

Board of Directors Meeting (Open Session)

MINUTES OF MEETING

May 29, 2018

Port Colborne General Site – Boardroom

	Sep 26/17	Oct 30/17	Nov 28/17	Jan 23/18	Feb 27/18	Mar 27/18	May 29/18	
John MacDonald, Chair	✓	✓	✓	✓	✓	✓	✓	
Bunny Alexander	✓	✓	✓	✓	✓	R	✓	
Larry Boggio	R	✓	✓	✓	✓	✓	✓	
John Bragagnolo	✓	✓	✓	R	✓	✓	✓	
Parminder Brar (ex-officio)	R	✓	✓	R	✓	✓	✓**	
Suzanne Johnston (ex-officio)	✓	✓	✓	✓	✓	✓	✓	
Marti Jurmain	✓	✓	✓	✓*	R	✓	✓	
Ken Kawall	R	✓	✓	✓	✓	✓	✓	
Derek McNally (ex-officio)	✓	✓	✓	R	✓	✓	✓	
Ronald Mergl	✓	✓	✓	✓	✓	✓	✓	
Murray Paton	✓	✓*	✓	✓	✓*	✓*	R	
Charles Rate	✓	✓	✓	✓	✓	✓	✓	
Cathy Sutherland	✓	✓	✓	R	✓	✓	✓	
Thomas Stewart (ex-officio)	✓***	R	✓	R	✓	✓	R	
Robert Tiffin	✓	✓	✓	R	✓	✓*	✓	
Barry Wright	✓	✓	✓	✓	✓	✓	✓	
Staff and Guests in Attendance:								
Linda Boich	✓	✓	✓	✓	✓	✓	R	
Flo Paladino	✓	✓	✓	✓	✓	✓	✓	
Caroline Bourque-Wiley	✓	✓	✓	✓	✓	✓	✓	
Angela Zangari	R	✓	✓	✓	✓	✓	✓	

*via teleconference/videoconference

**attended in part

Guests:

Johan Viljoen – Niagara Health
 Melanie Stansfield – Niagara Health
 Deanne Anger – Niagara Health
 Roger Ali – Niagara Health Foundation
 Gord Statham – Niagara Health Foundation
 Vita Gauley – Niagara Health Foundation

Board Chair John MacDonald welcomed guests, fellow Directors and staff and called the meeting to order at 4:04 p.m.

1. CALL TO ORDER

1.1 Quorum

There was quorum and the meeting was properly constituted for the transaction of business.

1.2 Approval of the Agenda

MOTION B18-039:

It was MOVED by C. Sutherland and SECONDED by M. Jurmain that the Niagara Health System Board of Directors approves the Open Session Agenda for the May 29, 2018 Meeting as presented. CARRIED.

1.3 Declaration of Conflicts

There were no conflicts declared with the subject matter contained in the agenda.

1.4 Chair's Comments

The Chair informed Directors that they had been provided a copy of the Corporate Communications Annual Report, the latest edition of Niagara Health Now and a book regarding Canadian healthcare.

1.5 Reaffirming our Purpose, Vision and Values

Charles Rate led the Board through a review of the Purpose, Vision and Values.

1.6 Patient Story

Melanie Stansfield, Newport Centre Nurse Practitioner, and Deanne Anger, Addictions Counsellor, provided the Board with a story outlining the journey of a patient undergoing treatment for addiction and the manner in which the organization's core values were demonstrated by thinking outside the norm. It also illustrated the difficulties the patient population often faces with determinants of health.

2. PRESENTATION

2.1 St. Catharines Hospital Site Governance Model

Angela Zangari provided the Board with a presentation which outlined the governance model developed for the construction of the St. Catharines Site. Individuals with expertise required to support the Committees within this governance model were added for the duration of the build. The project team also grew as needed.

Staff were kept abreast of developments throughout the process through weekly newsletters, site leadership meetings and huddles and town hall meetings. The Board and Senior Management provided updates to the community through town hall meetings and attendance at various venues such as Rotary and Lion's Club meetings. Regular briefings were also provided to elected officials.

The Board also discussed the key milestones of the compressed project schedule, the scope of project services included, the unique challenges in Niagara, lessons learned during the project and the results of the post occupancy evaluation.

3. **CONSENT AGENDA**

MOTION B18-040:

It was **MOVED** by L. Boggio and **SECONDED** by B. Wright that the Niagara Health System Board of Directors approves the Consent Agenda for the May 29, 2018 Open Session meeting as presented, including the motions and reports listed below:

- **That the Minutes of the March 27, 2018 Open Session of the Niagara Health System Board of Directors Meeting be approved as presented.**
- **Quality Committee Report Received for Information.**
- **Resources and Audit Committee Report Received for Information.**
- **Governance Committee Report Received for Information.**
- **That, on the recommendation of the Governance Committee, the Niagara Health System Board of Directors approves the removal of the designated terms of office for the Community Advisory Committee members.**
- **That, on the recommendation of the Governance Committee, the Niagara Health System Board of Directors approves the appointment of the following individuals to the Nominating Committee: John MacDonald, Chair, Bunny Alexander (Board Vice-Chair and Governance Committee Chair), Marti Jurmain, Charlie Rate, Suzanne Johnston, and Tom Stewart.**

CARRIED.

4. **MATTERS FOR DECISION/DISCUSSION**

4.1 **Report of the Quality Committee**

Larry Boggio, Quality Committee Chair, provided the first quarter data for the 2018/19 Niagara Health and Extended Care Unit Quality Improvement Plans that were presented at the Committee's May 9th meeting.

4.2 **Report of the Resources and Audit Committee**

Ken Kawall, Resources and Audit Committee Chair, provided highlights from the Committee's May 15th meeting as outlined in the Committee report to the Board, as follows:

4.2.1 **Year End Chief Financial Officer Report**

Angela Zangari provided the Board with an update on the financial position at fiscal year-end. One time funding, diligent and conservative budgeting, as well as grant revenues have resulted in a surplus from operations after capital expenses. The annual report will contain the revenue and expense detail which will also be posted to the Niagara Health website.

It was noted that in preparation for the significant costs associated with the new hospital local share and a Health Information System, a firm has been engaged to develop an overall financing strategy to determine if any improvements with respect to interest rates can be obtained. Niagara Health will also participate in any Ministry of Health programs available to assist with paying down debt.

The Board also discussed the factors contributing to the organization's overall overtime and sick time rates. NH's Attendance Support Program is aligned with a study of high performing hospitals completed by the Ontario Hospital Association.

4.2.2 Year End Audited Financial Statements

Representatives from the auditing firm Deloitte reviewed the year end statements with the Resources and Audit Committee, including audit findings, risks and internal controls. The statements were prepared in accordance with generally accepted auditing standards with no insufficiencies identified. Two immaterial misstatements from prior years have been corrected as outlined in the management letter appended to the statements.

As part of the process, the Resources and Audit Committee also met with the Auditors without Senior Management present. The auditors were complimentary of the process and systems in place with no concerns being identified.

MOTION B18-041:

It was MOVED by K. Kawall and SECONDED by C. Sutherland that, on the recommendation of the Resources and Audit Committee the Niagara Health System Board of Directors approve the 2017/18 Niagara Health System Audited Financial Statements as presented for period ending March 31, 2018. CARRIED.

The Committee will familiarize themselves with the new set of accounting standards that will apply to Niagara Health during the 2018/19 audit.

4.2.3 Auditors Re-Appointment

The Committee supported the reappointment of Deloitte for a final term to complete the 2018/19 audit. The fees have remained unchanged over the term of the contract and are the same as in previous years. An RFP will be issued for auditing services beginning in April 2019 and beyond.

MOTION B18-042:

It was MOVED by K. Kawall and SECONDED by R. Tiffin that, on the recommendation of the Resources and Audit Committee, the Niagara Health System Board of Directors appoint Deloitte LLP as auditors of the Corporation and extend the current term of service for an additional year, to hold office until the 2019 Annual General Meeting, or until a successor is appointed, and that its remuneration be set by the Board of Directors. CARRIED.

4.3 Report of the Governance Committee

John Bragagnolo, Governance Committee Chair, provided highlights from the Committee's May 16th meeting as outlined in the Committee report to the Board, as follows:

4.3.1 Administrative By-Law Amendment

The Committee reviewed the By-Law which has been amended to comply with the changes recently proclaimed to the *Corporations Act*. The Board was provided with the blacklined By-Law prepared by legal counsel outlining these suggested revisions.

MOTION B18-043:

It was MOVED by J. Bragagnolo and SECONDED by B. Wright that, on the recommendation of the Governance Committee, the Niagara Health System Board of Directors approves the Niagara Health System Administrative By-Law Number 1 as amended. CARRIED.

Approval by the Members of the Corporation will be sought at the Annual General Meeting.

4.3.2 2018/19 Board Vice Chair Appointment

The Committee participated in a robust deliberation and comprehensive multi-layer review of several factors including: Director Self-Assessment results; Peer to Peer Assessment results; and input from Senior Management to form the recommendation brought forward. The Board supported the Committee's recommendation that Bunny Alexander be the successful Director appointed to the position of incoming Board Vice-Chair for the 2018/19 Board year.

MOTION B18-044:

It was MOVED by J. Bragagnolo and SECONDED by B. Wright that, on the recommendation of the Governance Committee, the Niagara Health System Board of Directors approves the election of Bunny Alexander as the incoming Board Vice-Chair for the 2018/19 Board year. CARRIED.

4.3.3 2018/19 Standing Committee Chair and Vice-Chair Appointment

The Committee undertook a similar process as outlined above, including careful consideration with respect to the best interest of the organization for each of the leadership positions. The Board supported the Committee's appointment recommendations as outlined in the motion below.

MOTION B18-045:

It was MOVED by J. Bragagnolo and SECONDED by B. Wright that, on the recommendation of the Governance Committee, the Niagara Health System Board of Directors approves the following Standing Committee Chair and Vice-Chair appointments for 2018/19:

- **Chair, Governance Committee: Bunny Alexander**
- **Vice-Chair, Governance Committee: Barry Wright**
- **Chair, Quality Committee: Marti Jurmain**
- **Vice-Chair, Quality Committee: Ron Mergl**
- **Chair, Resources and Audit Committee: Charlie Rate**
- **Vice-Chair, Resources and Audit Committee: Rob Tiffin. CARRIED.**

It was noted that no change is required with respect to Community Advisory Committee leadership at this time and that Larry Boggio and Marti Jurmain will continue to serve on the Committee.

4.3.4 2018/19 Director Reappointments

The Committee discussed the current and maximum Director terms as well as the potential for significant Board turnover in the coming years. The Nominating Committee will be convened following the 2018 Annual General Meeting to develop a recommendation to the Governance Committee regarding Board renewal and succession planning.

The Committee recommended that in order to provide Board with flexibility while the Nominating Committee develops a recommendation, the Directors with terms expiring in 2018 be reappointed for a one year term.

MOTION B18-046:

It was MOVED by J. Bragagnolo and SECONDED by C. Rate that, on the recommendation of the Governance Committee, the Niagara Health System Board of Directors approves the reappointment of the following Elected Directors for a one (1) year term:

- **John Bragagnolo**
- **Ron Mergl**
- **Charlie Rate**
- **Rob Tiffin. CARRIED.**

4.3.5 **MSA Agreement Ad-Hoc Committee**

The Ad-Hoc Committee struck in March 2018 met with leadership from St. Joseph's Healthcare System to discuss the current Management Services Agreement as well as the process for replacing the vacant Chief Executive Officer position. Niagara Health's interests are being represented with John Bragagnolo participating as the Niagara Health Board representative on the Search Committee.

As the Management Services Agreement is expiring in January 2019, the Governance Committee is recommending that an Ad-Hoc Committee be convened to review the Agreement in its entirety. The Ad-Hoc Committee will develop recommendations with regard to the future for the Governance Committee to review and present to the Board.

MOTION B18-047:

It was MOVED by J. Bragagnolo and SECONDED by C. Rate that, on the recommendation of the Governance Committee, the Niagara Health System Board of Directors approves the establishment of an Ad-Hoc Committee as set out below to develop a recommendation regarding the expiration of the current Management Services Agreement:

- **John Bragagnolo, Chair;**
- **Bunny Alexander;**
- **John MacDonald;**
- **Murray Paton; and**
- **Barry Wright. CARRIED.**

The Committee reviewed the election of officers report as well as the Committee assignments for the 2018/19 Board year. These will be brought forward for approval at the Post Annual General Meeting on June 26th. The Committee also reviewed the annual legislative compliance attestation report and finalized a recommendation for defining financial literacy, diversity and content for the CFO report.

4.3 **Report of the Medical Advisory Committee**

Johan Viljoen, Deputy Chief of Staff provided highlights for the Chief of Staff/EVP Medical and Medical Advisory Committee's April 4th meeting, as outlined in the Committee Report to the Board.

The minutes of the March 7th meeting were included in the package. Updates were provided with respect to recruitment of key physician leadership positions underway.

5. REPORTS

5.1 Report of the Niagara Health Foundation

Roger Ali, Gord Statham and Vita Gauley provided an update on Foundation activities including the planning for a mission, vision and values refresh, results of the recent engagement meetings with the Niagara Health Board, recent Foundation activities to continue to build the culture of philanthropy and the work underway toward readiness for the first phase of the upcoming capital campaign.

5.2 Report of the President

Suzanne Johnston highlighted a number of items from the May President's report to the Board including current pressures and opportunities, as well as a look to the potential future of health care delivery in hospital, residential care and primary/community care. The Board was also provided updates with regard to recent successes and recognitions, including the top fundraising award for the Rankin Run.

6. MOTION TO ADJOURN TO CLOSED SESSION

There being no further business, the Open Session adjourned at 6:13p.m.

MOTION B18-047:

It was MOVED by B. Alexander and SECONDED by L. Boggio that the Niagara Health System Board of Directors Open Session Meeting of May 29, 2018 be adjourned and moved to a Closed Session. CARRIED.

Recording Secretary: D. Dube

John MacDonald, Chair