

## **SUMMARY OF THE DECISIONS OF THE OFFICIAL ADMINISTRATOR**

The Audit & Finance Advisory Committee, which is a governance advisory committee of the Official Administrator of Alberta Health Services (“AHS”) (the “Official Administrator”), met on August 15, 2014 to discuss key issues regarding the below items. If you have any questions regarding this information, please contact the Office of the Official Administrator at [official.administrator@albertahealthservices.ca](mailto:official.administrator@albertahealthservices.ca). Below is an account of the resolutions approved by the Official Administrator following that meeting.

### **ITEMS OF APPROVAL**

1. [AFAC14-110] Authorization to Spend to December 31, 2014
2. [AFAC14-111] First Quarter Financial Report & Interim Consolidated Financial Statements 2014/15
3. [AFAC14-112] AHS 2013-14 Annual Public Performance Report
4. [AFAC14-113] First Quarter Investment Report 2014-2015
5. [AFAC14-114] AHS Investment Bylaw Review and Investments Policy Amendments
6. [AFAC14-116] i) Approval and Delegation of Authority to Execute Continuing Care Contracts
7. [AFAC14-116] ii) Points West Living Red Deer Inc. REVISED Bed Total (now 84 v. 60 beds)
8. [AFAC14-117] AH Grant Agreement for Correctional Health Services

#### **1. [AFAC14-110] Authorization to Spend to December 31, 2014**

**WHEREAS** this Resolution is enacted pursuant to Section 11(2)(a) of the *Regional Health Authorities Act* (Alberta) and the Order of the Minister of Health of Alberta (the “Minister”) dated September 10, 2013, appointing Dr. John Cowell as the Official Administrator of AHS (the “Official Administrator”);

**AND WHEREAS** the AHS 2014/15 operating and capital budgets may not be finalized by the end of September 2014;

**AND WHEREAS** AHS requires approval for 2014/15 expenditures up to December 31, 2014 based on an interim budget, pending final review and approval of the 2014/15 budget;

**NOW THEREFORE BE IT RESOLVED THAT:**

1. an authorization is hereby approved to spend to December 31, 2014 in the event that AHS does not receive approval of the 2014/15 budget prior to the end of September 2014. This authorization to spend would consist of the first nine months of the budget submitted to the Minister; this would authorize maximum operating expenses of \$10,300 million and maximum capital expenditures of \$300 million.

**2. [AFAC14-111] First Quarter Financial Report & Interim Consolidated Financial Statements 2014/15**

WHEREAS this Resolution is enacted pursuant to Section 11(2)(a) of the *Regional Health Authorities Act* (Alberta) (the “RHA”) and the Order of the Minister of Health of Alberta (the “Minister”) dated September 10, 2013, appointing Dr. John Cowell as the Official Administrator of AHS (the “Official Administrator”);

AND WHEREAS pursuant to Section 2.1(a) of the *Regional Health Authorities (Ministerial) Regulation* (Alberta), the regional health authority shall provide to the Minister within 30 days after the quarters ending on June 30, September 30 and December 31, a report in the form and manner required by the Minister;

AND WHEREAS pursuant to Section 6(2) of the RHA, the regional health authority may delegate any power or duty conferred or imposed on it under the RHA or any other provincial legislation, to a committee of the regional health authority, to any of its employees, officers or agents or to a community health council;

**NOW THEREFORE BE IT RESOLVED THAT:**

1. the Quarterly Financial Report to Alberta Health for the Three Months Ended June 30, 2014 is hereby approved on substantially the terms and conditions reviewed by the Official Administrator.
2. the Interim Consolidated Financial Statements for the Three Months Ended June 30, 2014 (the “Financial Statements”) are hereby approved on substantially the terms and conditions reviewed by the Official Administrator.
3. management of AHS is hereby authorized and directed to request that the Minister provide direction regarding the release of the Financial Statements following approval of the 2014-15 annual budget.

**3. [AFAC14-112] AHS 2013-14 Annual Public Performance Report**

WHEREAS this Resolution is enacted pursuant to Section 11(2)(a) of the *Regional Health Authorities Act* (Alberta) and the Order of the Minister of Health of Alberta (the “Minister”) dated September 10, 2013, appointing Dr. John Cowell as the Official Administrator of AHS (the “Official Administrator”);

AND WHEREAS AHS has committed to provide the Minister with the 2013/14 results of 16 performance measures in the form reviewed by the Official Administrator (the “AHS Annual Performance Report”) and has committed make the AHS Annual Performance Report available to the public;

AND WHEREAS a draft of the AHS Annual Performance Report was provided to the Minister;

AND WHEREAS the Minister was advised that a final copy of the AHS Annual Performance Report would be recommended for approval by the Official Administrator on August 15, 2014;

AND WHEREAS the Official Administrator will authorize and direct management to make this report available to the public through the AHS website pending direction from the Minister;

**NOW THEREFORE BE IT RESOLVED THAT:**

1. the final copy of the AHS Annual Performance Report in the form reviewed by the Official Administrator, with such non-substantive changes that management of AHS considers necessary or advisable, is hereby approved; and
2. management is authorized and directed to make this report available to the public through the AHS website pending direction from the Minister.

***Link to AHS 2013-14 Annual Public Performance Report:***  
***<http://www.albertahealthservices.ca/performance.asp>***

**4. [AFAC14-113] First Quarter Investment Report 2014-2015**

The first quarter investment report details key investment decisions, portfolio performance, market conditions, and portfolio compliance for the period ending June 30, 2014.

**WHEREAS** this Resolution is enacted pursuant to Section 11(2)(a) of the *Regional Health Authorities Act (Alberta)* and the Order of the Minister of Health of Alberta dated September 10, 2013, appointing Dr. John Cowell as the Official Administrator of AHS (the “Official Administrator”);

**AND WHEREAS** pursuant to Section 2.3(1) of the *Regional Health Authorities Regulation (Alberta)*, each investment decision of the regional health authority must be approved or ratified by resolution;

**NOW THEREFORE BE IT RESOLVED THAT:**

4. the investment portfolio described below, along with investment decisions corresponding with such portfolio, which were reviewed by the Official Administrator, and which were certified by signed investment compliance certificates from AHS and Phillips, Hager & North Investment Management Ltd. (“PH&N”) are hereby ratified as follows:
  - (a) as at June 30, 2014, AHS held restricted and unrestricted funds managed by PH&N and Standard Life totaling \$1.649 billion (the “Funds”);
  - (b) the Funds were invested in short term treasury bills, federal, provincial and corporate fixed income bonds, pooled mortgage funds, bond funds and equity funds; and
  - (c) all of the Funds invested during the quarter ended June 30, 2014, were invested in accordance with the Investment Bylaw and Investments Policy.

5. **[AFAC14-114] AHS Investment Bylaw Review and Investments Policy Amendments**

AHS is required to review policies and bylaws with respect to investments and borrowing pursuant to the *Regional Health Authorities Regulation*. Policy changes are reviewed by the Audit & Finance Advisory Committee and approved by the Official Administrator of AHS.

**WHEREAS** this Resolution is enacted pursuant to Section 11(2)(a) of the *Regional Health Authorities Act* (Alberta) and the Order of the Minister of Health of Alberta dated September 10, 2013, appointing Dr. John Cowell as the Official Administrator of AHS (the “Official Administrator”);

**AND WHEREAS** AHS has an Investments Policy (the “Policy”) in accordance with the AHS Investment Bylaw;

**AND WHEREAS** the Policy has been amended to provide for a revised target asset mix, as reviewed by the Official Administrator;

**NOW THEREFORE BE IT RESOLVED THAT:**

1. the amended Policy is hereby approved on substantially the terms and conditions reviewed by the Official Administrator, with such non-substantive changes that management of AHS considers necessary or advisable.

6. **[AFAC14-116] i) Approval and Delegation of Authority to Execute Continuing Care Contracts**

**WHEREAS** this Resolution is enacted pursuant to Section 11(2)(a) of the *Regional Health Authorities Act* (Alberta) and the Order of the Minister of Health of Alberta (the “Minister”) dated September 10, 2013, appointing Dr. John Cowell as the Official Administrator of AHS (the “Official Administrator”);

**AND WHEREAS** AHS has negotiated the following continuing care contracts (the “Contracts”):

***New Capacity Supportive Living***

- Sunnyside Nursing Home Society
- Covenant Care - St. Marguerite
- 589184 Alberta Ltd. and Condominium Corporation No. O213383 (Origin) – Evergreen
- Age Care Services Inc - Seton Phase 2

***New Capacity Supportive Living ASLI grant***

- Continuum Health Care Holdings Ltd. (formerly awarded to Vantage West) - Sunrise Encore Olds
- The Brenda Stafford Foundation

***Home Care Contract Extensions and Proposed Opportunity for Contract Novation***

- All Seniors Care Living Centres Ltd. - Rutherford Heights, Summerwood, Laurel Heights
- Age Care Investments Ltd – Valleyview
- The Bethany Nursing Home of Camrose - Wetaskiwin, West Pines Lodge
- The Father Albert Lacombe Home – ADSP
- The Brenda Stafford Foundation Ltd. – ADSP Bow View Manor;

**AND WHEREAS, the terms and conditions of the Contracts will be in accordance with the AHS Master Services Agreement applicable to Continuing Care Services the specifics of which have been presented to and reviewed by the Official Administrator;**

**AND WHEREAS the AHS Delegation of Authority and Establishment of Controls for Commitments Policy (the “Policy”), delegates and establishes appropriate limits on commitments to be approved and executed by the President and Chief Executive Officer of AHS (the “CEO”) on behalf of AHS;**

**AND WHEREAS the Contracts exceed the CEO’s Approved Limits (as defined in the Policy);**

**NOW THEREFORE BE IT RESOLVED THAT:**

- 1. *the Contracts which will be on the terms and conditions of the AHS Master Services Agreement applicable for all Continuing Care Services and as reviewed by the Official Administrator are hereby approved; and***
- 2. *the authority to execute the Contracts is hereby delegated to the CEO.***

**7. [AFAC14-116] ii) Points West Living Red Deer Inc. REVISED Bed Total (now 84 v. 60 beds)**

The contract with Points West Living Red Deer Inc. was previously approved by the Official Administrator. However, the contract has now been amended to provide for 84, rather than, 60 beds. The Official Administrator approved the amended contract and delegated the authority to execute the contract to the President and CEO of AHS.

**WHEREAS this Resolution is enacted pursuant to Section 11(2)(a) of the *Regional Health Authorities Act* (Alberta) and the Order of the Minister of Health of Alberta (the “Minister”) dated September 10, 2013, appointing Dr. John Cowell as the Official Administrator of AHS (the “Official Administrator”);**

**AND WHEREAS AHS negotiated a continuing care contract (the “Contract”) with Points West Living Red Deer Inc.;**

**AND WHEREAS the Official Administrator previously approved the Contract with a provision for 60 beds;**

**AND WHEREAS it is now contemplated that the Contract will provide for 84 beds;**

**AND WHEREAS the AHS Delegation of Authority and Establishment of Controls for Commitments Policy (the “Policy”), delegates and establishes appropriate limits on commitments to be approved and executed by the President and Chief Executive Officer of AHS (the “CEO”) on behalf of AHS;**

**AND WHEREAS the Contract exceeds the CEO’s Approved Limits (as defined in the Policy);**

**NOW THEREFORE BE IT RESOLVED THAT:**

- 1. the Contract which will now contain a provision for 84 beds is hereby approved; and**
- 2. the authority to execute the Contract is hereby delegated to the CEO.**

**8. [AFAC14-117] AH Grant Agreement for Correctional Health Services**

AHS has negotiated a new master agreement with Alberta Health (“AH”) for the provision of correctional health services in provincial correctional institutions. The Official Administrator has approved the agreement and delegated authority to the President and CEO to execute such agreement.

**WHEREAS this Resolution is enacted pursuant to Section 11(2)(a) of the Regional Health Authorities Act (Alberta) and the Order of the Minister of Health of Alberta (the “Minister”) dated September 10, 2013, appointing Dr. John Cowell as the Official Administrator of AHS (the “Official Administrator”);**

**AND WHEREAS AHS has negotiated a new grant agreement with Alberta Health effective from April 1, 2014 to March 31, 2017 (the “Grant Agreement”) with respect to the provision of correctional health services in provincial correctional institutions;**

**AND WHEREAS the AHS Delegation of Authority and Establishment of Controls for Commitments Policy (the “Policy”), delegates and establishes appropriate limits on commitments to be approved and executed by the President and Chief Executive Officer of AHS (the “CEO”) on behalf of AHS;**

**AND WHEREAS the Grant Agreement exceeds the CEO’s Approved Limits (as defined in the Policy);**

**NOW THEREFORE BE IT RESOLVED THAT:**

- 1. the Grant Agreement on substantially the terms and conditions reviewed by the Official Administrator is hereby approved; and**
- 2. the authority to execute the Grant Agreement is hereby delegated to the CEO.**

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Catherine MacNeill  
Acting Corporate Secretary