



LENNOX AND ADDINGTON COUNTY GENERAL HOSPITAL

MINUTES BOARD OF DIRECTORS February 4, 2020 Airhart Conference Room

A meeting of the Board of Directors of the Lennox and Addington County General Hospital was held in the Airhart Conference Room at 7:00 p.m. on February 4, 2020.

PRESENT:

Board:	Allan MacGregor (Chair)	Mary Mayo
	Wayne Coveyduck	Bob Clancey
	Dr. Patel	Michelle Smith
	Robert Paul	Geoff Griffin
	Robert Hough	Jamie Uson
	Chris Seeley	Tracy Kent-Hillis

REGRETS:

Lori Francis	Deb Lowry
Dr. Morrison	Jane Good
John Wise	Norm Clark

Staff in Attendance:	Tracy Ringrose	Gert Switzer
	Erin Brown	Darlene Moore
	Colin Catt	Sheila Mabee (Recorder)

1. Call to Order/Opening Remarks

Immediately following a Regional HIS Education Session with members from the HIS Project Team, the meeting was called to order at 6:57 p.m., by Allan MacGregor.

2. Approval of the Agenda

The agenda was approved as circulated.

<p>Motion #1</p> <p><i>Rationale: Normal Practice</i></p> <hr/> <p><i>Motion: That the Board of Directors hereby approves the agenda dated February 4, 2020.</i></p> <p>Moved by: Robert Paul Seconded by: Bob Clancey</p> <p style="text-align: right;">The motion was carried.</p>
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3. Conflict of Interest

The Chair inquired if any Board member wished to declare a conflict of interest based on items identified on the Agenda. There were no identified conflicts of interest.

Wayne Coveyduck was asked to introduce the new CFO, Darlene Moore. Board members introduced themselves to Darlene.

4. Minutes of the Previous Meeting

The minutes of the previous meeting were approved as circulated.



LENNOX AND ADDINGTON COUNTY GENERAL HOSPITAL

MINUTES BOARD OF DIRECTORS February 4, 2020 Airhart Conference Room

Motion #2

Rationale: Normal Practice

Motion: That the Board of Directors hereby approves the minutes of the previous meeting dated January 14, 2020.

Moved by: Michelle Smith

Seconded by: Robert Hough

The motion was carried.

5. Business Arising

5.1 Regional Updates

Allan MacGregor noted that the Chairs/Vice Chairs Forum had not met since the last Board meeting.

Wayne highlighted that the FLA-OHT Steering Committee continues to meet every other week.

Progress is slow, however the group has selected a priority population to operationalize planning and full application submission to the Ministry.

5.2 Art Décor Policy

Allan MacGregor noted that the amended Art Décor policy was included in the Board package which was inclusive of wording of “in-memoriam trees”. Allan highlighted some thoughts forwarded in an email from Jane Good, which he read in her absence.

The Board approved the policy changes and decided to send it back to the Art Décor Committee for further consideration and discussion.

Motion #3

Rationale: The standing committees of the Board are required to review their relevant policies

Motion: That the Board of Directors hereby approves the following amended documents, as recommended by the Art Décor Committee:

- ***Art Décor Committee Policy B-23, including appendix 1***

Moved by: Mary Mayo

Seconded by: Chris Seeley

The motion was carried.

6. Reports

6.1 Quality Committee

Chris Seeley highlighted the following from the January 21, 2020 Quality Committee meeting:

- Colin Catt attended the meeting to provide an update from the IS Department. The presentation was included in the minutes.
- The semi-annual KHSC Women’s Clinic report was provided to the Committee as part of the hospital’s governance oversight role. It was noted that any public protests should be communicated to LACGH for awareness.

6.2 Medical Advisory Committee

Dr. Patel highlighted the following from the January 9, 2020 Medical Advisory Committee meeting:



LENNOX AND ADDINGTON COUNTY GENERAL HOSPITAL

MINUTES BOARD OF DIRECTORS February 4, 2020 Airhart Conference Room

The Medical Advisory Committee reviewed the re-appointment applications to the LACGH Medical Staff for the following:

- Michael Leveridge - Consulting (Urology)
- Stephen Steele – Consulting (Urology)
- Naji Touma – Consulting (Urology)
- Sasha Bhan – Active (Radiology)
- Patricia Farmer – Consulting (Pathology and Molecular Medicine)
- Yanping Gong – Consulting (Pathology and Molecular Medicine)
- David Good – Consulting (Pathology and Molecular Medicine)

No concerns were noted by the MAC; therefore, the re-appointment applications were recommended to the Board of Directors for approval. The Board reviewed the credentialing applications and no concerns were noted.

Motion #4

Rationale: Applications for appointment to the Medical Staff require the review and approval of the Medical Advisory Committee and the Board of Directors.

Motion: The Board of Directors hereby approves the following re-appointments to the LACGH Medical Staff, as recommended by the Medical Advisory Committee:

- Michael Leveridge - Consulting (Urology)
- Stephen Steele – Consulting (Urology)
- Naji Touma – Consulting (Urology)
- Sasha Bhan – Active (Radiology)
- Patricia Farmer – Consulting (Pathology and Molecular Medicine)
- Yanping Gong – Consulting (Pathology and Molecular Medicine)
- David Good – Consulting (Pathology and Molecular Medicine)

Moved by: Robert Paul
Seconded by: Bob Clancey

The motion was carried.

The Medical Advisory Committee reviewed the appointment applications to the LACGH Medical Staff for the following:

- Annette Hay – Consulting (Oncology)

No concerns were noted by the MAC; therefore, the appointment applications were recommended to the Board of Directors for approval. The Board reviewed the credentialing applications and no concerns were noted.



LENNOX AND ADDINGTON COUNTY GENERAL HOSPITAL

MINUTES BOARD OF DIRECTORS February 4, 2020 Airhart Conference Room

Motion #5

Rationale: Applications for appointment to the Medical Staff require the review and approval of the Medical Advisory Committee and the Board of Directors.

Motion: The Board of Directors hereby approves the following appointments to the LACGH Medical Staff, as recommended by the Medical Advisory Committee:

- Annette Hay – Consulting (Oncology)

Moved by: Mary Mayo
Seconded by: Chris Seeley

The motion was carried.

6.3 Patient & Family Advisory Council

The PFAC minutes of the January 14, 2020 meeting were briefly reviewed with no concerns noted.

6.4 Volunteer Services

In addition to the minutes circulated in the Board package, Mary Mayo noted that the Volunteer Services are hosting a Valentine’s Day Tea on February 14, 2020 in the Airhart Conference Room. Lunch will be served from 11:30am to 2pm, and the Volunteers will be selling sweet treats as well.

6.5 Audit Committee

Allan MacGregor reviewed the following from the January 27, 2020 Audit Committee meeting:

Lori Huber, KPMG Lead Audit Engagement Partner, attended the meeting to provide the Committee with the Audit Planning Report. There were no major changes to the APR from last year. Auditing fees increased slightly from 2019.

The Audit Committee last year decided it was time to go to market for Auditing Services since it had been a number of years since this had occurred. This was brought forward at the meeting and following discussion, it was determined that with a transition to the new CFO, continuity would be maintained and the Committee would discuss going to market with a RFP for Auditing Services in January 2021.

Motion #6

Rationale: Normal practice.

Motion: The Board of Directors hereby approves the Audit Planning Report for fiscal year ending March 31, 2020, as recommended by the Audit Committee.

Moved by: Bob Clancey
Seconded by: Robert Paul

The motion was carried.

6.6 Finance Committee

Allan MacGregor reviewed the following from the January 27, 2020 Finance Committee meeting:

6.6.1 HST Issues with Property Transfer from Foundation

Murray Robertson, MNP, attended the meeting to provide the Finance Committee with guidance on the HST issues associated with the property transfer to the Hospital from the Foundation. With the



LENNOX AND ADDINGTON COUNTY GENERAL HOSPITAL

MINUTES BOARD OF DIRECTORS February 4, 2020 Airhart Conference Room

assumption that tax would be owing on the purchase price, the Hospital would owe \$487,500. The tax was to have been filed no later than January 31, 2020.

Murray was able to articulate quite clearly the different options and the associated pros and cons with making a 211 election (or not) under the Excise Tax Act. By making a 211 election, this would make the supplies of the properties taxable (on rent).

Advantages of making section 211 elections:

- Short-term tax savings of \$47,000;
- Tenants were already paying HST, so no change (consistency) and no need to refund tax already collected on lease revenue.

Disadvantages of making section 211 elections:

- Ongoing: the Association must collect and account for tax on taxable leases;
- Increased cost to tenants (partially or fully unrecoverable if tenants are not engaged in commercial activities (i.e. doctors)) may affect attractiveness of property to tenants or lead to lower rental revenue;
- No impact on portions of property used by the Association;
- If properties sold in the future, full purchase price will be subject to HST, potentially impacting selling price;
- Confusion for tenants if they lease space in different properties and some leases are taxable while others are not (section 211 elections are made on a property by property basis).

Ultimately, the Finance Committee unanimously decided to not make a 211 election. By not making a 211 election, the Association will be entitled to claim a GST/HST rebate in respect of the acquisition of the properties of approximately \$417,000, leaving approximately \$71,000 as a tax cost of the purchase.

The Finance Committee had also discussed cleaning up the wording on the Statement of Adjustments related to the acquisition of the properties, making it clear that the difference between the purchase price and the assessed value was considered a donation from the Foundation, rather than leasehold improvements.

The Board agreed that not making a 211 election was much simpler and in the long run there would be less red tape and administrative upkeep.

Motion #7

Rationale: While working through the complexity of whether or not to make a section 211 election in relation to the external buildings, we determined that we really needed to engage a tax consultant to obtain their expert opinion.

Motion: That the Board of Directors hereby approves to not move forward with a 211 election and not collect HST from the tenants of the external buildings, as recommended by the Finance Committee.

Moved by: Robert Hough
Seconded by: Michelle Smith

The motion was carried.



LENNOX AND ADDINGTON COUNTY GENERAL HOSPITAL

MINUTES BOARD OF DIRECTORS February 4, 2020 Airhart Conference Room

6.6.2 Investment Withdrawal

The Finance Committee discussed the cash flow challenges since taking over ownership of the properties from the Foundation. The Committee was agreeable to monitoring cash flow closely and withdrawing from short term bond investments, if the need arises to satisfy cash flow.

No concerns were noted by the Board.

Motion #8

Rationale: The Finance Committee and Board of Directors is required to review and approve deposits and withdrawals related to the Investments.

Motion: That the Board of Directors agrees that cash flow should be monitored closely and hereby approves withdrawal from short term bond investments, if cash is needed to satisfy cash flow, as recommended by the Finance Committee.

Moved by: Chris Seeley

Seconded by: Mary Mayo

The motion was carried.

6.6.3 Board, CEO and Senior Manager Expenses

The Finance Committee reviewed the Board, CEO, and Senior Management Expenses for November 2019 which totaled \$1,456.15. The Finance Committee recommends to the Board, that the following expenses be approved:

Motion #9

Rationale: The Broader Public Sector Accountability Act requires that the expenses of the Board, CEO and Senior Management be reviewed and/or approved by the Board.

Motion: The Board of Directors hereby approves the following Board, CEO and Senior Management Expenses which totaled \$1,456.15, as recommended by the Finance Committee.

November 2019

Name	Meals	Hospitality	Accommodation	Vehicle Rental/Own Used Mileage	Incidentals (Parking, tolls, etc.)	Fares	Total
Wayne Coveyduck				87.46	6.77	259.16	353.39
Allan MacGregor						232.11	232.11
Gert Switzer	22.87			8.57	24.20		55.64
Tracy Kent-Hillis				54.09			54.09
Tracy Ringrose	4.00			67.64	21.65	291.41	384.70
Colin Catt				345.79	30.43		376.22
TOTAL	26.87	-	-	563.55	83.05	782.68	\$1,456.15

Moved by: Robert Paul

Seconded by: Michelle Smith

The motion was carried.

6.6.4 November Financial Statements and Cheque List

The Finance Committee reviewed the November 2019 Financial Statements and Cheque List which totaled \$2,121,355.71. No concerns were noted by the Finance Committee or the Board.



LENNOX AND ADDINGTON COUNTY GENERAL HOSPITAL

MINUTES BOARD OF DIRECTORS February 4, 2020 Airhart Conference Room

Motion #10

Rationale: Normal Practice.

Motion: The Board of Directors hereby approves the following, as recommended by the Finance Committee:

- November 2019 Cheque List totaling \$2,121,355.71;
- November 2019 Financial Statements.

Moved by: Robert Paul
Seconded by: Michelle Smith

The motion was carried.

6.6.5 Board, CEO and Senior Manager Expenses

The Finance Committee reviewed the Board, CEO, and Senior Management Expenses for December 2019 which totaled \$1,231.20. The Finance Committee recommends to the Board, that the following expenses be approved:

Motion #11

Rationale: The Broader Public Sector Accountability Act requires that the expenses of the Board, CEO and Senior Management be reviewed and/or approved by the Board.

Motion: The Board of Directors hereby approves the following Board, CEO and Senior Management Expenses which totaled \$1,231.20, as recommended by the Finance Committee.

December 2019

Name	Meals	Hospitality	Accommodation	Vehicle Rental/Own Used Mileage	Incidentals (Parking, tolls, etc.)	Fares	Total
Wayne Coveyduck				88.36	7.45		95.81
Gert Switzer	21.35			6.36	8.11		35.82
Tracy Ringrose	2.31			13.53	10.82	554.28	580.94
Colin Catt				473.55	45.08		518.63
TOTAL	23.66			581.80	71.46	554.28	\$1,231.20

Moved by: Robert Paul
Seconded by: Michelle Smith

The motion was carried.

6.6.6 December Financial Statements and Cheque List

The Finance Committee reviewed the December 2019 Financial Statements and Cheque List which totaled \$7,164,730.85. No concerns were noted by the Finance Committee or the Board.



LENNOX AND ADDINGTON COUNTY GENERAL HOSPITAL

MINUTES BOARD OF DIRECTORS February 4, 2020 Airhart Conference Room

Motion #12

Rationale: Normal Practice.

Motion: The Board of Directors hereby approves the following, as recommended by the Finance Committee:

- December 2019 Cheque List totaling \$7,164,730.85;
- December 2019 Financial Statements.

Moved by: Bob Clancey

Seconded by: Robert Paul

The motion was carried.

6.6.7 Capital Equipment Requests

The Finance Committee reviewed a request for the allocation of \$55,315 towards the purchase of: OR, Colonoscope. (\$725). Added cost; Lab, Specimen refrigerator. (\$5,705). Break down; Maintenance, Yard tractor. (\$39,780). Additional; Cafeteria, Counter. (\$2,690). Assist with flow; ER, Ice/water dispenser. (\$6,415). Replacement.

No concerns were noted by the Finance Committee or the Board.

Motion #13

Rationale: The Board of Directors is required to review and approve capital requests.

Motion: The Board of Directors hereby approves the following capital requests totaling \$55,315, as recommended by the Finance Committee for:

- OR. Colonoscope. (\$725). Added cost.
- Lab. Specimen refrigerator. (\$5,705). Break down.
- Maintenance. Yard tractor. (\$39,780). Additional.
- Cafeteria. Counter. (\$2,690). Assist with flow.
- ER. Ice/water dispenser. (\$6,415). Replacement.

Moved by: Mary Mayo

Seconded by: Robert Hough

The motion was carried.

6.7 Foundation Report

Robert Hough highlighted that the Foundation Golf Tournament is being held on June 3, 2020 and noted that the Gala is next week. The Foundation is also working on a Planned Giving Program.

6.8 Chief Executive Officer's Report

Further to the written report provided in the Board package, Wayne Coveyduck shared the following information:

Cash flow is being monitored closely to ensure there is enough cash in the accounts to cover expenses. There is a need to control spending for the next while to weather the storm while things return to normal.

Wayne attended the most recent Foundation Board meeting to request their support in the Chemo Clinic redevelopment because we are outgrowing current capacity. The ask was for \$513,000 to



LENNOX AND ADDINGTON COUNTY GENERAL HOSPITAL

MINUTES BOARD OF DIRECTORS February 4, 2020 Airhart Conference Room

move the Chemo Clinic downstairs and expand from 5 chairs to 10. With this project, there is a requirement to put 50% down on capital purchases with another 40% to be paid on delivery. Wayne had the opportunity to speak with Foundation Board Chair, Robert Hough, the morning after the Foundation meeting. The Foundation was committed to providing \$500,000 in the form of an interest free loan for a period of up to 6-months (with the possibility of extension).

<p>Motion #14</p> <p><i>Rationale: Normal Practice</i></p> <hr/> <p>Motion: The Board of Directors hereby accepts the reports from the Quality Committee, Medical Advisory Committee, Patient & Family Advisory Council, Volunteer Services, Audit Committee, Finance Committee, Foundation and the CEO.</p> <p>Moved by: Chris Seeley Seconded by: Mary Mayo</p> <p style="text-align: right;">The motion was carried.</p>
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7. Correspondence Received up to January 30, 2020

There was nothing further to report for correspondence.

8. New Business

8.1 Elected Board Member Terms

Allan MacGregor noted that Sheila Mabee had circulated forms for elected Board members to complete to advise the Governance Committee on whether members would be staying on the Board for the upcoming term.

8.2 Board Orientation Follow-up Session

An informal follow-up orientation session is planned for March 17, 2020 ahead of the Quality Committee meeting. This is intended for the newer Board members who expressed an interest in a refresher now that there is some context to be able to associate learnings to. Erin Brown agreed to provide a 30 minute intro on what to expect as we gear up for Accreditation, which is scheduled to take place in June 2021.

Action: Anyone with additional topics they would like to learn more about were asked to connect with Sheila Mabee.

9. Closed Session

At 7:40 p.m., the Board moved into closed session.

<p>Motion #15</p> <p><i>Rationale: Normal Practice</i></p> <hr/> <p>Motion: That the Board of Directors hereby moves into closed session.</p> <p>Moved by: Mary Mayo Seconded by: Chris Seeley</p> <p style="text-align: right;">The motion was carried.</p>

At 8:12 p.m., the Board rose from closed session.



LENNOX AND ADDINGTON COUNTY GENERAL HOSPITAL

MINUTES BOARD OF DIRECTORS February 4, 2020 Airhart Conference Room

Motion #16

Rationale: Normal Practice

Motion: That the Board of Directors hereby rises from closed session.

Moved by: Chris Seeley

Seconded by: Robert Paul

The motion was carried.

10. Next Meeting

The next regular meeting of the Board is scheduled for March 3, 2020 at 6:30 p.m., in the ACR.

11. Adjournment

The meeting was adjourned at 8:13 p.m.

Motion #17

Rationale: Normal Practice

Motion: That the Board of Directors hereby adjourns their meeting at 8:13 p.m. on February 4, 2020.

Moved by: Chris Seeley

Seconded by: Jamie Uson

The motion was carried.