



**Board of Trustees Meeting
MINUTES of Meeting
Wednesday, May 30, 2012
6:00 – 8:00 p.m. Room 5E100
150 Kilgour Road, Toronto, ON**

Present: D. Allgood, *Chair* B. Alman E. Caroll B. Cranston C. Everson
K. Falzon J. Hanigsberg C. Hunt S. Jarvis M. Kardos Burton
A. Kawamura R. Laxer G. Milo-Manson H. Ort J. Ronson

Teleconference : J. Morrison

Regrets: N. Kawale J. Kustec T. McCarthy T. Muir

Sr. Management: D. Kline J. Hunter T. Chau

Guests: E. Dininio S. Jacobson B. Webster

Recorder: B. James

The Chair called the meeting to order at 6 p.m.

Declaration of Conflict of Interest

There were no conflicts of interest declared at this meeting of the Board of Trustees.

1.0 Approval of the Consent Agenda

The Chair asked whether there were additions or questions on the Consent Agenda items, and there were no comments.

A MOTION for the Board of Trustees to approve:

- 1.1) the Agenda for meeting of the Board, May 16, 2012**
- 1.2) the Minutes of the meeting of the Board on April 18, 2012**
- 1.3) the Board Standing Committee Report May, 2012**

was made by Bob Cranston, and seconded by Ben Alman. The MOTION was CARRIED.

2.0 President's Report

2.1 President & CEO's Report – May

The President's Report included an announcement of Holland Bloorview's achievement of the Excellence Canada Healthy Workplace Level 2 Certification. This "Progressive Excellence Program" is a four-level implementation program for organizational excellence leading to the Canada Awards for Excellence.

It was noted that the Directors of the Holland Bloorview Kids Rehabilitation Hospital Foundation had received the Hospital's report of the new Strategic Plan 2012-17 at their meeting today and enthusiastically supported the new Strategic Plan. They are looking forward to integrating it into their case for need in the Campaign.

3.0 Business Arising

3.1 Board Meeting Dates 2012-13

The Board of Trustees meeting dates for the ensuing Board year, 2012-2013 were reviewed and there were no amendments at this time. The dates would be finalized at the first Board meeting following the Annual General Meeting, on June 13, 2012.

4.0 New Business

4.1 Preliminary Year-End Financial Statements as of March 31, 2012

The Treasurer stated that the Preliminary Year-End Financial Statements as of March 31, 2012 had been reviewed by the Business & Audit Committee and asked the Director of Finance to report on the internal variance report for the Hospital, in the absence of the Vice-President of Corporate Services.

The Balance Sheet demonstrated a current ratio of 1.28 for the year ended March 31, 2012—slightly lower than the 1.4 reported in 2011 but still strong. This was due in large part to higher outstanding payables and accruals at year end.

The operating position reported a surplus of \$333,789 but represented a variance of \$120,555 from budget. Some of the more significant factors impacting the year end variance include staff vacancies in the areas of Information Technology (IT), Nursing, and Programs and Services as well as cumulative surpluses in the self-funded areas. Also impacting the year end variance were higher-than-planned pool revenues which were due to the new online registration tool, profits of \$110,000 from our international work in Qatar, and an increase in IT work with Erinoak. Offsetting these budget surpluses were restructuring costs that came in higher than budget, a deficit in education from a higher level of reimbursements, and a decline in dental operations' revenues. Finally, membership fees paid to Plexxus in the amount of \$315,000 had been expensed as management is not confident that these funds will be recovered.

After discussion and there being no further questions, the Chair asked for a Motion to approve the year end Financial Statements to March 31, 2012.

MOTION: It was MOVED by Julia Hanigsberg, and seconded by Cally Hunt, that the Board of Trustees approve the Preliminary Financial Statements for the twelve months ended March 31, 2012 for Holland Bloorview Kids Rehabilitation Hospital, as pre-circulated.

Hanigsberg/Hunt

CARRIED

4.2 Draft Audited Financial Statements as of March 31, 2012

The Draft Audited Financial Statements as of March 31, 2012 were reviewed with the Auditors by the Business & Audit Committee and are presented for Board approval today. The audit had not revealed any major discrepancies in accounts of Holland Bloorview for 2011-12.

The Director of Finance summarized detail of the Statement of Financial Position for 2011-12. Net Assets were down approximately \$378,000 from 2011. Investment assets increased due to the reinvestment of income and gains. Liabilities were slightly lower than in 2011. It was noted that accounts payable were significantly higher due to the 2% lump-sum salary accrual, severance costs from restructuring, and timing of payroll remittances. Slightly offsetting this was a reduction in Ministry payables as a result of clawbacks related to the prior year Centralized Equipment Pool (CEP) surplus and recognition of unused Alternate Funding Plan (AFP) funds. Deferred contributions had increased due to growth in research grants. A plan is being developed to reduce long-standing deferred balances as recommended in the audit.

The Statement of Revenues and Expenses indicated that there was an operating surplus of revenues over expenses of \$313,791 before building depreciation and capital grant amortization. Ministry revenue was up by 2.5% due to base and CEP funding increases as well as AFP one-time payments.

Holland Bloorview

Kids Rehabilitation Hospital

Client services and other items had increased by \$1.4M in large part due to an unexpected PST rebate. The Hospital also experienced increases in Foundation and other operating grants. Expenses for the year were up by approximately 15% with higher salaries, benefits, and supplies as result of growth in both research and annual operating grants, specifically Teaching and Learning and Evidence to Care. There was no significant change resulting from the amortization of building and related deferred capital grants.

The audit supported management's presentation of the Financial Statements, and resulted in an unqualified report from the Auditors for the Hospital for 2011-2012. The Business & Audit Committee was recommending the approval of the Draft Audited Financial Statements as of March 31, 2012 to the Board of Trustees.

MOTION: It was MOVED by Mary Kardos Burton, and seconded by Harry Ort, that the Board of Trustees approve the Draft Audited Financial Statements for the year ended March 31, 2012 for Holland Bloorview Kids Rehabilitation Hospital, as pre-circulated.

Kardos Burton/Ort

CARRIED

The Treasurer relayed commendations from the Auditors for the work done by management over this year, and thanked the Director of Finance for her support of the audit process this year and the presentation to the Board of Trustees.

4.3 Governance Committee Nomination for the Board: Jean Lam

The Chair of the Governance Committee referred Trustees to the Memo in the Board meeting package outlining the skills and governance experience of Jean Lam. Members of the Governance Committee and the Executive Committee had met with Ms. Lam who had indicated an interest in joining the Board of Trustees at Holland Bloorview.

A Motion was tabled to nominate Jean Lam for election to the Board of Trustees at the Annual General Meeting on June 13, 2012.

MOTION: It was MOVED by Bob Cranston, and seconded by Janet Morrison, that the Board of Trustees approve the nomination for election to the Board of Trustees of Holland Bloorview Kids Rehabilitation Hospital, at the Annual General Meeting on June 13, 2012, of Jean Lam as recommended by the Governance Committee.

Cranston/Morrison

CARRIED

4.4 Approval Terms of Reference for Board Standing Committees

The Chair of the Governance Committee outlined the process and rationale for revision of all Terms of Reference for Board Standing Committees for 2011-2012. Each Committee had reviewed and approved its Terms of Reference before passing them to the Governance Committee for review and recommendation to the Board.

The Governance Committee had reviewed its Terms of Reference vis a vis the Ontario Hospital Association's Guide to Good Governance, version 2. As a result, it was suggested that some phrases appear in all of the Board Standing Committee Terms of Reference. Each of the Terms would also be formatted in a similar way for a standard appearance.

4.4.1 Governance Committee

No amendments were suggested for the Governance Committee Terms of Reference as presented.

4.4.2 Business & Audit Committee

No other amendments were suggested for the Business & Audit Committee Terms of Reference.

Holland Bloorview

Kids Rehabilitation Hospital

4.4.3 Investment Sub-Committee

The Terms for the Investments Sub-Committee had been developed and reviewed by the Business & Audit Committee—no further amendments were brought forward.

4.4.4 Quality Committee

The Chair of the Quality Committee advised that the Committee had approved the Terms of Reference as distributed to the Board.

4.4.5 Research Advisory Committee

There were no other amendments suggested for the Research Advisory Committee Terms of Reference.

Then, the Chairs of the Board Standing Committees indicated that there had not been any significant changes to any of the Committee Terms of Reference, and agreed with the Governance Committee for recommendation to the Board of Trustees to approve the Terms as distributed.

MOTION: It was MOVED by Bob Cranston, and seconded by Ben Alman, that the Board of Trustees approve the recommendation of the Governance Committee for the approval of the Board Standing Committees' Terms of Reference for Governance, Business & Audit, Investment Sub-Committee, Quality Committee and Research Advisory Committee.

Cranston/Alman

CARRIED

Then, one additional item was added to the Agenda at the request of the Chair of the Governance Committee, regarding changing the cross-appointees to the Foundation's Board of Directors.

4.5 Revise Appointment of Hospital Representatives for the Foundation Board 2012-13

At the meeting of April 18, 2012, the Board had approved the appointment to the Foundation Board of David Allgood and Esme Carroll, as Hospital Representatives. However, since then it was deemed important to include Julia Hanigsberg, Vice-Chair, as a representative for 2012-2013 in order to prepare for the role as incoming Chair of the Hospital Board in June 2013.

Esme Carroll agreed to step down as representative on the Foundation Board 2012-2013 and to accept a role on the Investment Sub-committee as Trustee Representative.

MOTION: On a MOTION by Bob Cranston and Carolyn Everson, that the Board of Trustees approve the recommendation of the Governance Committee for the appointment of Julia Hanigsberg and David Allgood as representatives of the Hospital Board of Trustees on the Holland Bloorview Kids Rehabilitation Hospital Foundation Board of Directors for 2012-13.

Cranston/Everson

CARRIED

Holland Bloorview
Kids Rehabilitation Hospital

5.0 Reports

5.1 Foundation Report

There were no items to report on the Foundation at this time.

6.0 Agenda for Celebration of Excellence

Trustees were asked to check their meeting folders for highlights of the Celebration of Excellence and the Circle of Honour Awards presentation at 4 p.m. on June 13, prior to the Annual General Meeting.

7.0 Adjournment

The Chair asked for a Motion to adjourn the Board of Trustees meeting for May 30, 2012.

MOTION: It was MOVED by Anne Kawamura, and seconded by Esme Carroll, that the Board of Trustees of Holland Bloorview Kids Rehabilitation Hospital approve the adjournment of the Board of Trustees meeting held May 30, 2012 at 6:45 p.m.

Kawamura/Carroll

CARRIED

8.0 "CLOSED" meeting

The Chair asked trustees to convene the closed meeting of the Board at 6:48 p.m.

9.0 Date of Next Meeting

Annual General Meeting
Wednesday, June 13, 2012
5:00 – 5:30 p.m. Holland Bloorview

And

Board of Trustees Meeting
Wednesday, June 13, 2012
5:30 – 6:00 p.m.

*David Allgood, Chair
Board of Trustees*

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