



Royal Victoria
Regional Health Centre

March 5, 2018

Janice Skot

Dear Janice,

As Chair of the Royal Victoria Regional Health Centre Board of Directors, I have recently received, on behalf of RVH, approval from the Minister of Health and Long Term Care to proceed with posting and executing the final RVH Executive Compensation program. As such, at this time, the program indicates the following adjustment to your compensation package:

Level CEO:

Current Total Compensation: \$409,600 (inclusive of \$15K at risk)

New Maximum Base Salary: \$449,500 per annum
Performance: 4% of your base salary
Total Potential Compensation: \$467,500 per annum

2017/18 Actual Adjustment: \$465,619

This adjustment (to \$465,619) is retroactive to September 1, 2017.

Janice, thank you for your dedication and service to RVH, our Patients and our Community.

Sincerely,

Michael O'Keefe
Board Chair

I have read and understood the terms of employment outlined in this letter, and by signing this letter, I am indicating my acceptance.

Janice Skot, President & CEO

Date

THIS AGREEMENT made on
and as amended

June 8, 2004
September 22, 2005, and
June 9, 2006, and
June 7, 2007, and
June 6, 2008, and
August 7, 2009, and
July 29, 2010, and
June 10, 2011, and
May 1, 2017

BETWEEN:

The Royal Victoria Regional Health Centre (the "Employer")

- and -

Janice Skot (the "Executive")

IT IS AGREED THAT:

1. RESPONSIBILITIES

- (a) The Executive shall render full-time services to the Employer in the position of President and CEO. The Executive shall not, without the consent in writing of the Chair of the Board, undertake any other business or occupation or become a director, officer, or agent of any other organization.
- (b) The Executive shall perform, to the best of their ability the responsibilities of this position as set out in any job description, policies, procedures, rules and regulations, and as requested by the Board.
- (c) The Employer agrees not to substantially alter the responsibilities of the position if that results in a demotion of the Executive without the written consent of the Executive.

2. TERM

- (a) The appointment shall commence on or about September 13, 2004 and shall continue until terminated in accordance with this agreement.

3. SALARY

- (a) The Executive shall receive four hundred and nine thousand, nine hundred and thirty-three dollars (\$409,933.00) per annum. The Employer shall annually review the Executive's salary, benefits, vacation, performance and working conditions, taking into account her submissions. An increase will not be effective unless it is in writing and signed by the Chair of the Board of the Employer. It will be the combined responsibility of the Executive and the Employer to create a formal list of

measurable objectives to be achieved in the first year. This will be the basis on which performance is measured. The objectives to be achieved in the first year must be agreed to by December 31, 2004, and annually thereafter.

4. BENEFITS AND RELATED POLICIES

(a) Reimbursement of Expenses

The Employer will reimburse the Executive for any expenses in connection with duties under this Agreement. The Executive shall give the Employer an itemized written account and receipts acceptable to the Employer, on a monthly basis. The Executive will have the Chair of the Board approve this account prior to being reimbursed. The Executive will not be reimbursed for any single item in excess of twenty five hundred dollars (\$2500.00) unless approved in advance by the Chair of the Board. The Employer shall provide the Executive with a car allowance of one thousand two hundred dollars (\$1200.00) per month.

(b) Benefit Plans

The Executive shall participate in the benefit plans as provided by the Employer according to the policies that are in place for all employees. An additional benefit given to the Executives of the Employer in general shall be given to the Executive, unless the Executive already has a similar benefit pursuant to this Agreement. The Employer's benefits plan is attached as Schedule A.

(c) Vacation

The Executive is entitled to 6 weeks' vacation per year. Vacation time may not be carried over into subsequent years but must be taken in the year in which it is earned, unless otherwise agreed to, in writing, by the Chair of the Board. For purposes of vacation, the year is from April 1 to March 31.

(d) Professional Dues and Memberships

The Employer will honour membership fees for professional memberships such as CCHSE and organizations as may be chosen by the Executive, to a maximum of three such memberships to a maximum of \$5000.00 per year.

(e) Health Care Spending Allowance

The Employer will reimburse the Executive for health expenditures (as defined by Canada Revenue Agency) incurred that are not covered by the Benefit Plans of the Hospital to a maximum of \$5,500. The annual allowance must be approved by the Chair of the Board.

(f) Seminars and Conferences

The Executive shall be permitted to be absent during working days to attend educational and professional opportunities as agreed with the Chair of the Board. The employer will reimburse the expenses for this in accordance with this agreement.

(g) Personal Computer

The Employer will supply the Executive with a personal computer system, which will include all hardware and software, colour printer, fax/copier, internet access, home access and a dedicated telephone line to access the Employer information system and internet services. The Employer will continue to be responsible for regular maintenance and hardware/software upgrades to keep the computer system consistent and compatible with any new information system installed at the Employer. Upon termination of the Agreement by either party, the computer system will remain the property of the Executive and the Employer's obligations shall end.

(h) Pay-for-Performance

With the introduction of the Excellent Care for All Act (ECFAA) in 2010, the Executive must have a portion of compensation "at risk" in fiscal year 2011/12 and beyond, to be distributed upon successful completion of goals developed under a Quality Improvement Plan (QIP). In 2010, the Province of Ontario also introduced Bill 16 :Creating the Foundation of Jobs and Growth Act, 2010" – specifically focusing on schedule 24 – "Public Sector Compensation Restraint to Protect Public Services Act". Along with all non union employees at the hospital, the CEO's total compensation package is frozen. In order to comply with both legislative requirements, \$15,000 of total compensation will be considered to be earned through the delivery of the QIP, and will be re-evaluated in future years to maintain consistency with all legislative requirements.

5. AUTHORITY

The Executive shall have, subject always to the instructions of the Employer, authority to manage those areas covered by the duties of the Executive, including authority to enter into contracts or commitments on behalf of the Employer and to employ and to dismiss all other Executives and agents of the Employer. In the event that the government of Ontario, or any agency of it, seeks to negotiate with the Employer any agreement which substantially affects the employment of the Executive the Employer shall involve the Executive in that negotiation, if allowed by the government or its agency.

6. CONFIDENTIALITY

The Executive shall not disclose, during or after the time of this agreement, any information concerning the business affairs of the Employer, which the Executive may have acquired in the course of the relationship with the Employer. The exception to this is the disclosure of information necessary to conduct the business of the Employer.

7. TERMINATION OF EMPLOYMENT

(a) This Agreement may be terminated in the following manner:

- (i) By the Executive, at any time, for any reason on giving three (3) months written notice to the Employer. The Employer may waive notice, in whole or in part.
- (ii) By the Employer, in its absolute discretion, without any notice or payment if there is cause for the termination.

- (iii) By the Employer, for any reason, on giving the Executive eighteen (18) months advance notice in writing, so that the Executive continues to work, or on paying the Executive 18 months' salary as a lump sum and maintaining the Executive's benefits for 18 months provided that:
 - (1) the salary and benefits are inclusive of any entitlements to notice and/or severance pay under the Employment Standards Act or equivalent legislation;
 - (2) the amounts set out above will increase by one month for each full year of employment to a maximum of twenty-four months;
 - (3) any amount that the Employment Standards Act requires to be paid is paid;
 - (4) benefits during the notice period shall not include sick leave or disability plans;
 - (5) if notice is paid to the Executive there shall be no vacation payable for that time. Any outstanding vacation for which the Executive is entitled will be paid;
 - (6) the Executive may elect to receive as a lump sum the amount that the Employer would have paid to maintain the benefits during the notice period.
- (iv) Giving notice or the payment of any amount by the Employer to the Executive on termination of the Executive's employment shall not prevent the Employer from alleging cause for the termination.
- (v) In the event that the Executive is given all or part of the notice, so that the Executive continues to work, the Executive shall be paid at least the minimum amount that is due under the applicable legislation. The Executive will be permitted reasonable time off from their duties to search for another job.

8. RELOCATION AND EMPLOYMENT COUNSELLING

- (a) In the event of termination without cause, the Employer shall provide the following:
 - (i) If the Executive has been employed less than 2 years, the Employer shall provide relocation and employment counseling to a maximum value of \$5000; or
 - (ii) If the Executive has been employed a minimum of 2 years, the Employer shall provide relocation and employment counseling to a maximum value of \$8000.

9: NOTICES

- (a) Any notice to be given to the Executive shall be delivered to the Executive personally or by registered mail to the Executive's address last known to the Employer.
- (b) Any notice to be given to the Employer shall be mailed by registered mail to the Employer at its address last known to the Executive or delivered personally to the Chair of the Board.

10. SEVERABILITY

- (a) In the event that any provision or part of the Agreement shall be deemed invalid by a court the remaining provisions shall remain in effect.

11. ENTIRE AGREEMENT

- (a) This contract constitutes the entire agreement between the parties and any previous agreements, written or oral, express or implied, relating to the employment and appointment of the Executive by the Employer, are terminated.

12. AMENDMENT OF AGREEMENT

- (a) Any modification to this agreement must be in writing and signed by the parties or it shall have no effect.

13. HEADINGS

- (a) The headings used in this Agreement are for convenience only and are not to be construed in any way as additions to or limitations of the agreement.

14. GOVERNING LAW

- (a) This Agreement shall be construed in accordance with the laws of the Province of Ontario.

15. INDEPENDENT LEGAL ADVICE

- (a) Each party has had the opportunity of obtaining independent legal advice and has read and understood the terms of this contract, and freely agrees to those terms.
- (b) The Employer agrees to pay \$2000 towards the legal fees incurred by the Executive to have this Agreement reviewed by a legal advisor of the Executive's choice.

16. ARBITRATION

- (a) Any dispute between the Employer and the Executive concerning this Agreement may be referred to a single arbitrator in accordance with the Arbitration Act. However, the arbitrator shall not have the power to order reinstatement of the Executive nor the power to alter in any way the terms of this Agreement.

