ITEM 2

MINUTES of a meeting of the Boards of Directors of Baycrest Centre for Geriatric Care, Baycrest Hospital, The Jewish Home for the Aged and The Baycrest Day Care Centre ("Baycrest") held on Tuesday, December 11, 2012 at 4:30pm

PRESENT: **Banks, Jordan; Barratt, Jane (teleconference); Foster, Garry; Godfrey, Paul (teleconference); Katz, Paul; Kay, Jack; Kay, Robert C.; Kimel, Warren; Koo, Manfred (teleconference); Mirsky, Brian (teleconference); Nelson, Sioban; Reichman, William; Sinervo, Pekka; Soloninka, John; Velji, Karima; Whiteside, Catharine; Zaidman, Jakov**

REGRETS: **Blidner, Jeffrey; Jacob, Ellis; Shapiro, Marla**

GUESTS: **Conn, David; Kent, Joni; Mackie, Brian; McIntosh, Randy; Sutton, Susan; Toppings, Marc; Webb, Nancy**

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1. CONFLICT OF INTEREST DECLARATION AND CHAIR'S REMARKS

Mr. G. Foster, Chairman, welcomed Board members to the meeting. There were no conflicts of interest declared.

Mr. Foster welcomed new Board member Mr. John Soloninka to the meeting. Mr. Foster also thanked Board members for approving the documents recently couriered regarding Baycrest by-law amendments to increase the Board size by three members and also for approving the election of Mr. Soloninka as a director. This by-law amendment will ensure Baycrest is positioned to bring the necessary expertise, depth and breadth to the Board and to ensure that the Board can achieve the highest level of governance performance.

Mr. Foster advised that a Governance Committee meeting has been scheduled for January 2013 and requested that Board members forward any recommendations for potential members of the Board or Board committees to Dr. W. Reichman. Mr. Foster also advised that the Governance Committee would begin to build a succession plan for the Board Chair and Committee Chairs.

Mr. Foster informed the Board that the two main areas of discussion at the meeting today would be Baycrest's 2013-2018 Strategic Plan, which will be coming to the Board for approval at the next meeting on January 29, 2013, as well as Strategic Budgeting & Resource Allocation.

2. MINUTES OF THE SEPTEMBER 13, 2012 AND OCTOBER 11, 2012 BOARD OF DIRECTORS MEETINGS

The minutes of the meetings held September 13, 2012 and October 11, 2012 were approved. A copy of the material is on file with the master of the minutes.

ACTION:	**It was duly MOVED, regularly SECONDED and unanimously CARRIED THAT THE MINUTES OF THE SEPTEMBER 13, 2012 AND OCTOBER 11, 2012 MEETINGS OF THE BOARDS OF DIRECTORS OF BAYCREST CENTRE FOR GERIATRIC CARE, BAYCREST HOSPITAL, THE JEWISH HOME FOR THE AGED AND THE BAYCREST DAY CARE CENTRE BE APPROVED.**

3. BUSINESS ARISING

There was no business arising from the previous minutes.

4. REPORT OF THE PRESIDENT & CEO

Dr. W. Reichman, President and Chief Executive Officer, gave his report to the Board. Dr. Reichman apologized for the length of the report, but noted it was reflective of the flurry of activity at Baycrest. A copy of the report in its entirety is attached to the master of the minutes.

4.3 Strategic Planning

Dr. Reichman advised that the Executive Team has been working to advance the Strategic Plan including extensive stakeholder engagement and that the plan will be brought to the Board for final approval at the Board's next meeting to be held January 29, 2013.

4.6 Commercialization Activities

Dr. Reichman referred to his report, which emphasized activities in the area of commercialization and highlighted the recent Trade Mission to Asia. During that trip there were a number of leads developed, as well as a verbal commitment from Peking Union Medical College (PUMC), to execute an annual observership contract based on their recent experiences with Baycrest. PUMC emphasized that the experience their students recently had at Baycrest was the best they have ever had abroad. Dr. C. Whiteside added that PUMC is the top medical school in China.

4.8 Government

Dr. Reichman invited Ms. N. Webb, VP Stakeholder Relations & Business Development, to summarize activities in Ottawa on November 1, 2012 where Baycrest was actively promoted on Parliament Hill at an event initiated by MP Mark Adler.

5. REPORT OF THE BAYCREST FOUNDATION

Ms. S. Sutton gave a report of the Baycrest Foundation. A copy of the report in its entirety is attached to the master of the minutes.

Mr. Foster requested a presentation at the January 29, 2013 Board meeting regarding the JWT Baycrest Brand Awareness Campaign.

6. REPORT OF THE STRATEGIC PLANNING COMMITTEE

Mr. Foster gave a report of the Strategic Planning Committee. A copy of the report in its entirety is attached to the master of the minutes.

Mr. Foster summarized the activities to date on the 2013-2018 Strategic Plan. The Board was asked whether it supported the directions outlined in the plan and it was explained that Baycrest management would be finalizing the wording of the plan.

7. REPORT OF THE FINANCE & AUDIT COMMITTEE

Mr. B. Mackie gave a report of the Finance & Audit Committee. A copy of the report in its entirety is attached to the master of the minutes.

7.1 Financing of Baycrest Global Solutions

The start-up financing of Baycrest Global Solutions was discussed by the Finance and Audit Committee on December 5, 2012. The committee recommended that the Board approve a motion to facilitate the start-up financing of Baycrest Global Solutions Inc., by requesting that the Baycrest Centre Foundation provide:

- a $250,000 grant
- a $1,000,000 line of credit to be drawn upon on demand
  - The balance of the line will bear interest at an annual rate of 5%, payable quarterly. Repayments will start in 2015 and will reduce the balance as of March 31, 2015 by 25% of that balance in each of the subsequent four years. The line will be secured by future unrestricted grants from the Baycrest Centre Foundation and by the Centre's investment in Baycrest Global Solutions Inc.
- any other monies provided by donors for the purposes of financing research and related commercialization activities

ACTION: **It was duly MOVED, regularly SECONDED and unanimously CARRIED THAT the BOARDS OF DIRECTORS OF BAYCREST CENTRE FOR GERIATRIC CARE, BAYCREST HOSPITAL, THE JEWISH HOME FOR THE AGED AND THE BAYCREST DAY CARE CENTRE APPROVES THE MOTION TO FACILITATE THE START-UP FINANCING OF BAYCREST GLOBAL SOLUTIONS INC., BY REQUESTING THAT THE BAYCREST CENTRE FOUNDATION PROVIDE:**

1. **A $250,000 GRANT**
2. **A $1,000,000 LINE OF CREDIT TO BE DRAWN UPON ON DEMAND. THE BALANCE OF THE LINE WILL BEAR INTEREST AT AN ANNUAL RATE OF 5%, PAYABLE QUARTERLY. REPAYMENTS WILL START IN 2015 AND WILL REDUCE THE BALANCE AS OF MARCH 31, 2015 BY 25% OF THAT BALANCE IN EACH OF THE SUBSEQUENT FOUR YEARS. THE LINE WILL BE SECURED BY FUTURE UNRESTRICTED GRANTS FROM THE BAYCREST CENTRE FOUNDATION AND BY THE CENTRE'S INVESTMENT IN BAYCREST GLOBAL SOLUTIONS INC.**
3. **ANY OTHER MONIES PROVIDED BY DONORS FOR THE PURPOSES OF FINANCING RESEARCH AND RELATED COMMERCIALIZATION ACTIVITIES.**

Investment of Centre Funds

The following two motions were required to confirm that the investments of the Baycrest Centre for Geriatric Care in both Cogniciti Inc. and Baycrest Global Solutions Inc. are reasonable, prudent and sagacious investments for the monies of the Baycrest Centre for Geriatric Care.

A. Cogniciti Inc.

ACTION:	**It was duly MOVED, regularly SECONDED and unanimously CARRIED THAT the BOARDS OF DIRECTORS OF BAYCREST CENTRE FOR GERIATRIC CARE, BAYCREST HOSPITAL, THE JEWISH HOME FOR THE AGED AND THE BAYCREST DAY CARE CENTRE APPROVES THE INVESTMENTS MADE IN COGNICITI INC. TO DATE, BEING $1,640,000 BY THE BAYCREST CENTRE FOR GERIATRIC CARE FOR SHARE SUBSCRIPTIONS IN COGNICITI INC., AS RECOMMENDED BY THE FINANCE AND AUDIT COMMITTEE OF THE BOARD, ALTHOUGH NOT TECHNICALLY COMPATIBLE WITH THE STATEMENT OF INVESTMENT POLICY AND OBJECTIVES FOR THE INVESTMENT FUNDS OF BAYCREST CENTRE FOR GERIATRIC CARE AND THE BAYCREST CENTRE FOUNDATION, WERE REASONABLE, PRUDENT AND SAGACIOUS UNDER THE CIRCUMSTANCES.**

B. Baycrest Global Solutions Inc.

ACTION:	**It was duly MOVED, regularly SECONDED and unanimously CARRIED THAT the BOARDS OF DIRECTORS OF BAYCREST CENTRE FOR GERIATRIC CARE, BAYCREST HOSPITAL, THE JEWISH HOME FOR THE AGED AND THE BAYCREST DAY CARE CENTRE APPROVES THE INVESTMENT IN BAYCREST GLOBAL SOLUTIONS INC. UP TO $500,000 FOR SHARE SUBSCRIPTIONS IN SAME, AS RECOMMENDED BY THE FINANCE AND AUDIT COMMITTEE OF THE BOARD, ALTHOUGH NOT TECHNICALLY COMPATIBLE WITH THE STATEMENT OF INVESTMENT POLICY AND OBJECTIVES FOR THE INVESTMENT FUNDS OF BAYCREST CENTRE FOR GERIATRIC CARE AND THE BAYCREST CENTRE FOUNDATION, IS REASONABLE, PRUDENT AND SAGACIOUS UNDER THE CIRCUMSTANCES.**

7.3 Strategic Budgeting

J. Kent, Vice-President, Strategy & Chief Human Resources Officer, B. Mackie, Interim Vice-President, Finance and Information Services & CFO, and K. Velji, Chief Operating Officer & Chief Nursing Executive, gave a presentation entitled "Renewed Financial Strategy and Approach". A copy of the presentation is attached to the master of the minutes. It was noted that three Board committees (Finance & Audit, Strategic Planning, and Clinical Strategy, Quality & Safety) had recently been given the opportunity to discuss the approach in detail and each committee has supported the direction management is taking.

The Board endorsed the renewed financial approach that management has set out.

7.6 LHIN Submissions

The committee recommended for approval the Long Term Care Annual Planning Submission (LAPS) 2013-16 and Community Annual Planning Submission (CAPS) Refresh 2013-14.

ACTION:	**It was duly MOVED, regularly SECONDED and unanimously CARRIED THAT the BOARDS OF DIRECTORS OF BAYCREST CENTRE FOR GERIATRIC CARE, BAYCREST HOSPITAL, THE JEWISH HOME FOR THE AGED AND THE BAYCREST DAY CARE CENTRE APPROVES THE LAPS 2013-16 SUBMISSION AND THE CAPS REFRESH 2013-14 SUBMISSION.**

8. CONSENT AGENDA

All items listed under the Consent Agenda requiring approval of the Board were enacted by one motion. Copies of the reports in their entirety are attached to the master of the minutes.

8.1 Report of the Clinical Strategy, Quality & Safety Committee

8.2 Report of the Fiscal Advisory Committee

8.3 Report of the Investment Committee

8.4 Report of the Medical Advisory Committee

8.4.2 Appointments – Courtesy Medical Staff Privileges

The Medical Advisory Committee recommended two appointments for courtesy medical staff privileges.

ACTION:	**It was duly MOVED, regularly SECONDED and unanimously CARRIED THAT the BOARDS OF DIRECTORS OF BAYCREST CENTRE FOR GERIATRIC CARE, BAYCREST HOSPITAL, THE JEWISH HOME FOR THE AGED AND THE BAYCREST DAY CARE CENTRE APPROVES THE GRANTING OF *COURTESY* MEDICAL STAFF PRIVILEGES TO THE FOLLOWIONG APPLICANTS:** **DR. Ursula ZURAWSKA: *COURTESY* MEDICAL STAFF PRIVILEGES IN THE DEPARTMENT OF MEDICINE effective immediately.** **DR. Joanna ZURAWSKA: *COURTESY* MEDICAL STAFF PRIVILEGES IN THE DEPARTMENT OF MEDICINE effective immediately.**

9. CONCLUSION

There being no further business, the regular meeting adjourned at 6:30pm.

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G. Foster
Chairman, Board of Directors