

ATTENDEES:

(P) Linda Franklin	(P) Susan Britton Payne	(P) Pardeep Singh Gill	(P) Winston Young
(R) Elsa Cabral	(P) Michael Torrance	(P) Dr. Frank Martino	(P) Dr. Greg Rutledge
(P) Ricco Bhasin	(R) Stuart Johnston	(P) Manny Satija	(P) Dr. Prashant Phalpher
(P) Mark Beckles	(P) Tiziana Rivera	(P) Connie Stefankiewicz	(P) Dr. Yasir Karani
(P) Chris Loreto			

GUEST(S):

Laurie Cabanas (Resource)	Kiki Ferrari	Florine Lobo	Cara Francis
Kelly Kimens	Ken Mayhew	David Stankiewicz	Deepak Sharma
Marco Deiana	Cathy Renaud	Megha Bhavsar	Kelsi Rousseau
Sarbjit Dheri	Richard Simm (KPMG)	Nikita Thakkar	Andrea Spencer (Optimus)
Nathan Duyck (Optimus)	Janice Dusek (Optimus)	Kathy O'Brien (INQ Law)	

1.0 CALL TO ORDER & REPORT OF THE CHAIR

The meeting was called to order. No declarations of conflict were made. The agenda was tabled for approval; there were no additions or revisions to the agenda.

MOVED, Seconded

That the agenda be approved – CARRIED.

The Chair welcomed everyone to the meeting and Board members shared congratulatory remarks with Mark Beckles, who was recently featured in the media for his valuable contributions to the community. The Chair reminded Board members of the Ethical Decision-Making Framework that was included in the package for reference.

2.0 CONSENT AGENDA

The Consent Agenda was tabled for approval. There were no other changes to the Consent Agenda.

- 2.1 Previous Minutes (January 31, 2024)
- 2.2 Board Annual Work Plan
- 2.3 MAC Resolutions (Feb. 14, 2024) and Minutes (January 10, 2024)
- 2.4 Health Services & Quality Committee Minutes (January 10, 2024)
- 2.5 Governance & HR Committee Minutes (January 11, 2024)
- 2.6 Resources & Audit Committee Minutes (January 18, 2024)
- 2.7 Q3 Enterprise Risk Management Update

MOVED, Seconded

That the items listed within the Consent Agenda be approved as presented – CARRIED.

3.0 MANAGEMENT REPORTS

3.1 Report of the President & CEO

The President and CEO provided remarks to supplement the report that was pre-circulated to the Board, highlighting the organization's process on developing the organization's new strategic plan which included broad consultation with staff and key stakeholders. A brief discussion took place regarding the ongoing meetings occurring with Toronto Metropolitan University (TMU) and how the relationship is developing among the leadership. The President and CEO shared an update regarding recent meetings with elected officials and government leaders, where conversations have focused on Osler redevelopment projects, including plans for the Cancer Centre and challenges that cancer patients and their families in Osler's catchment area are experiencing because of capacity issues in Trillium Health Partners' radiation program.

Board members were provided with insights into the partnership that exists with Sunnybrook Health Sciences Centre that will help alleviate some of the challenges. The Chair thanked Dr. Martino for his report.

3.2 Report of the Chief of Staff

The Chief of Staff provided brief remarks to supplement the report that was pre-circulated to the Board. His update further elaborated on the recent meetings that have occurred with TMU, specifically as they related to curriculum development and the upcoming accreditation process. The Chief of Staff also shared developments pertaining to TMU's recent recruitment within the leadership and provided insights into how the incoming leaders may intersect with Osler. Board members expressed an interest in learning if and how the restrictions on internationally educated professionals might impact Osler's recruitment of physicians and other health care providers. The Chief of Staff noted that Osler has a variety of strategies to continue engaging and fostering the relationships that Osler has with potential candidates. Furthermore, the cap does not affect the International Medical Graduates (IMGs) so Osler will continue to explore IMGs as a recruitment strategy. The Chair thanked the Chief of Staff for the report.

4.0 COMMITTEE CHAIR REPORTS

4.1 Health Services & Quality Committee

A brief verbal report was provided to the Board of Directors to supplement the pre-circulated materials, which reflects discussions from the February 7, 2024 Committee meeting. The focus of the report was on the year-end results of the 2023 Quality Improvement Plan, which included the following indicators:

1. Percent of Serious Workplace Violence (WPV) Incidents, which have documented corrective actions (**Green**)
2. Medication Reconciliation on Discharge (**Green**)
3. Leaving hospital, did you receive enough information? (**Green**)
4. Time to Inpatient Bed 90th percentile (**Green**)

Osler met and exceeded its targets for all four indicators, marking a successful and historical conclusion of a multi-year strategy. This is the first time in at least five years that Osler has met and exceeded all QIP targets across the board. Board members provided positive feedback on the results shared and acknowledged management and all the staff who were involved in achieving this success.

4.2 Resources & Audit Committee

The Committee Chair introduced Richard Simm, Partner at KPMG, who joined for this portion of the meeting. The Committee Chair provided some commentary to supplement the pre-circulated Q3 financial statements. Board members were invited to ask questions and provide feedback. There were no concerns regarding the Q3 financial statements.

MOVED, Seconded

That the Board of Directors approve the Q3 Financial Statements as recommended by the Resources & Audit Committee – CARRIED.

The Committee Chair transitioned to an update on the Hospital Information System (HIS) project based on the pre-circulated Chair's report. It provided a detailed description of the Committee's discussion on the results of the HIS Request for Proposal (RFP) bid evaluation including information on the HIS procurement process, bid evaluation results, vendor profile, total cost of ownership, potential hospital partnerships, contracting phase risks and mitigations, negotiation approach and timelines, and the financing strategy of HIS.

Michael Torrance and Mark Beckles indicated that they may have a potential conflict of interest as it pertains to the financing strategy given their respective employment relationships. The Chair thanked them for declaring this information and they recused themselves from the discussion and decision-making related to the financing strategy.

All Board members were invited to attend the recent Resources and Audit Committee meeting to have access to the Committee's discussion in advance of the Board meeting – the Committee Chair thanked Linda Franklin, Susan Britton Payne and Stuart Johnston for attending. The Committee Chair noted that management thoroughly answered all questions that were submitted by Board members and provided the information required to support the Committee's robust discussions, particularly around the RFP process, the estimated total cost of ownership, the financing strategy and the change management expertise and resources that would be dedicated to supporting the HIS replacement project. A Preferred Proponent has been identified who received the highest points in the RFP evaluation process. The Total Cost of Ownership (TCO) model was updated for all the Proponents. As a result of the due diligence performed and the completion of the HIS RFP bid evaluations, a revised pre-negotiations 10-year TCO estimate for the Preferred Proponent, based on their RFP submission including 10-year cost offsets, is now capital costs of [REDACTED] and incremental operating costs of [REDACTED] for a combined cost of [REDACTED]. The Preferred Proponent's response to the optional hospital partnership appendix was also discussed along with management's approach to the model. A summary of the due diligence process to date along with the next steps in the procurement process was presented. Any future contract award resulting from the procurement will be presented to the Board for final approval upon the conclusion of the procurement process.

Board members were invited to ask questions and provide comments regarding the verbal report and pre-circulated materials. Clarification questions were raised regarding the financing strategy recommended by the Committee and Board members sought to thoroughly understand the options explored to minimize costs and reduce risks as the external market changed. Richard Simm, an external strategic financing advisor, provided insights into the various financing options that were considered and the strategic financing objectives that these were analyzed against. Based on an assessment of the costs, benefits and risks of all the instruments, considering the current market conditions, the 10-year comparative total operating and cash impact of the three options, and the alignment with Osler's strategic financing objectives, an interim financing of a bank loan with up to a three (3) year interest rate swap followed by a conversion to a private placement debenture would be the recommended financing strategy for the capital portion of the HIS project. This strategy also considers the future capacity required for the redevelopment projects.

The Board Chair thanked Richard for his financing strategy expertise throughout the process thus far. The Board Chair also acknowledged the members of the Resources and Audit Committee for its due diligence and deliberations as part of the robust process used to develop a recommendation for the Board of Directors. There was consensus among the Board in proceeding with the Resource and Audit Committee's recommendations regarding entering into the negotiation phase of the procurement with the Preferred Proponent as well as the financing strategy.

MOVED, Seconded

That the Board of Directors approve Management to proceed to the contract negotiation phase with the Preferred Proponent, in compliance with Broader Public Sector Guidelines, as recommended by the Resources and Audit Committee – CARRIED.

MOVED, Seconded

That the Board of Directors approve a [REDACTED] debt financing strategy comprised of both financing instruments listed below, once finalized and approved by the Board of Directors:

- (i) an interim bank credit facility in a principal amount of up to [REDACTED] for a period of up to three years with an ability to fix the floating rate with an interest rate swap; and***
- (ii) a future private placement debenture in a principal amount of up to [REDACTED] to refinance the bank credit facility on its maturity and to borrow for the remaining capital needs of HIS.***

CARRIED

Management thanked the Board for engaging in the various discussions leading up to this important milestone and for encouraging management to think about the various options, risks and mitigation strategies to ensure success. Board members were reminded about the sensitivity of this information at this time and the need for confidentiality until the information is made public. Richard Simm left the meeting.

4.3 Governance & Human Resources Committee

The Chair introduced Kathy O'Brien from INQ Law, who has been retained by the Governance & Human Resources Committee to review and revise all the relevant by-laws and documents required to ensure compliance with the *Ontario Not-For-Profit Corporations Act* by October 2024. The Chair provided a brief summary of the work completed to date and invited Kathy to review the pre-circulated materials, which included draft articles of amendment and proposed revisions to the Administrative By-Law Number 1. Board members had an opportunity to ask clarification questions and share feedback. A brief discussion took place regarding the process for breaking a tie; Kathy agreed to review and provide any revisions to the Governance & Human Resources Committee.

There was consensus among Board members to approve the draft articles of amendment and the revisions to the Administrative By-Law as presented.

That the Board of Directors approve the draft Articles of Amendment as recommended by the Governance & Human Resources Committee – CARRIED.

That the Board of Directors approve the revisions to the Administrative By-Law Number 1 as recommended by the Governance & Human Resources Committee – CARRIED.

The Chair thanked Kathy for joining the meeting and for guiding the Board through the transition process. Kathy O'Brien, Ricco Bhasin and Dr. Greg Rutledge left the meeting.

5.0 STRATEGIC PLAN DEVELOPMENT

Management introduced members of Osler's Strategy team as well as consultants from Optimus SBR, the firm retained to support Osler's strategic planning development process. Management provided the Board of Directors with a brief presentation on the development of the next strategic plan prior to engaging Board members in an interactive discussion to gather input and feedback on the pre-circulated materials. Board members asked clarification questions regarding the execution plan and performance metrics to track progress. Management shared that the data and metrics are reported through the organization's Balanced Scorecard and Strategic Goals & Objective metrics, which are provided to the Board through the Health Services & Quality Committee. A brief discussion took place regarding the value of decentralizing the reporting of new performance metrics and aligning the data to the mandates of the various Committee of the Board. Overall, the Board was comfortable with the information provided as well as next steps. Management thanked the Board for the valuable input provided during the discussion. The members of the Strategy team and Optimus SBR left the meeting.

6.0 IN-CAMERA SESSION

The Board of Directors moved to an In-Camera Session.

MOVED, Seconded

That the Board of Directors move to an In-Camera Session - CARRIED.

7.0 ADJOURNMENT

The Chair thanked everyone for their active engagement and terminated the meeting. The next meeting will be held in person on March 27, 2024.

MOVED, Seconded

That the meeting be adjourned – CARRIED.
