ministry and puts limits on the investment portfolio.

Accounts receivable are primarily due from OHIP, the Ministry of Health and Long-Term Care and patients. Credit risk is mitigated by the financial solvency of the provincial government and the highly diversified nature of the patient population. An impairment allowance is set up based on the Hospital's historical experience regarding collections.

Liquidity risk

Liquidity risk is the risk that the Hospital will not be able to meet its financial obligations as they fall due. The Hospital is exposed to this risk mainly in respect of its accounts payable and long-term debt. The Hospital expects to meet these obligations as they become due by generating sufficient cash flow from operations.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

15. Contingent Liability

The Hospital participates in the Healthcare Insurance Reciprocal of Canada, a pooling of the public liability insurance risks of its hospital members. Members of the pool pay annual premiums, which are actuarially determined. Members are subject to assessment for losses, if any, experienced by the pool for the year in which they were members. No assessments have been made to March 31, 2020, with respect to claims.

**WINGHAM AND DISTRICT HOSPITAL
FINANCIAL STATEMENTS
MARCH 31, 2020**

SEEBACH & COMPANY
Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Wingham District Hospital

Opinion

We have audited the accompanying financial statements of Wingham District Hospital ("the Hospital"), which are comprised of the statement of financial position as at March 31, 2020 and the statements of operations 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.

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 20, 2020

WINGHAM AND DISTRICT HOSPITAL
BALANCE SHEET

See Accompanying Notes to Financial Statements

As at March 31	2020	2019
ASSETS		
Current assets		
Cash	1,356,308	1,360,835
Accounts receivable (note 3)	1,618,342	964,964
Inventories	660,867	377,027
Prepaid expenses	274,860	196,312
	<u>3,910,377</u>	<u>2,899,138</u>
Capital assets, net book value (note 5)	21,510,873	20,733,415
	<u><u>\$ 25,421,250</u></u>	<u><u>\$ 23,632,553</u></u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Bank borrowings (note 6)	-	1,000,000
Accounts payable and accrued liabilities (note 4)	2,981,783	1,811,770
Deferred contributions (note 7)	40,000	40,000
Current portion of long-term debt (note 8)	84,100	80,700
	<u>3,105,883</u>	<u>2,932,470</u>
Long term liabilities		
Deferred contributions (note 7)	23,333	63,333
Long-term debt (note 8)	3,733,145	3,816,084
Post-employment benefits (note 9)	580,541	571,433
Deferred capital contributions (note 10)	13,231,401	11,239,393
	<u>20,674,303</u>	<u>18,622,713</u>
Net assets		
Invested in capital assets	4,462,227	4,597,238
Unrestricted	284,720	412,602
	<u>4,746,947</u>	<u>5,009,840</u>
	<u><u>\$ 25,421,250</u></u>	<u><u>\$ 23,632,553</u></u>

On behalf of the Board:


..... Director


..... Director

WINGHAM AND DISTRICT HOSPITAL**STATEMENT OF OPERATIONS**

See Accompanying Notes to Financial Statements

For the Year Ended March 31	2020	2019
Revenue		
Ministry of Health and Long-Term Care		
- Hospital operations	13,344,484	13,087,476
- Emergency and on call coverage	1,620,372	1,569,189
Inpatient	88,477	70,690
Outpatient	574,819	603,611
Investment income	16,063	12,657
Recoveries and other income	4,444,560	2,773,801
Amortization of deferred capital contributions - equipment	795,182	507,914
	<u>20,883,957</u>	<u>18,625,338</u>
Expenses		
Salaries and wages	8,410,804	8,226,165
Medical staff remuneration	1,851,465	1,808,497
Employee benefits	2,303,342	2,310,315
Supplies and other expenses	3,686,265	3,299,968
Medical and surgical supplies	402,268	352,261
Drug expense	2,994,910	1,509,284
Amortization of equipment	964,011	874,075
Interest expense	152,723	166,513
	<u>20,765,788</u>	<u>18,547,078</u>
Excess of revenue over expenses before other revenue and expenses	<u>118,169</u>	<u>78,260</u>
Building and land improvements		
Amortization of deferred capital contributions	447,423	148,429
Amortization of building and land improvements	(828,485)	(639,170)
	<u>(381,062)</u>	<u>(490,741)</u>
Excess (deficiency) of revenue over expenses for the year	<u>(\$ 262,893)</u>	<u>(\$ 412,481)</u>

WINGHAM AND DISTRICT HOSPITAL
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	Total	Total
Balance, beginning of year	4,597,238	412,602	5,009,840	5,422,321
Excess (deficiency) of revenues over expenses	(549,891)	286,998	(262,893)	(412,481)
Investment in capital assets, net	414,880	(414,880)	-	-
Balance, end of year	<u>4,462,227</u>	<u>284,720</u>	<u>\$ 4,746,947</u>	<u>\$ 5,009,840</u>

WINGHAM AND DISTRICT HOSPITAL**STATEMENT OF CASH FLOWS**

See Accompanying Notes to Financial Statements

For the Year Ended March 31	2020	2019
Operating activities		
Excess of revenue over expenses for the year	(262,893)	(412,481)
Items not requiring (not providing) cash		
Amortization expense	1,792,496	1,513,245
Amortization of deferred capital grants and donations	(1,242,605)	(656,343)
Working capital provided from operations	286,998	444,421
Cash provided from (used for) changes in operational balances		
Accounts receivable	(653,378)	257,385
Inventory	(283,840)	(52,988)
Prepaid expenses	(78,548)	(57,552)
Accounts payable and accrued liabilities	1,170,013	27,453
Post-employment benefits	9,108	14,431
Deferred contributions	(40,000)	(41,809)
Cash provided from (used for) operating activities	410,353	591,341
Capital activities		
Net disposals (purchases) of capital assets	(2,569,954)	(4,661,636)
Deferred building and equipment grants and donations	3,234,613	4,177,215
	664,659	(484,421)
Financing activities		
Net proceeds (repayments) from short-term bank borrowings	(1,000,000)	-
Net proceeds (repayments) from long-term debt	(79,539)	(78,116)
	(1,079,539)	(78,116)
Increase (decrease) in cash	(4,527)	28,804
Cash, beginning of year	1,360,835	1,332,031
Cash, end of year	\$ 1,356,308	\$ 1,360,835

WINGHAM AND DISTRICT HOSPITAL

NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2020

Wingham and District Hospital (the "Hospital") is a non-profit organization incorporated without share capital under the laws of the Province of Ontario. The Hospital provides health care services to the residents of North Huron and surrounding area. The Hospital is a registered charity under the Income Tax Act and, as such, is exempt from income tax.

1. Significant accounting policies

The financial statements of the Hospital are the representations of management. They 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).

The Wingham and District Hospital Foundation referred to in the notes is a separate entity whose financial information is reported separately from the Hospital.

The significant accounting policies are summarized as follows:

a) 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 and Long-term Care and the South West Local Health Integration Network (LHIN). The Hospital has entered into a Hospital Service Accountability Agreement (the H-SAA) for fiscal 2019-2020 with the LHIN that sets out the rights and obligations of the parties to the H-SAA in respect of funding provided to the Hospital by the Ministry/LHIN. The H-SAA also sets out the performance standards and obligations of the Hospital that establish acceptable results for the Hospital's performance in a number of areas.

If the Hospital does not meet its performance standards or obligations, the Ministry/LHIN has the right to adjust funding received by the Hospital. The Ministry/LHIN is not required to communicate certain funding adjustments until after the submission of year-end data. Since this data is not submitted until after the completion of the financial statements, the amount of Ministry/LHIN funding received by the Hospital during the year may be increased or decreased subsequent to year-end.

Contributions 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 to be received can be reasonably estimated and collection is reasonably assured.

Restricted contributions for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets.

Amortization of buildings is not funded by the LHIN and accordingly the amortization of buildings has been reflected as an undernoted item in the statement of operations with the corresponding realization of revenue for deferred contributions.

Revenue from patient services is recognized when the service is provided, the amount to be received can be reasonably estimated and collection is reasonably assured.

Ancillary revenue is recognized when the goods are sold and services provided.

WINGHAM AND DISTRICT HOSPITAL
NOTES TO FINANCIAL STATEMENTS (continued)

For the Year Ended March 31, 2020

1. Significant accounting policies (Continued)

b) Inventories

Inventories are recorded at the lower of average cost and net realizable value. Cost comprises all costs to purchase, convert and any other costs incurred in bringing the inventories to their present location and condition.

c) Capital assets

Purchased capital assets are recorded at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments that extend the estimated life of an asset are capitalized. Construction in progress is not amortized until construction is substantially complete and the assets are ready for use.

Capital assets are capitalized on acquisition and amortized on a straight line basis over their estimated useful lives as follows:

Land improvements	3 - 20 years
Buildings	20 - 40 years
Equipment	4 - 20 years

d) Contributed services

Volunteers contribute numerous hours to assist the Hospital in carrying out certain charitable aspects of its service delivery activities. Due to the difficulty of determining the fair value, contributed services are not recognized in these financial statements.

e) Retirement and Post-employment Benefits

The Hospital provides defined retirement and post-employment health, dental and life insurance benefits to eligible retired employees. The Hospital has adopted the following policies with respect to accounting for these employee benefits:

- (i) The costs of post-employment benefits are actuarially determined using management's best estimate of health care costs and discount rates. Adjustments to these costs arising from changes in estimates and experience gains and losses are amortized to income over the estimated average remaining service life of the employee groups on a straight line basis. Plan amendments, including past service costs are recognized as an expense in the period of the plan amendment.
- (ii) The costs of the multi-employer defined benefit pension plan are the employer's contributions due to the plan in the period.

f) Management Estimates

The preparation of financial statements in accordance with PSAB for Government NPOs requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Actual results could differ from management's best estimates as additional information becomes available in the future. Areas of key estimation include determination of allowance for doubtful accounts, inventory obsolescence, amortization of capital assets and actuarial estimation of post-employment benefits.

WINGHAM AND DISTRICT HOSPITAL
NOTES TO FINANCIAL STATEMENTS (continued)

For the Year Ended March 31, 2020

1. Significant accounting policies (Continued)

g) Financial instruments

Cash and equity instruments quoted in an active market are measured at fair value. Accounts receivable, loans receivable, accounts payable, and long-term debt are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

When investment income and realized and unrealized gains and losses from changes in fair value of financial instruments are externally restricted, the investment income and fair value changes are recognized as revenue in the period in which the resources are used for the purpose specified.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

2. Cash

Cash consists of bank deposits that are held at one chartered bank. The accounts earn interest at a variable rate, payable monthly.

3. Accounts Receivable

	2020	2019
Ministry of Health and Long-Term Care	337,252	39,172
Patient services	115,278	113,206
Other	<u>1,167,854</u>	<u>817,819</u>
	1,620,384	970,197
Less: Allowance for doubtful accounts	<u>(2,042)</u>	<u>(5,233)</u>
	<u>\$ 1,618,342</u>	<u>\$ 964,964</u>

4. Related Party Transactions

The Hospital has an alliance agreement with the Listowel Memorial Hospital and shares a management team and other resources. The services resulted in staff charges of \$1,265,441 (2019: \$1,221,825) from Listowel Memorial Hospital. The Hospital provided services to Listowel Memorial Hospital which resulted in recoveries of \$464,084 (2019: \$402,868). At March 31, 2020, accounts payable includes \$715,859 (2019: \$180,980) that is due to Listowel Memorial Hospital. These transactions are in the normal course of operations and are measured at the exchange amount of consideration established and agreed to by the related parties.

WINGHAM AND DISTRICT HOSPITAL
NOTES TO FINANCIAL STATEMENTS (continued)

For the Year Ended March 31, 2020

5. Capital Assets

	Cost	Accumulated Amortization	Net Book Value 2020	Net Book Value 2019
Land	916,541	-	916,541	916,541
Land improvements	1,181,990	303,354	878,636	939,916
Buildings	21,261,205	7,242,802	14,018,403	11,461,197
Equipment	<u>15,765,003</u>	<u>10,498,936</u>	<u>5,266,067</u>	<u>5,188,352</u>
	39,124,739	18,045,092	21,079,647	18,506,006
Construction in progress	<u>431,226</u>	<u>-</u>	<u>431,226</u>	<u>2,227,409</u>
	<u>\$ 39,555,965</u>	<u>\$ 18,045,092</u>	<u>\$ 21,510,873</u>	<u>\$ 20,733,415</u>

Assets included in construction in progress are not amortized until available for use.

6. Bank Indebtedness

	2020	2019
Canadian Imperial Bank of Commerce, prime rate, repayable interest only monthly, due on demand	\$ -	\$ 1,000,000

7. Deferred Contributions

Deferred contributions represent unspent externally restricted funding that has been received and relates to a subsequent year. Changes in the contributions deferred to future periods are as follows:

	2020	2019
Balance, beginning of year	103,333	145,142
Contributions received during the year	-	-
Less: amounts recognized as revenue in the year	<u>(40,000)</u>	<u>(41,809)</u>
Balance, end of year	<u>\$ 63,333</u>	<u>\$ 103,333</u>

Deferred contributions are comprised of:

	2020	2019
Prepaid rent and operational funding	63,333	103,333
Less: current portion	<u>40,000</u>	<u>40,000</u>
Balance, end of year	<u>\$ 23,333</u>	<u>\$ 63,333</u>

WINGHAM AND DISTRICT HOSPITAL
NOTES TO FINANCIAL STATEMENTS (continued)

For the Year Ended March 31, 2020

8. Long-Term Debt

	2020	2019
Listowel Memorial Hospital, 2.25%, repayable interest only monthly, due March 2022	1,000,000	1,000,000
Royal Bank of Canada, 3.65%, repayable \$15,400 monthly principal and interest, due October 2022	<u>2,817,245</u>	<u>2,896,784</u>
	3,817,245	3,896,784
Less: current portion	<u>84,100</u>	<u>80,700</u>
	<u>\$ 3,733,145</u>	<u>\$ 3,816,084</u>

Scheduled principal payments required over the next five fiscal years are as follows:

2020/2021	\$ 84,100
2021/2022	1,087,100
2022/2023	2,646,045
2023/2024	-
2024/2025	-

9. Post-Employment Benefits

Pension Plan

Substantially all of the employees of the hospital are eligible to be members of the Healthcare of Ontario Pension Plan (HOOPP). The plan is a multi-employer plan and therefore the Hospital's contributions are accounted for as if the plan were a defined contribution plan with the Hospital's contributions being expenses in the period they come due. Contributions made to the plan during the year by the Hospital amounted to \$613,434 (2019: \$602,238) and are included in employee benefits on the statement of operations. Variances between actuarial funding estimates and the actual experience could be material and any differences are funded by participating members.

WINGHAM AND DISTRICT HOSPITAL
NOTES TO FINANCIAL STATEMENTS (continued)

For the Year Ended March 31, 2020

9. Post-Employment Benefits (continued)

Other Benefits

The Hospital provides post-employment health care, dental and life insurance benefits to eligible retired employees. The hospital's liability at March 31 for this plan is as follows:

	2020	2019
Accrued benefit obligation	573,132	576,715
Unamortized net actuarial gain (loss)	<u>7,409</u>	<u>5,282</u>
Post-employment benefits liability	<u>\$ 580,541</u>	<u>\$ 571,433</u>

In measuring the Hospital's accrued benefit obligation, a discount rate of 3.00% (2019: 2.80%) was assumed. For extended health care costs, a 6.0% annual rate of increase was assumed beginning in 2019, then decreasing to an ultimate rate of 4.50% per annum increase; and, for dental costs, a 2.75% annual rate of increase was assumed. The most recent actuarial valuation was prepared as at April 1, 2020. Actual results could differ from this estimate as additional information becomes available in the future.

	2020	2019
Current year benefit cost	27,120	25,399
Interest on accrued benefit obligation	16,402	17,267
Amortized actuarial (gains) losses	<u>1,698</u>	<u>71</u>
Expense for the year	<u>\$ 45,220</u>	<u>\$ 42,737</u>
Benefits paid during the year	<u>\$ 27,120</u>	<u>\$ 25,399</u>

10. Deferred Capital Contributions

Deferred capital contributions represent the unamortized amount and unspent amount of donations and grants received for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations.

	2020	2019
Balance, beginning of year	11,239,393	7,718,521
Contributions received	3,234,613	4,177,215
Amortization of deferred contributions - equipment	(795,182)	(507,914)
Amortization of deferred contributions - building and land improvements	<u>(447,423)</u>	<u>(148,429)</u>
Balance, end of year	<u>\$ 13,231,401</u>	<u>\$ 11,239,393</u>

WINGHAM AND DISTRICT HOSPITAL

NOTES TO FINANCIAL STATEMENTS (continued)

For the Year Ended March 31, 2020

11. Hospital Foundation and Auxiliary

Wingham and District Hospital Foundation

The Wingham and District Hospital Foundation is an independent corporation incorporated without share capital which has its own independent Board of Directors and is a registered charity under the Income Tax Act. The Foundation was established to raise funds for the use of the hospital. Donations received during the year were \$609,788 (2019: \$1,906,120).

Wingham Hospital Auxiliary

The Wingham Hospital Auxiliary is a volunteer organization affiliated with the Wingham and District Hospital and is engaged in a wide range of services for the betterment of the Hospital. The organization periodically transfers funds to the Hospital Foundation to be used for the purchase of equipment and supplies for the hospital.

12. Commitments

The Hospital has committed to a contract for the redevelopment of the existing Hospital site. The total contract is expected to cost approximately \$5,865,039. \$5,507,353 has been spent on this project prior to March 31, 2020.

Additionally, the Hospital has made a commitment for the installation of a hospital and clinic wide network and phone system replacement. A five-year lease in the amount of \$322,479 was signed during the 2019/2020 fiscal year. The remaining lease payments at March 31, 2020 were \$288,534.

13. Contingent Liabilities

The Hospital participates in the Healthcare Insurance Reciprocal of Canada, a pooling of the public liability insurance risks of its hospital members. Members of the pool pay annual premiums, which are actuarially determined. Members are subject to assessment for losses, if any, experienced by the pool for the year in which they were members. No assessments have been made to March 31, 2020, with respect to claims.

The Hospital has been named as a defendant in a lawsuit. Legal counsel for the Hospital has advised that it is premature to make any evaluation of the possible outcome or possible settlement amount of this claim. Consequently, no provision for this claim has been made in the financial statements.

GOVERNANCE AND NOMINATIONS COMMITTEE REPORT

The Governance and Nominations Committee is nominating the following members to the Listowel Wingham Hospitals Alliance Board of Directors for a two-year term ending in 2022.

From the Listowel Memorial Hospital service area:

- Debbie Miller
- Jessica Weber

From the Wingham and District Hospital service area:

- Hugh Clugston
- Dale Gilchrist
- Connor O'keefe
- Sharon Skinn (remainder of term ending in 2021)

AUXILIARY REPORTS

Wingham and District Hospital Listowel Memorial Hospital Report of the Auxiliaries 2019 / 2020

Wingham and District Hospital

Due to COVID 19 our busy spring fundraisers and our regular meetings have been cancelled until further notice, also our Gift Shop has been closed since March/2020.

Spring of 2019 we purchased a Patient Lift and this spring we purchased 2 Vital Signs Monitors (\$17, 753.0) We also had an Auxiliary Brochure created to help promote our visibility in our local communities.

Once provincial guidelines are lifted the Auxiliary volunteers will get back to meeting, fundraising and supporting our Hospital and patients.

Until then, stay healthy and safe!

Respectfully submitted,
Trudy Thomson
Past Chair of the Auxiliary to Wingham and District Hospital

Listowel Memorial Hospital

The Auxiliary to the Listowel Memorial Hospital had a good year, donating \$17,000 toward Evacusleds.

Respectfully submitted,
Verna Ropp
Auxiliary to the Listowel Memorial Hospital

FOUNDATION REPORTS

The Listowel Memorial Hospital Foundation has had a very good year bringing the profile of the Foundation to a new level for local residents and surrounding areas.

The Foundation has held several fundraisers in the last year such as:

- The LMHF Spring Gala was held on Saturday, June 1st, 2019 at the Elma Community Centre in Atwood. Where 265 people enjoyed an evening of fine dining, music and a great live and silent auction. This successful event profited a net \$643,000 towards a complete Renovation of the Lab at the LMH.
- Other events through the year were the Annual Car & Motorcycle Poker Rally in September, CKNX HealthCare Heroes Radiothon and event at Knox Presbyterian Church, Listowel (same day as Radiothon) in October. The Radiothon campaign project goal for LMHF was \$75,000 to go towards the Renovation of the Lab at LMH.
- Many third party events were held with the Foundation receiving generous donations. The LMHF helps in any way possible with these third party events.

The Foundation participates in four events each year bringing awareness of the importance of fundraising for our hospital to the area. The Foundation's website is updated regularly with events going on and many other donations made by cheque presentation throughout the year.

Upcoming Events for 2020/2021

- Spring Gala 2020, theme "***Garden Party***" was postponed until Friday, October 30, 2020 due to COVID-19. The Foundation hopes to host another great event, our 10th Gala this year. Proceeds are to a 'second Palliative Care Room on first floor at LMH plus the Renovation to the First Floor Nursing Station'. Goal is \$350,000.
- To date Gala 2020 has brought in over \$280,000 corporate donations
- LMHF Car & Motorcycle Poker Rally, Saturday, September 12, 2020
- CKNX HealthCare Heroes Radiothon and Knox Presbyterian Church Hall event, Saturday, October 17th, 2020, proceeds to 'Medication Management Upgrade-Pharmacy system'. Goal \$70,000

Newsletters

Spring 2020 newsletter was mailed out early in May 2020. This newsletter will update residents on status of events and news for the LMHF. The Foundation circulated 2 newsletters in 2019 to over 9400 residents. The newsletters make people aware of what is going on at the Foundation, some of the donations made, in memory donations, and what the current needs are for the hospital.

The Foundation is grateful for the support from the staff at LMH and the citizens and businesses of North Perth and surrounding areas.



Listowel Memorial Hospital Foundation
Report to the Board
June 2020

The Listowel Memorial Hospital Foundation was able to purchase \$723,345.00 of equipment in 2019/2020 yearend. This includes all of Gala project equipment, Radiothon equipment committed and other items. The Listowel Memorial Hospital Foundation also purchased the Karges House for LMH across from the Hospital for future parking at a cost of \$329,922.04.

Total to LMH when everything is purchased will be \$1,053,267.04.

Respectfully submitted,
LMH Foundation

Fundraising

During the 2019-2020 fiscal year, the Wingham & District Hospital Foundation received \$1.9million in donations. This was comprised, in part, by: \$70,000 Radiothon, \$1.1million Bequests, and \$502,000 Pledge Payments to Redevelopment Project. The remainder was comprised of general donations, memorial donations and donations designated towards specific equipment or departments.

The average donation was \$479

Annual Donation

For 2019-2020 fiscal year, the WDH Foundation funded equipment and facility upgrades totaling \$609,788.

These funds were generated through pledge payments to the redevelopment project, the CKNX Healthcare Heroes Radiothon, memorial and general donations, other events, appeals, bequests and grants. The funds donated supported the purchase of the following: Construction costs associated with the redevelopment, laparoscopic tower and scopes, stage one planning for xray/ultrasound renovations, ECG machine, IV pumps, TVs for Oncology department, in-patient lift, patient chairs, vital signs monitors, colonoscopies, OR light, evacusleds, beds and mattresses, telemetry batteries, ice machines, cast cart, wound cart and IV cart.

Since its inception the Wingham & District Hospital Foundation, it has donated \$9,635,769 to the Hospital.

Radiothon

At the 2019 CKNX Healthcare Heroes Radiothon held on October 19, 2019, the Wingham & District Hospital Foundation raised over \$66,000 towards a Laparoscopic Tower.

The 7th annual Great Hospital Race also raised funds towards the radiothon project. In accordance with tradition, it was held the Saturday prior to Radiothon and raised \$12,000. The 2019 sold out for the first time in the history of the event.

Bequests

The WDH Foundation was the recipient of several significant bequests in the 2019-2020 fiscal year. Bequests are an important part of the Foundation's fundraising strategy. Estate gifts ensure the long term success of the Foundation and its ability to support transformational projects at the Hospital in the future.

Notable Donations

A few of the memorable 2019-2020 donations were received from: Bruce Power, Joe Kerr Limited, Wallenstein Feed Foundation, Auxiliary to Wingham & District Hospital, and Power Workers' Union.

Respectfully Submitted,

Nicole Jutzi

WDH Foundation Admin and Development Officer

MEDICAL STAFF

Dr. T. Suggitt - Chief of Staff

Dr. A. Qureshi – President

Dr. R. Latuskie – Vice-President

Dr. D. Gateman - Secretary

ACTIVE STAFF

Dr. R. Annis
Dr. I. Cameron
Dr. G. Edmonds
Dr. D. Gateman
Dr. L. Hayward
Dr. R. Latuskie

Dr. B. Matthews
Dr. A. Qureshi
Dr. E. Seary
Dr. T. Suggitt
Dr. L. Trojnar
Dr. E. Westen

DENTAL STAFF

Dr. K. Clemes
Dr. N. Hogg
Dr. Y. Liu
Dr. D. Nuhn
Dr. J. O’Young
Dr. O. Panich
Dr. A. Thompson

ASSOCIATE STAFF

Dr. Z. Rana

HONOURARY STAFF

Dr. P. Rutherford

MIDWIFERY STAFF

Sabrina Blaise
Madeline Clin
Mhairi Colgate
Catherine Goudy
Valerie Groulx
Catherine Kipp
Amanda Levenecrown

Lia McKelvey
Jillian Nafziger
Alexandria Nickels
Emily Roth
Adrienne Ryan
Cynthia Soulliere
Amy Sjaarda

NURSE PRACTITIONERS

Julie Murtha
Jessie Rumble

CONSULTING & COURTESY STAFF

Dr. G. Antoniadis
Dr. M. Chan
Dr. A. DiLabio
Dr. Y. Erenberg
Dr. R. Gergovich
Dr. P. Gianakopoulos
Dr. J. Guy
Dr. A. Haider
Dr. G. Hancock
Dr. G. Heaton
Dr. B. Hughes

Dr. A. Hussey
Dr. A. Kaleel
Dr. T. Kalos
Dr. A. Kara
Dr. M. Klassen
Dr. A. Maruscak
Dr. M. McWilliam
Dr. K. Miller
Dr. K. Mir
Dr. E. Omar
Dr. M. Peirce

Dr. R. Ramsewak (*Leave of
Absence*)
Dr. G. Semelhago
Dr. V. Sharma
Dr. O. Spanglet
Dr. D. Stewart
Dr. C. Tamblyn
Dr. S. Tamblyn
Dr. E. Van Oosten
Dr. R. Warren
Dr. L. Williams
Dr. O. Yousef



Listowel Memorial Hospital Courtesy Staff 2020 / 2021



COURTESY STAFF - ST. MARY'S CARDIOLOGISTS

Dr. S. Ali
Dr. M. Babapulle
Dr. M. Chamberlain
Dr. D. Desai
Dr. M. Pearce
Dr. A. Yip

Dr. G. Antoniadis – Chief of Staff

Dr. J. Shuffield – President

Dr. B. Marshall – Vice-President/Secretary/Treasurer

ACTIVE STAFF

Dr. G. Antoniadis
Dr. S. Henderson
Dr. B. Marshall
Dr. S. Marshall
Dr. R. Mbuva

Dr. M. Moores
Dr. J. Puntillo
Dr. A. Peel
Dr. J. Shuffield
Dr. M. Moores
Dr. S. Vander Klippe

ASSOCIATE STAFF

Dr. Z. Rana

HONOURARY STAFF

Dr. M. Gear

DENTAL STAFF

Dr. Kaeley Hanna
Dr. Y. Liu
Dr. J. O'Young

NURSE PRACTITIONERS

Kathleen Durfy

CONSULTING & COURTESY STAFF

Dr. C. Bloch
Dr. B. Bukala
Dr. P. Conlon
Dr. A. Di Labio
Dr. D. Dittmer
Dr. R. Dworkin
Dr. G. Edmonds
Dr. Y. Erenberg
Dr. M. Flowers
Dr. D. Gateman

Dr. R. Gergovich
Dr. P. Gianakopoulos
Dr. R. Gobburu
Dr. L. Hayward
Dr. A. Kara
Dr. J. Kargbo
Dr. A. Lyons
Dr. J. McKenna
Dr. K. Mir
Dr. F. Perera

Dr. R. Ramsewak (*Leave of Absence*)
Dr. J. Schwalm
Dr. S. Sleeth
Dr. O. Spanglet
Dr. H. Sun
Dr. C. Tomlinson
Dr. L. Trojnar
Dr. O' Yousef

COURTESY STAFF - LONDON XRAY ASSOCIATES

Dr. J. Amann	Dr. A. Mercado
Dr. A. Al-Arnawoot	Dr. S. Munir
Dr. Z. Badar	Dr. G. Muscedere
Dr. S. Chhibber	Dr. P. Ohorodnyk
Dr. D. Cool	Dr. S. Osman
Dr. K. Cunningham	Dr. W. Pavlosky
Dr. W. Dawson	Dr. S. Potoczny
Dr. G. Garvin	Dr. M. Ricketts
Dr. P. Gianakopoulos	Dr. J. Rogers
Dr. A. Goel	Dr. W. Romano
Dr. R. Gratton	Dr. M. Roth
Dr. E. Haider	Dr. N. Sakib
Dr. D. Hocking	Dr. F. Salehi
Dr. J. Howey	Dr. O. Shmuilovich
Dr. A. Islam	Dr. S. Speer
Dr. Z. Kassam	Dr. D. Taves
Dr. N. Khan	Dr. C. Van Der Pol
Dr. A. Kornecki	Dr. P. Vora
Dr. R. Kozak	Dr. A. Wadhwani
Dr. C. Lobo	Dr. E. Zhang
Dr. L. Lopes	
Dr. A. Lu	

VISITING PHYSICIAN CLINICS

Listowel Memorial Hospital Consulting Specialists 2020 / 2021

<u>Clinic</u>	<u>Physician</u>	<u>Clinic Held</u>
Dermatology	Dr. A. Haider	Weekly – Wednesday 1 Friday / month
E.N.T.	Dr. B. Hughes	Last Monday of month
General Surgery	Dr. A. Maruscak	2 x Week
Internal Medicine	Dr. M. Peirce Dr. E. Van Oosten	Twice a month
Internal Medicine – Cardiology	Dr. D. Tamblyn Dr. O. Spanglet	Weekly – Tuesday Weekly – Monday
Internal Medicine – Gastroenterology	Dr. V. Sharma	Weekly - Friday
Neurology	Dr. A. Kaleel Dr. D. Stewart	Every 3 Months Approx. Last Friday of month (May – November)
Obstetrics / Gynecology	Dr. G. Hancock Dr. T. Kalos	Weekly – Wednesday Weekly - Monday
Oral Maxillofacial Surgeon/Dental	Dr. N. Hogg Dr. K. Clemes Dr. O. Panich Dr. D. Nuhn Dr. O' Young Dr. A Thompson Dr. Y. Liu Dr. C. Han Dr. Spink	Bi-Weekly – Wednesday
Orthopedics	Dr. J. Guy	Bi-Weekly - Friday
Pediatric	Dr. K. Blaine	Bi-Weekly - Tuesday
Plastic Surgery	Dr. G. Heaton	Bi-Weekly – Tuesday

Listowel Memorial Hospital Visiting Consultants

<u>Clinic</u>	<u>Physician</u>	<u>Clinic Held</u>
Surgical	Dr. R. Ramsewak Dr. Z. Rana Stratford Surgeons; Dr. O'Neill, McWilliam, Lefebvre, DiLabio	Temporarily Off Weekly Assisting with OR's
Urology	Dr. A. Hussey	Bi-Weekly – Friday

<u>Clinic</u>	<u>Physician</u>	<u>Clinic Held</u>
Cancer Clinic	Dr. Perera	Quarterly
Cardiology / Echocardiography / Carotid Doppler Studies	Dr. C. Tomlinson	Monthly
Family Physician Practicing Dermatology	Dr. R. Dworkin	Twice a Month
Echo Lab	M. Cooper	Weekly - Friday
ENT	Dr. J. McKenna	Bi-Monthly
Geriatrics	Dr. A. Peel	3 Days per Week
Internal Medicine	Dr. A. Kara	Monthly
Internal Medicine – Cardiology	Dr. O. Spanglet	Weekly - Thursday
Internal Medicine –	Dr. M. Flowers	5 Days per Week
Gastroenterology Obstetrical and	Dr. C. Bloch	Monthly
Gynecology Pediatrics	Dr. R. Gobburu	Monthly
Physical Medicine and Rehab	Dr. D. Dittmer	Monthly
Surgical	Dr. Ramsewak	Temporarily Off
	Dr. Z. Rana	3 Days per Week
	Dr. A. DiLabio	Bi-Weekly - Monday
Urology	Dr. B. Bukala	Monthly

Listowel Wingham Hospitals Alliance

Chair – Krishna Beharry

1st Vice-Chair – Hugh Clugston

2nd Vice-Chair – Debbie Miller

Past Chair – Penny Mulvey

Treasurer – Doug Miller

Patient Representative – Rosemary Rognvaldson

Secretary - Karl Ellis

Directors

Lee Anderson

Rick Boisvert

Bert Johnson

Dale Gilchrist

Gord Hunt

Tom Soltys

Conor O’Keefe

Ex-Officio Members

Chief of Staff Listowel Memorial Hospital - Dr. Terry Suggitt

President of Medical Staff Listowel Memorial Hospital - Dr. Arif Qureshi

Chief of Staff Wingham and District Hospital - Dr. Greg Antoniadis

President of Medical Staff Wingham and District Hospital - Dr. Jim Shuffield

Chief Executive Officer – Karl Ellis

Chief Nursing Executive – Kelly Finlayson