



MEETING OF THE BOARD OF DIRECTORS OF
SINAI HEALTH SYSTEM ("Sinai Health")
Thursday, March 26, 2020
Teleconference
11:00 a.m. – 12:30 p.m.

Minutes

Present:

Mr. Brent Belzberg	Ms. Jane Merkley
Dr. Erin Bearss	Dr. Gary Newton
Ms. Paula Blackstien-Hirsch	Mr. Richard Pilosof
Mr. Jonathan Bloomberg	Mr. Stephen Pustil
Mr. Lawrence Bloomberg	Mr. Philip Reichmann
Mr. Peter Cohen	Mr. Joel Reitman
Mr. Harry Culham	Ms. Joanna Rotenberg
Mr. David Cynamon	Mr. Robert A. Rubinoff
Mr. Lloyd S.D. Fogler, QC	Mr. Allan Rudolph
Mr. Bernard Ghert	Mr. Mark Saunders
Mr. Ira Gluskin	Mr. Kenneth Tanenbaum
Ms. Maxine Granovsky Gluskin	Dr. Lynn Wilson
Mr. Andrew Hoffman	Mr. Charles Winograd
Ms. Debbie Kimel	Mr. Mark D. Wiseman
Mr. Tom Kornya	

Regrets:

Mr. Irving Gerstein	Mr. Howard Sokolowski
Mr. Jay Hennick	Mr. Edward Sonshine
Mr. Joseph Lebovic	Mr. Lawrence Tanenbaum
Ms. Heather Reisman	Rt. Hon. John Turner
Mr. Gerald Schwartz	Dr. Jay Wunder

Also Present:

Ms. Carey Lucki	Ms. Dee Perera
Ms. Karen Hurlburt	

Guests:

Mr. Jonathan Grammer	Mr. Richard Simm
Dr. Jennie Johnstone	

Recorder: Ms. Amy Anderson

1.0 CALL TO ORDER

Mr. Brent Belzberg, Chair of the Board of Directors, called the meeting to order.

1.1 Quorum

Mr. Belzberg noted that a quorum was present and the meeting was duly constituted.

1.2 Declaration of Conflicts of Interest Arising from the Agenda

No Declarations of Conflicts of Interest were made.

1.3 Approval of Agenda

The agenda was approved as circulated.

2.0 REPORTS

2.1 Chair's Report

The Chair welcomed Ms. Dee Perera, Vice President, Finance, and Chief Financial Officer, who has joined Sinai Health in unprecedented and challenging times during the COVID-19 pandemic.

On behalf of the Board, the Chair thanked all Sinai Health workers who are rising to the challenge of responding to the pandemic, and also thanked Board members for their support.

Due to the pandemic, the CEO has requested that all governance positions be frozen until further notice, including the Chair and Treasurer positions.

The AGM luncheon on June 11, 2020 has been cancelled and will be replaced by a teleconference.

2.2 CEO's Report

Dr. Gary Newton, President and Chief Executive Officer, provided a brief report, to be followed by a further report on COVID-19 with agenda item 5.1. Dr. Newton thanked Ms. Perera for hitting the ground running at a remarkable time. He also highlighted the work that two of our staff who have been seconded, Ms. Karen Hurlburt and Ms. Jane Merkley, are doing. Ms. Hurlburt is the Liaison Officer of the Ontario Critical Care COVID Command Centre, working with Dr. Kevin Smith at UHN and Dr. Andrew Baker at Unity Health, to support the critical care response at a provincial level. Ms. Merkley is co-chairing the Toronto Region COVID-19 Hospital Operations Table with Dr. Dan Cass at Sunnybrook, and putting in extraordinary time and effort leading and coordinating the work of GTA hospitals in response to the pandemic.

3.0 APPROVALS

3.1 Consent Agenda Items

3.1.1 Board Committee Reports and Omnibus Motion

Omnibus Motion Emanating from Board Committee Reports

The Board passed an omnibus motion to approve resolutions emanating from the Board Committee Reports:

Be it resolved that the Sinai Health Board of Directors accepts the recommendations of the following Committees of the Board and accordingly approves all of the following resolutions:

Resources Committee – March 12, 2020

Signing Authority for Sinai Health System

Whereas there have been changes in the Finance executive leadership, Sinai Health and Bridgepoint Health are updating the signing officers on their respective bank and investment accounts;

And whereas Sinai Health Management recommends the addition of Dee Perera, Vice-President and Chief Financial Officer, as a signing officer for Sinai Health System (Sinai Health) and Bridgepoint Health bank and investment accounts;

And whereas the Resources Committee has approved Management's recommendation and recommends that the Sinai Health Board of Directors approve the various resolutions required by Sinai Health and Bridgepoint Health banking and investment institutions;

Be it resolved that Sinai Health System's Board of Directors approves the various resolutions required by the Sinai Health and Bridgepoint Health banking and investment institutions.

Signing Authority for Monthly Service Payments to Plenary Group

Whereas Sinai Health is required to submit Monthly Service Payments ("MSPs") to Plenary Group per the terms of the Bridgepoint Hospital 30-year Project Agreement;

And whereas these payments exceed the signing authority of certain individuals pursuant to Board-approved policy;

And whereas the following individuals currently have delegated authority to execute such MSPs to Plenary Group:

- Dr. Gary Newton, President & CEO
- Dr. Maureen Shandling, EVP Academic & Medical Affairs
- Jane Merkle, EVP CNE & COO
- Sandra Dietrich, VP Performance

And whereas the Resources Committee recommends that Dee Perera, Vice-President and Chief Financial Officer, be granted signing authority to execute such MSPs to Plenary Group;

Be it resolved that Sinai Health System's Board of Directors approve the Resources Committee's recommendation granting special signing authority to any two of the following individuals, in conjunction, to execute the MSPs to Plenary Group:

- Dr. Gary Newton, President & CEO
- Dr. Maureen Shandling, EVP Academic & Medical Affairs
- Jane Merkley, EVP CNE & COO
- Sandra Dietrich, VP Performance
- Dee Perera, VP Finance and CFO

Signing Authority for Sinking Fund Trust Agreement

Whereas Bridgepoint Hospital executed a Sinking Fund Trust Agreement (the "Agreement") with BMO Trust Company per the terms of the Bridgepoint Hospital Development Accountability Agreement (DAA) with the Ministry of Health & Long Term Care;

And whereas the signing authorities for all purposes of this Agreement (the "Authorized Persons") need to be updated in accordance with Hospital leadership changes;

And whereas the current individuals are Authorized Persons for the purposes of the Agreement;

- Brent Belzberg
- Dr. Gary Newton
- Jane Merkley

And whereas the Resources Committee recommends that Dee Perera, Vice-President and Chief Financial Officer, be appointed as an Authorized Person for the purposes of the Agreement;

Be it resolved that Sinai Health System's Board of Directors accepts the Resource Committee's recommendation and recommends that the Sinai Health Board appoint the following individuals as Authorized Persons for the purposes of the Agreement:

- Brent Belzberg
- Dr. Gary Newton
- Jane Merkley
- Dee Perera

Bulk & Cylinder Gas Supply and Distribution

Approval of Non-Competitive Procurement

Whereas the Resources Committee has reviewed and approved the request for approval of a non- competitive procurement in respect to the supply and distribution of Bulk & Cylinder Gases;

And whereas Management has completed the requisite diligence to ensure the appropriateness and suitability of such non-competitive procurement;

And whereas the Board is required to approve such non-competitive procurement;

Now therefore be it resolved that the Sinai Health Board of Directors approves the non-competitive procurement for the supply and distribution of Bulk and Cylinder gas, as recommended.

Approval of Agreement

Whereas the Resources Committee has reviewed and approved the request for approval of agreements for the purchase of Bulk & Cylinder Gases;

And whereas the Board is required to approve such agreements;

Now therefore be it resolved that the Sinai Health Board of Directors approves the award of an agreement for the supply and distribution of Bulk and Cylinder gas, as recommended.

Molecular Genetic Testing Products

Approval of Non-Competitive Procurement

Whereas the Resources Committee has reviewed and approved the request for approval of a non-competitive procurement in respect of Genetic Testing Products for Pathology and Lab Medicine;

And whereas Management has completed the requisite diligence to ensure the appropriateness and suitability of such non-competitive procurement;

And whereas the Board is required to approve such non-competitive procurement;

Now therefore be it resolved that the Sinai Health Board of Directors approves the non-competitive procurement of the Products, as recommended.

522 University Avenue Lease Extension

Whereas the Resources Committee has reviewed and approved the recommendation of the Buildings and Property Subcommittee to extend the lease of space at 522 University Avenue;

And whereas the Board is required to approve such extension;

Be it resolved that the Sinai Health Board of Directors approves the Hospital entering into the Lease Extension, as recommended.

4.0 RESOURCES CONVERSATION

4.1 Debenture Approval

Mr. Belzberg welcomed Mr. Peter Cohen and Mr. Mark Saunders, Co-Chairs of the Resources Committee, to lead the conversation on debenture approval. Based on long-term capital requirements to finance Phase 3A and initiate Phase 3B, and to replace capital equipment, and given the current conditions in health care and the economy in general, the Resources Committee has decided to move forward with issuing a 40 year debenture. The market is characterized as volatile but executable, and readiness to launch quickly as opportunities arise will be key. Due diligence is underway. The ratings update is also underway with Moody's. Credit markets have liquidity and there are reverse enquiries from buyers with capital, so there is demand in the market for commercial paper. The decision has been made to go with a single agent which stood out in the submissions, and will provide efficiency and nimbleness in this particular market. It is not necessary to seek approval from the Ministry of Health or OFA but it is advisable to let them know of our plans.

Mr. Ken Tanenbaum noted that coming out of the pandemic it is expected that the province and the Ministry will spend aggressively on infrastructure. We should have a shovel-ready project. Mr. Belzberg and Dr. Newton will prepare for proposals. The debenture will not impact Ministry operational funding, and will put us in a better position to fund our portion of capital projects.

Issue and Sale of Debentures

Whereas Sinai Health System (the "**Hospital**") requires long-term financing of up to \$200 million primarily to fund capital projects of the Hospital;

And whereas it is in the best interest of the Hospital that the Hospital borrows up to but not exceeding \$200 million by the creation, issue and sale of debentures for such purposes;

Now therefore, be it resolved that:

1. The Hospital is hereby authorized to borrow up to but not exceeding \$200 million by the creation, issue and sale of senior unsecured debentures (the "**Debentures**") to be issued pursuant to the master trust indenture dated June 9, 2016 (the "**Trust Indenture**"), as supplemented by a supplemental indenture, between the Hospital and BNY Trust Company of Canada, as trustee (the "**Trustee**") which Debentures shall have the terms and conditions set out in the Schedule "A" and such additional terms and conditions as determined by any two of the Chair of the Board of the Hospital, the Co-Chairs of the Resources Committee and the President and Chief Executive Officer of the Hospital (each an "**Authorized Officer**" and collectively, the "**Authorized Officers**").
2. The Hospital hereby appoints the Trustee as trustee for the purposes of the Debentures and all matters related thereto.
3. The draft of the first supplemental indenture (the "**Supplemental Indenture**") between the Hospital and the Trustee submitted to the members of the Board of Directors is hereby approved and the Authorized Officers are authorized for and on behalf of the Hospital to execute and deliver the Supplemental Indenture in the form of the said Supplemental Indenture with such changes therein and amendments thereto, if any, as such officers in their discretion may approve, the approval by them of any such changes shall be conclusively evidenced by their execution thereof and the delivery of such Supplemental Indenture.
4. The issuance of debentures on terms substantially and materially the same as in the form included in the draft Supplemental Indenture are hereby approved. The Authorized Officers are hereby authorized to execute one or more Debentures in an aggregate principal amount not to exceed \$200 million and to authorize and direct the Trustee to authenticate and register such one or more Debentures pursuant to a written order therefor to be delivered by the Hospital in accordance with the terms of the Trust Indenture.
5. The Hospital is authorized to enter into an agreement providing for the sale of the Debentures on an agency basis, with one or more agents, as may be approved by, and otherwise on terms approved by, the Authorized Officers.
6. The draft preliminary confidential offering memorandum, including the attached investor presentation (the "**Preliminary Offering Memorandum**") of the Hospital submitted to the members of the Board of Directors for the intended offer for sale of the Debentures is approved. The Authorized Officers are authorized for and on behalf of the Hospital to

confirm and approve the final version of the Preliminary Offering Memorandum in the form of the said draft with such changes therein and amendments thereto as they in their discretion may confirm and approve, their approval of any such changes shall be conclusively evidenced by their final approval thereof and the delivery of the Preliminary Offering Memorandum.

7. The Authorized Officers are authorized for and on behalf of the Hospital to amend the Preliminary Offering Memorandum and to approve on behalf of the Hospital a final confidential offering memorandum, including the attached investor presentation (the "**Final Offering Memorandum**") with such amendments, variations, additions and deletions as may be authorized by them. The Authorized Officers are authorized for and on behalf of the Hospital to confirm and approve the Final Offering Memorandum with such changes from the Preliminary Offering Memorandum as they in their discretion may approve, their final approval of any such changes shall be conclusively evidenced by their delivery of the Final Offering Memorandum, pursuant to the agreement described in paragraph 5 above.
8. Any one Authorized Officer of the Hospital is authorized and directed to do all such acts and things and to execute or to cause to be executed all such instruments, agreements and other documents as in such Authorized Officer's opinion may be necessary or desirable to complete the transactions hereby approved and authorized.

4.2 2020/21 Hospital Operating Budget and Capital Budget and 2020/21 LTRI Operating & Capital Budget

Mr. Belzberg invited Mr. Peter Cohen to lead the discussion. Mr. Cohen has discussed the proposed operating and capital budget with Ms. Dee Perera, and the decision has been made not to adjust the budget for COVID-19-related expenses. Ms. Perera noted that there is no contingency for this in our budget and at this point it is hard to know what the impact of COVID-19 will be. We are monitoring our extra expenses related to COVID-19, as it is expected that there will be reimbursement from the government to cover these, but the proposal is for the Board to approve the operating budget as presented.

2020/21 Hospital Operating Budget

Whereas the Resources Committee has reviewed and approved the 2020/21 Operating Budget, which forms the basis for Sinai Health System's Hospital Services Accountability Agreement (H-SAA) with the Toronto Central LHIN and recommends that the Board of Directors approve same;

Be it resolved that the Sinai Health System Board of Directors approves the 2020/21 Operating Budget as the basis for Sinai Health System's H-SAA with the Toronto Central LHIN, as presented.

2020/21 Capital Budget

Whereas the Resources Committee has reviewed and approved Management's proposed Fiscal 2020/21 Stage 1 Capital Budget allocation of up to \$123.7M, to be spent according to the priorities recommended and approved by the Executive Committee and recommends approval of same by the Sinai Health Board of Directors;

Be it resolved that the Sinai Health System Board of Directors approves the Fiscal 2020/21 Stage 1 capital budget of up to \$123.7M, to fund the priorities identified by Management.

2020/21 LTRI Annual Operating and Capital Budget

Whereas the Resources Committee has reviewed and approved the Lunenfeld-Tanenbaum Research Institute (LTRI) 2020/21 operating and capital budget totaling \$91.1M presented by the Research Committee, and recommends that the Sinai Health System Board of Directors approves same;

Be it resolved that the Sinai Health System Board of Directors approves the LTRI 2020/21 operating and capital budget, totaling \$91.1M, subject to fiscal restraints.

4.3 Approval of Extraordinary Expenses

Dr. Newton introduced the motion to approve extraordinary expenses and noted that the information is included in the Board meeting package.

Delegation for approval of extraordinary expenses

Whereas Sinai Health currently is operating under separate signing authority and delegation policies (each, a “**Legacy Policy**”), including separate procurement requirements, from each of its predecessor entities of Mount Sinai Hospital and Bridgepoint Hospital;

Whereas Management has been taking steps, including through external advisers, to (a) unify the Legacy Policies and align them with best practices in the TAHSN hospital environment, and (b) create a final version of a Procurement Policy and a Procurement Procedures document that set out the requirements and processes for Sinai Health to comply with the Broader Public Sector Procurement Directive, applicable trade treaties and other applicable procurement law;

Whereas the Legacy Policies may limit the ability of Management to approve and sign for certain necessary extraordinary expenses resulting from the COVID-19 situation (“**Extraordinary Expenses**”), either due to the nature or amount (or both) of such expenses, where approval for such expenses would otherwise be recommended for approval of the Board;

Whereas Management is recommending, after consultation with certain Board leadership, until it is ready to bring forward a comprehensive recommendation with respect to the Legacy Policies, a more efficient approval and signing authority process for Extraordinary Expenses;

And whereas Management and such Board leadership believe that the proposed resolution will strike the right balance between enabling Sinai Health to be responsive to the financial and operational needs arising from the COVID-19 situation, and ensuring reasonable oversight and an opportunity to provide expertise by the Board through the officials named in the resolution;

Be it resolved that the Board of Directors accepts the recommendation and:

1. Delegates and grants special authority to approve any Extraordinary Expenses on behalf of the Board by any two of the Chair of the Board, the Co-Chairs of the Resources Committee or the Co-Chairs of the Audit and Risk Management Committee, subject to the following:

- a. Requests for such approval will be made by any one of the President and CEO or the Chief Financial Officer (CFO), or their respective delegate, and where appropriate, with the support of the Executive Vice-President or Vice-President with operational responsibility for the matter in question;
 - b. Their approval will be indicated by execution and delivery of the relevant instrument, or by written communication by any one of them (copy to the others involved) with relevant delegation and instructions for execution and delivery of the relevant instrument by any two members of senior management, with one such signatory being the CFO (or delegate); and
 - c. Their approval will be confirmation that the Extraordinary Expense was validly in relation to a COVID-19 related situation and they have obtained majority consensus where possible from the other foregoing Board members;
2. Confirms the foregoing does not replace but supplements each Legacy Policy, and to the extent of any inconsistency or conflict, the foregoing provisions prevail over the relevant Legacy Policy.

5.0 QUALITY CONVERSATION

5.1 COVID-19 Update

Dr. Gary Newton provided an overview of Sinai Health's response to the COVID-19 pandemic. Some of the recent developments are:

- **No visitor policy.** During the week Mount Sinai Hospital and Bridgepoint went to a no visitor policy, aligned with the province. There are some exceptions for births and end of life, and there is an appeal process.
- **Active screening of patients and employees.** Everyone coming into the hospitals is being screened. If employees are healthy they need to work.
- **Masking policy.** Employees in clinical settings with ambulatory and ER patients must mask during the day. If a worker becomes COVID-positive they have to be off work and quarantine. To conserve the supply of personal protective equipment (PPE) employees must use one per shift.
- **Reduced surgical volumes.** In order to prepare for anticipated increases in critical care and the need for ventilators, there has been a reduction in elective surgery and cancer surgery is limited to life or limb conditions, as directed by government.
- **Redeployment of workforce.** With reduced work in ambulatory care, a strategy to move workers to critical care is being developed with the province.

The ICU and PPE are major stress points. The annex of the Emergency Dept. is moving to another part of the building and 8 beds are being added. Patients can be ventilated in the operating rooms but it is suspected more capacity will be needed. Hospital staff are stressed but group huddles are happening and the Dept. of Psychiatry has been extremely supportive. Sinai is still in relatively good shape with PPE, and has the advantage of procurement through Plexxus. The province is working to procure supplies but there is a factory supply chain gap in China and we are in competition for supplies across the globe. We use about 10,000 masks per day. There is an aggressive PPE strategy in place to re-use clean equipment and wash visors.

At this point, Dr. Newton welcomed Dr. Jennie Johnstone, Infection Prevention and Control Lead, to add to the COVID-19 update. Dr. Johnstone said that we have done everything in our power to prepare for the ensuing wave, and that we hope the peak will be within our capacity.

In response to questions the following points were made:

- We are in the calm before the storm and currently have more capacity than generation of cases but the exponential curve could be overwhelming.
- Staff are being redeployed and trained to use new equipment. The Michener Institute is creating open source training modules.
- The LTRI is working on innovative testing for COVID-19 which will produce faster results and doesn't use the retail reagent everyone is competing for.
- Circle of Care is following directives from the Province and Public Health for PPE. The decision was made over the weekend to provide masks and gloves to staff.
- There are currently less than 10 staff who are COVID-19 positive. We are following Public Health guidelines and staff are being screened and sent home if they have symptoms. Contacts are being tracked, and health care workers who have been infected were not infected at work. The institution is indemnified.
- It is unknown how effective social distancing will be or when the peak will be.

In closing, Mr. Belzberg said that we are fortunate to have our hospital leadership, who are making incredible sacrifices.

6.0 DATE OF NEXT MEETING

To be determined.

7.0 ADJOURNMENT

There being no further business, the meeting adjourned at 12:20 p.m.



Mr. Brent Belzberg
Chair of the Board



Dr. Gary Newton
Secretary of the Board