

Council Chamber  
City Hall, Saskatoon, Sask.  
Tuesday, June 16, 1992  
at 8:00 a.m.

## **MINUTES OF SPECIAL MEETING OF CITY COUNCIL**

**PRESENT:** His Worship Mayor Dayday;  
Aldermen Mostoway, Penner, Birkmaier, McCann, Mann, Dyck and  
Cherneskey;  
City Commissioner Irwin;  
Director of Finance Richards;  
Director of Planning and Development Pontikes;  
City Solicitor Dust;  
City Clerk Mann;  
Aldermanic Assistant Sproule

Alderman Thompson entered the meeting at 8:01 a.m.

In accordance with provisions of the Council Procedure Bylaw, this Special Meeting of City Council was called by His Worship Mayor Dayday in order to deal with the matter of Transfer of Responsibility for Health Services to the Province of Saskatchewan.

The City Clerk had previously submitted copies of Clause D1, Report No. 14-1992 of the City Commissioner, to members of Council.

*Moved by Alderman Penner, Seconded by Alderman Birkmaier,*

*THAT Council go into Committee of the Whole, with Alderman Mostoway in the Chair, to consider Clause D1, Report No. 14-1992 of the City Commissioner.*

*CARRIED.*

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**"REPORT NO. 14-1992 OF THE CITY COMMISSIONER**

**D1) Transfer of Responsibility for  
Health Services to the Province of Saskatchewan  
(File No. CC 4215-11)**

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Since early this year, the City of Saskatoon has been negotiating with the Provincial Department of Health to transfer the responsibility for the provision of community health services and the transfer of Saskatoon City Hospital to the newly created Saskatoon Health Board. These negotiations have culminated in the attached agreement of sale and purchase. While the terms of the agreement relate principally to the transfer of ownership and control of City Hospital to the Saskatoon Health Board, it also makes reference to community health services currently provided by the Saskatoon Community Health Unit.

**Background**

The City of Saskatoon has owned and operated City Hospital from the early 1920's. Prior to the 1940's, the City of Saskatoon and patient charges provided all operating and capital costs for the hospital's operations. With the introduction of the Saskatchewan Hospital Services Plan, and later Medicare, funding for both operating and capital shifted to a mix between City and Provincial funds. Over the last two decades, the contribution of the Province has increased to a greater proportion to that of the City, to the point that the Province of Saskatchewan assumed the total capital cost of the new City Hospital building with the City purchasing additional land and financing the parkade. The contribution of the City of Saskatoon is one mill, or approximately \$1.1 Million for hospital operations.

The City of Saskatoon has also been involved in community health services for virtually from the time of the City's inception. Prior to 1980, public health services were provided by a civic department, and within the civic administration. In 1980, the Saskatoon Community Health Unit was created, and administered by a Board appointed by, but independent of, City Council. Operating funding is received both from the City of Saskatoon and the Province of Saskatchewan, with contributions of approximately \$2.3 Million and \$2 Million respectively.

For several years, many individuals involved in the health field have attempted to develop a model which would rationalize hospital services provided by Saskatoon's three hospitals, and integrate public health services and acute care (hospital) services. In an attempt to achieve this and to introduce a "wellness" model, the Province created the Saskatoon Health Board, chaired by Cliff Wright. The expectations of this decision are reduced costs and improved health services. This new direction in health services delivery has resulted in the attached agreement.

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Outline of Agreement

- 1) The City of Saskatoon will transfer City Hospital with all its assets to the Saskatoon Health Board, with the Province assuming all responsibilities, staff and obligations.
- 2) The City of Saskatoon will continue to be responsible to pay the outstanding debentures which currently total approximately \$3.5 Million. These debts were incurred for the purchase of additional land for the new hospital, and the hospital parkade.
- 3) When the Nurses' Residence becomes surplus to the health or health-related social service needs of the Saskatoon Health Board, it will be transferred to the City of Saskatoon, for the sum of \$10.
- 4) In exchange for the hospital, and the assumption of the outstanding debenture liabilities, the City of Saskatoon will receive clear title to approximately 2,200 acres of land in the northeast area of Saskatoon, presently owned jointly by the City of Saskatoon and the Saskatchewan Housing Corporation. Currently, the Saskatchewan Housing Corporation owns a 95% interest, and the City of Saskatoon owns a 5% interest in this land.
- 5) To make the appropriate adjustments in land value as a result of the land exchange, the City of Saskatoon will pay the Saskatchewan Housing Corporation, the sum of \$850,000. In addition, the City of Saskatoon will pay the Saskatchewan Housing Corporation, the sum of \$60,000, which represents the Saskatchewan Housing Corporation's outstanding share of revenues from the northeast sector land.
- 6) With the transfer of the hospital, the City of Saskatoon will become liable in 1993 for payment of two mills, or approximately \$2.4 Million under The Hospital Revenue Tax Act. However, the responsibility of the City of Saskatoon for public health services will decrease from the current level of approximately \$2.3 Million to \$1.1 Million. This reduction in public health costs will remain in effect until 1997.
- 7) The City undertakes to facilitate the transfer of the responsibility and assets of the Saskatoon Community Health Unit, to the Saskatoon Health Board, with the intent of making the transfer effective by July 1, 1992.

Summary

The citizens of Saskatoon have enjoyed high-quality hospital and public health services for

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decades, through the on-going partnership between the City of Saskatoon, and the Province of Saskatchewan. The transfer of City Hospital and the Saskatoon Community Health Unit to the Saskatoon Health Board, is a logical extension of that cooperative approach.

It is appropriate at this time, as well, to recognize the dedicated service that has been provided by current and former employees of Saskatoon City Hospital, and the Saskatoon Community Health Unit, as well as the countless volunteer hours and dedication given by current and former board members of Saskatoon City Hospital, and the Community Health Unit.

Through the efforts of these two groups of citizens, Saskatoon is a better and healthier community.

- RECOMMENDATION:**
- 1) that Council approve the terms of the Agreement for Sale;
  - 2) that His Worship the Mayor and the City Clerk be authorized to execute the Agreement on behalf of the City;
  - 3) that the Administration be instructed to take all necessary steps to implement the terms of the Agreement; and,
  - 4) that City Council express its appreciation to the employees, both past and present, for their dedicated service to the Saskatoon City Hospital and the Community Health Unit, and further express its deep appreciation to past and former Board members of the Saskatoon Community Health Unit and City Hospital.

*ADOPTED."*

Committee arose.

*Moved by Alderman Mostoway, Seconded by Alderman Cherneskey,*

*THAT the report of the Committee of the Whole be adopted.*

*CARRIED.*

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*Moved by Alderman Penner, Seconded by Alderman Mostoway,*

*THAT the meeting stand adjourned.*

*CARRIED.*

The meeting adjourned at 8:26 a.m.

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Mayor

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City Clerk