

SCARBOROUGH AND ROUGE HOSPITAL

MINUTES OF THE BOARD OF DIRECTORS IN-CAMERA

Thursday June 28, 2018

4:47 - 5:15 p.m.

SRH Birchmount Site, 3030 Birchmount Road - Boardroom

PRESENT: Maureen Adamson, Chair
Matt Ainley Yazdi Bharucha
Valerie Carter Janet Dalicandro
Ome Jamal Alan Mak
Terri McKinnon Graeme McKay
Karen Webb
Elizabeth Buller Dr. Dick Zoutman
Dr. Amir Janmohamed Dr. Dov Soberman (4:27)
Linda Calhoun

REGRETS: Fred Clifford, Krishan Suntharalingam,

RECORDER: Trish Matthews

1. CALL TO ORDER and DECLARATION OF CONFLICTS OF INTEREST

M. Adamson called the meeting to order at 3:57 pm and welcomed all in attendance.

David Graham, Executive Vice President and Chief Administrative Officer, and Lianne Jeffs new board member elect for 2018/19 were introduced.

A moment was taken to share and reflect on the passing of Phyllis Hill. Phyllis was largely involved in our hospitals and most recently assisted the Board of Directors in the Community Advisory Council membership selection process. Phyllis died peacefully on Sunday June 10th at our General Site. Phyllis will be remembered and missed by many and our thoughts are with her family during this time.

2. CONSENT AGENDA

Item 4.3 Executive Compensation shall be moved to the In-Camera meeting.

Moved by: K. Webb

Seconded by: O. Jamal

THAT the SRH Board of Directors approve the consent agenda with the noted change.

CARRIED

3. ITEMS FOR APPROVAL/DECISION

3.1 Report from the Finance and Audit Committee

3.1.1 Approve the amended year end Audited Financial Statements

Deloitte audited the financial statements of Scarborough and Rouge Hospital, which comprise the statement of financial position as at March 31, 2018, and the statements of operations and changes in net assets, remeasurement gains and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In the Auditor's opinion, the financial statements present fairly, in all material respects, the financial position of Scarborough and Rouge Hospital as at March 31, 2018 and the results of its operations, remeasurement gains and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Moved by: T. McKinnon **Seconded by:** M. Ainley

THAT the SRH Board of Directors approve the amended Financial Statements for the year end March 31, 2018 of Scarborough and Rouge Hospital as presented.

CARRIED

3.1.2. Approval of the Auditors

Moved by: T. McKinnon **Seconded by:** K. Webb

THAT the SRH Board of Directors recommend to the Members at the AGM that Deloitte be reappointed as Auditors for 2018/19 based on compensation to be determined.

CARRIED

3.2 Report from the Governance Committee

G. McKay reported on the Governance Committee work, thanking O. Jamal for her work with the Community Advisory Council.

3.2.1 Community Advisory Council (CAC) - Chair Appointment

Meetings to date have been chaired by the Board's CAC Liaison (Ome Jamal) in order to give the CAC members time to get to know one another and become familiar with the CAC role before having to select a chairperson. Members interested in the position of Chair and/or Vice-Chair were invited to submit an Expression of Interest outlining their strengths in relation to the role.

Three (3) Expressions of Interest were received for the chairperson role. At the May 8th in-camera meeting, an election was conducted by secret ballot. The election process was transparent and pre-circulated to members. Ballots were counted by staff. The CAC member receiving the most votes for the position of Chairperson was Mr. Alex Wilson.

MOTION: G. McKay **Seconded by:** Y. Bharucha

THAT the SRH Board of Directors approve the appointment of Alex Wilson as Chair of the Community Advisory Council for a one year term.

CARRIED.

3.2.2. Community Advisory Council - Vice Chair Appointment

CAC members have also proposed that a Vice-Chair be selected using the same process as that used for the Chair position. The Vice-Chair would serve as back-up for the Chair and provide a developmental opportunity for the member in that role. Following the election of the Chair, the CAC needed more time to identify a potential Vice-Chair.

On June 12th, CAC members unanimously endorsed **Sarah Hussain to serve as Vice-Chair**. There were no other candidates for this position.

Motion: G. McKay

Seconded by: M. Ainley

THAT the SRH Board of Directors approve the appointment of Sarah Hussain as Vice-Chair of the Community Advisory Council for a one year term.

CARRIED.

3.3 Shared Hospital Laboratory - Converting to a tax-exempt Not-for-profit Organization

Shared Hospital Laboratory Inc. (SHL) was incorporated on November 13, 1996 under the Business Corporation Act (Ontario) for the purpose of providing laboratory services to its shareholders, presently North York General Hospital (NYGH), Michael Garron Hospital (MGH) and Scarborough and Rouge Hospital (SRH). The Scarborough Hospital was an original shareholder with SHL providing laboratory services to both General and Birchmount. In efforts to harmonize SRH processes at all three hospitals, in fall 2017 SHL began to provide the laboratory services to Centenary.

SHL retained BLG to provide legal advice in connection with Sunnybrook Health Sciences Center joining the SHL. Part of their mandate to facilitate the legal process to admit Sunnybrook as a shareholder or a member of SHL, was to evaluate whether a conversion of SHL from a taxable corporation to a tax-exempt not-for-profit non-share capital corporation is desirable and feasible.

Objectives of converting to a tax-exempt not-for-profit organization consider the following:

- Income Tax: SHL will no longer be subject to income tax on surpluses;
- HST: a not-for-profit organization is entitled to exempt certain supplies of goods or services that are taxable when supplied by a for-profit entity; and claim a Public Service Body rebate for HST paid in respect of exempt supplies;
- Governance: SHL's mission is clearly focused on quality services and patient care, not profits;
- Existing governance rules applicable to hospital shareholders of SHL will apply and be easy to understand;
- Funding: some government funding that is not available to taxable for-profit entities may be available to not-for-profit organizations.

Motion: J. Dalicandro

Seconded by: K. Webb

THAT the Board of Directors approve the following:

1. Shared Hospital Laboratory (SHL) convert from a for-profit organization to a not-for-profit organization; and
2. The SHL Board of Directors be authorized to execute on this conversion in the most tax effective manner with legal and tax advice from Borden Ladner Gervais; and
3. As a part of this conversion, the existing Preference Shares will be converted to long-term debt owed to each of the existing shareholders, with common terms of such long-term debt to be agreed upon by the Chief Financial Officers of the existing shareholders (North York General Hospital, Michael Garron Hospital and SRH).

CARRIED.

6.0 Items for Information/Discussion

6.1 Report from the Quality Committee

V. Carter provided a report on the Quality Committee, with highlights of discussion as follows:

- The committee toured the Centenary Site cardiology program, it is excellent;
- The program is gearing toward non-invasive, non-surgical procedures;
- Patient satisfaction results reviewed
- Accreditation planning is underway and an overview of preparation was provided; mocks are on-going through the cycle;
- Enhanced process and service models will improve patient satisfaction scores. Ranking is currently a “top box” scoring system; M. James overviewed the system score. When reviewing SRH’s next best answer, we are doing better than portrayed;
- Communication is the number one area for improvement;
- V. Carter thanked all for her time as Chair of the Quality Committee, an utter pleasure to chair.

6.2 Report from the Community Advisory Council

O. Jamal provided a verbal update on the Community Advisory Council (CAC). The CAC has met five times since formed, all meetings focused on orientation, engagement and team building, important for Chair/Vice Chair selection. The CAC has overviewed Strategic plan, branding and Master Planning. Next steps will include group identified education and program overview requirements.

6.3 Report from the Board Chair

On behalf of the board members, M. Adamson thanked J. Dalicandro, V. Carter and A. Mak for being steadfast colleagues in efforts to ensure Scarborough health care is on the right path - all will be missed as they take on new personal challenges and leave the board this term.

Ontario’s new government shall be sworn in tomorrow; E. Buller and her team have reached out to the transition team, and hope to continue to build great relationships.

6.4 Report from the President and CEO

E. Buller provide highlights from the written report included with the material, with highlights as follows:

- Top of mind is the new Ontario government; SRH will continue to operate “business as usual;”
- As soon as appointed we are arranging an education session with some of our partners;
- Lots of celebrations this week - pride, 6 staff appreciation barbeques, Eid, Wasat among others! A great week to recognize staff and community alike;
- The recommendation for **Scarborough Health Network** as our new name was unanimously endorsed at the CE-LHIN Board meeting; now to the Minister for written approval!
- Master Planning was overviewed. The included report outlines the clinical opportunities; we determine physical solutions after we define the size of the box. We are required to submit multiple options to the MOHLTC, not just one. Engagement is ongoing and will continue through the many stages.

6.5 Report from the Chief of Staff

Dr. Dick Zoutman presented the MAC report pre-circulated in the materials, with highlights as follows:

- OTN, a provincial electronic modality in home video consults and multiple provider consults etc., technology has come of age. The technology is now mobile device compatible. MAC has debated and highlighted where we can really make a difference - SRH wants to be OTN’s flagship organization;
- Physician scorecard discussed, MAC item was non-controversial.

6.6 Report from the Foundation

M. Mazza, President and CEO of the SRH Foundation provided an update with highlights of discussion as follows:

- Foundation Annual General meeting was held on Tuesday June 26, 2018. The Foundation audited statements will be posted on the Foundation website;
- Business grew last year by 2.2%; majority in major gifts.

6.0 Next Meeting

To be Determined.

8.0 Termination

Moved By: Y. Bharucha

Seconded by: O. Jamal

THAT the SRH Board of Directors Public Meeting is closed.

CARRIED

The meeting terminated at 4:46 pm.