

SINGAPORE MEDICAL ASSOCIATION
UNCONFIRMED MINUTES OF THE 59TH ANNUAL GENERAL MEETING (AGM)

**Held on 14 April 2019 (Sunday) at 2 pm at Concourse 3, Level 2,
2985 Jalan Bukit Merah SMF Building, Singapore 159457**

Members Present: 18

In Attendance:

Mr Martin Ho, Chief Administrator

Mr Lee Sze Yong, Manager

At 2 pm, there were 13 members and were insufficient for quorum required under Article XI, Section (3)(i) of the SMA Constitution. Honorary Assistant Secretary, Dr Anantham Devanand (Dr Dev), adjourned the meeting for thirty minutes in accordance to Article XI, Section (3)(ii). At 2.30 pm, with 18 members signed in, Dr Dev called the meeting to order.

All who were present rose and observed a minute of silence in memory of 7 members of the Association who passed away since the last AGM.

1. OPENING ADDRESS

- 1.1. SMA President, Dr Lee Yik Voon (Dr Lee YV), welcomed members to the 2019 AGM.
- 1.2. He began by identifying the key developments since the previous AGM. Regarding Telemedicine, SMA organised a conference in April 2018. Issues discussed included regulations, patient safety/quality, ethics of virtual care, National Telemedicine Guidelines, etc.
- 1.3. Next, Dr Lee YV highlighted the joint survey on National Electronic Health Record (NEHR), conducted by SMA together with Academy of Medicine, Singapore and College of Family Physicians Singapore. The survey results revealed some of the public's concerns, which support our call to respect patient privacy and confidentiality.
- 1.4. The Ministry of Health (MOH) Fee Benchmarks, issued in November 2018, received support from SMA via a statement, where we expressed our hope that more procedures will be included over time, and that the fee benchmarks will render many medical claims restrictions unnecessary, as well as simplify and speed up medical claims processes.
- 1.5. The upcoming Healthcare Services Act (HCSA) was the next area of focus. Dr Lee YV highlighted SMA's involvement via consultation on the proposed changes. The main difference is regulating medical institutions from a premise-based approach to one that is service-based.
- 1.6. After SMA received information that several anaesthesiologists were notified by Inland Revenue Authority of Singapore (IRAS) regarding possible tax avoidance, we facilitated a meeting between IRAS, MOH, and affected doctors. 2 seminars were also organised to shed light on tax-related matters.
- 1.7. Dr Lee YV congratulated the past and current SMJ editors and teams, for achieving an impact factor of 1.08. A Medical Association of South East Asian Nations (MASEAN) Group of Journals was also formed recently, which will possibly help increase citations from MASEAN members.
- 1.8. Significant events over the past year were also highlighted. At the SMA Annual Dinner 2018, the Health Minister Mr Gan Kim Yong was conferred the SMA Honorary Membership. The SMA Lecture 2018, 'The Future of Medical Education', was delivered by A/Prof Yeoh Khay Guan, Dean of National University of Singapore Yong Loo Lin School of Medicine, and the 2nd SMA Medical Students' Convention, was held on the same day.
- 1.9. In his conclusion, Dr Lee YV thanked all volunteers who contributed their valuable time to support SMA.

2. GROUND RULES

- 2.1. Dr Dev highlighted the Ground Rules and sought members' cooperation to identify themselves by name for the recording of the proceedings.

3. CONFIRMATION OF MINUTES OF 2018 ANNUAL GENERAL MEETING

- 3.1. The minutes were adopted as proposed by Dr Nigel Tan and seconded by Dr Wong Tien Hua. There were no matters arising from the 2018 AGM minutes.

4. REVIEW OF ANNUAL REPORT OF THE 59TH SMA COUNCIL 2018/2019

- 4.1. Dr Dev referred members to the SMA 59th Annual Report 2018/2019.
- 4.2. The SMA 59th Annual Report 2018/2019 was adopted as proposed by Dr Lee Pheng Soon and seconded by Dr Chong Yeh Woei.

5. AUDITED STATEMENTS OF ACCOUNTS FOR YEAR ENDED 31 DECEMBER 2018

- 5.1. Dr Loo Kai Guo Benny (Dr B Loo), Honorary Treasurer, presented the accounts for SMA Group.
- 5.2. Dr B Loo highlighted a loss of \$672K for 2018, compared to a \$314K surplus in 2017. This was mainly due to a \$489K fair value loss adjustment on the SMA's investments. He also shared that there will be savings from the move to our new office due to overall lower rates from what was offered by Alumni Association. Manpower is SMA's main expenditure item, to support our members' activities and courses. For 2018, we managed to keep our total expenses comparable with 2017.
- 5.3. Membership subscription [28%], admin fee from indemnity [25%] and course income [21%] are the main sources of income of SMA, with advertising income [17%] in support of total income.
- 5.4. Expenditure on membership [31%] and publication expenses [25%] are the main components of total expenditure.
- 5.5. Dr B Loo next presented the accounts for SMA Pte Ltd (SMAPL).
- 5.6. SMAPL's profit and loss statement largely depends on the performance of the investments. For 2018, we suffered a \$575K unrealised fair value loss from investments due to Asian markets tumbling at year end as China and the United States were engulfed in a trade war.
- 5.7. Our annualised return on investments since its inception in July 2008 is about 1.46% as compared to 3.78% in 2017. This is still above our mandate of achieving better returns than Fixed Deposit rates over the long term.
- 5.8. In 2018, an additional \$1M was injected into a UBS Manage Advanced (Asia) – Growth Fund. The performance was badly hit during the year, especially in October-November 18. However, we earned \$22K from dividend income offsetting the total unrealised fair value loss of \$597K.
- 5.9. After the February 2019 meeting with UBS; the Investment committee decided to rebalance the portfolio to a balanced profile, as opposed to the previous growth profile..
- 5.10. Dr Wong Chiang Yin proposed and Dr Tan Tze Lee seconded to adopt the audited SMA and SMAPL financial statements for the year ended 31 December 2018.

6. SMA CHARITY FUND (SMACF)

- 6.1. Mr Martin Ho presented the updates from SMACF. Dr Chong Yeh Woei, Ms Koh Lin-Net, and Dr Roland Xu recently joined the SMACF Board of Directors. Prof Thio Li-Ann, Dr Charles Toh, and Prof Wong Tien Yin stepped down from the SMACF Board. The Board extends their appreciation for their service.
- 6.2. Mr Ho highlighted the key financial information for SMACF. The fundraising efficiency ratio remains at a healthy 10.08% in 2018. The total expenses incurred on fundraising events shall not exceed 30% of the total donations collected.
- 6.3. The number of recipients, and the bursary quantum has been increased gradually, with the current quantum set at \$5,000 per bursary awarded to meet the living expenses needs of the medical students from lower income families.

- 6.4. Mr Ho highlighted new initiatives for 2019, specifically targeting foundations, engaging regular donors to consider joint named bursaries, and encouraging SMA members to consider donating on a regular basis. With a dollar for dollar matching grant from the \$200M Bicentennial Community Fund, Mr Ho urged members present and all members to consider making donations to the SMACF in support of its cause.

7. ELECTION OF SMA HONORARY MEMBER

- 7.1. In accordance with Article IV, Section (iv) of the SMA Constitution, the Meeting considered the proposal of the 59th SMA Council to elect Mr Tharman Shanmugaratnam as a SMA Honorary Member.
- 7.2. The members present unanimously affirmed Council's proposal to elect Mr Shanmugaratnam to SMA Honorary Membership. The conferment of Honorary Membership will be held during the SMA Annual Dinner on 4 May 2019.

8. ELECTION OF 60TH SMA COUNCIL

- 8.1. The names of the 10 Council Members who would be serving their second year on the Council were announced.

Dr Anantham Devanand	Dr Benny Loo Kai Guo
A/Prof Chin Jing Jih	Dr Ng Chew Lip
Dr Chong Yeh Woei	Dr Noorul Fatha As'art
Dr Daniel Lee Hsien Chieh	Adj Prof Tan Sze Wee
Dr Lee Yik Voon	Dr Wong Tien Hua

- 8.2. By the stipulated deadline, 10 nominations were received for the 10 vacancies. The 10 nominees were therefore elected to the 60th SMA Council.

Dr Tammy Chan Teng Mui	Dr Tan Tze Lee
Dr Lee Pheng Soon	Dr Tan Yia Swam
Dr Lim Kheng Choon	Dr Toh Choon Lai
Dr Ng Chee Kwan	Dr Wong Chiang Yin
A/Prof Nigel Tan Choon Kiat	Dr Bertha Woon Yng Yng

- 8.3. The 20 members of the 60th SMA Council were announced:

Dr Anantham Devanand	Dr Noorul Fatha As'art
Dr Tammy Chan Teng Mui	Dr Ng Chee Kwan
A/Prof Chin Jing Jih	A/Prof Nigel Tan Choon Kiat
Dr Chong Yeh Woei	Adj Prof Tan Sze Wee
Dr Daniel Lee Hsien Chieh	Dr Tan Tze Lee
Dr Lee Pheng Soon	Dr Tan Yia Swam
Dr Lee Yik Voon	Dr Toh Choon Lai
Dr Lim Kheng Choon	Dr Wong Chiang Yin
Dr Benny Loo Kai Guo	Dr Wong Tien Hua
Dr Ng Chew Lip	Dr Bertha Woon Yng Yng

9. ELECTION OF EXECUTIVE OFFICERS FOR YEAR 2019/2020

- 9.1. Dr Dev conducted the election for office bearers. One nomination was received for each of the posts of President, 1st Vice President, 2nd Vice President, Honorary Secretary, Honorary Assistant Secretary, Honorary Treasurer and Honorary Assistant Treasurer.

9.2. The following were elected Office Bearers of the 60th SMA Council:

Office	Nominee	Proposer	Second
President	Dr Lee Yik Voon	Dr Chong Yeh Woei	A/Prof Nigel Tan Choon Kiat
1st Vice President	Dr Tan Yia Swam	Dr Tan Tze Lee	Dr Noorul Fatha As'art
2nd Vice President	Dr Daniel Lee Hsien Chieh	Dr Ng Chee Kwan	Dr Chong Yeh Woei
Honorary Secretary	Dr Lim Kheng Choon	A/Prof Nigel Tan Choon Kiat	Dr Chong Yeh Woei
Honorary Assistant Secretary	Dr Loo Kai Guo Benny	Dr Ng Chee Kwan	Dr Tan Tze Lee
Honorary Treasurer	Dr Ng Chee Kwan	Dr Noorul Fatha As'art	Dr Wong Tien Hua
Honorary Assistant Treasurer	Dr Bertha Woon Yng Yng	Dr Ng Chee Kwan	A/Prof Nigel Tan Choon Kiat

10. PROPOSED CONSTITUTIONAL AMENDMENTS

10.1. As the stipulated quorum of 50 members was not reached, the proposed amendments to the SMA Constitution was not discussed.

11. APPOINTMENT OF PROFESSIONAL AUDITORS

11.1. Members present approved by majority via show of hands, the appointment of Kreston David Yeung PAC as Professional Auditors for the ensuing year.

12. ANY OTHER BUSINESS

12.1. Dr Daniel Lee Hsien Chieh (Dr Lee HC), Chairperson of the SMA Property Committee, provided members present with an update on SMA's previous lease at 2 College Road Alumni Medical Centre, since the last update during the 2018 AGM.

12.2. SMA had been leasing the premises at Level 2 Alumni Medical Centre from the Alumni Association (AA) for approximately 30 years. The latest lease rate was \$3.00 per square foot (psf) for 3,298 square feet of space, excluding property tax and utilities. SMA's lease with AA ended on 2 Aug 2018.

12.3. The SMA Property Committee was set up in 2015, to look into lease negotiations with AA and other property options. SMA had regularly requested for lease information from AA since 2016, in order to give SMA ample time to plan ahead.

12.4. The chronology of communications with AA is as follows.

21 Mar 2017

12.5. On 21 Mar 2017, AA met up with the 3 sister organisations which were tenants at 2 College Road, Alumni Medical Centre [SMA, Singapore Dental Association (SDA), and Pharmaceutical Society of Singapore (PSS)], and informed that the lease rate for SMA, SDA, and PSS would be increased to S\$5.90 psf with effect from 2 Aug 2018.

12.6. AA informed that the reason for the rate increase was that Singapore Land Authority (SLA) has increased the rental rate for the land plot to S\$500,000 per year, up from the existing S\$1, with effect from 2 Aug 2018.

12.7. AA informed that the lease extension from SLA will be for a period of 3 + 3 + 3 years upon the lease expiry on 2 Aug 2018.

12.8. AA asked the SMA, SDA, and PSS to confirm their acceptance of the new rate within a month of the meeting.

12.9. During the meeting, the SMA, SDA, and PSS raised concerns over the fairness of the method in apportioning the rent increase by AA. The 3 sister associations also requested for complimentary use of facilities like the Auditorium and swimming pool, in order to provide better value to our respective memberships in tandem with the significant increase in rental rate.

12.10. The requests were rejected and AA did not change its offer.

3 Apr 2017

- 12.11. On 3 Apr 2017, SMA proposed an alternative methodology of rental apportionment and counter-offered a rental rate of \$4 psf as a fair rate following its review.
- 12.12. AA called for a meeting on 26 Jul 2017, but subsequently informed SMA that it was cancelled.

16 Aug 2017

- 12.13. On 16 Aug 2017, AA met with SMA President Dr Wong Tien Hua and verbally offered a new rate of "about \$5psf".
- 12.14. No official written offer was made to the SMA.

18 Sep 2017

- 12.15. On 18 Sep 2017, SDA, PSS, and SMA jointly wrote to AA Chairman Dr Alvin Tan to propose proceeding with combined negotiations with SLA based on AA's valuation report which stated a market valuation of S\$380,000 per year for the same property, i.e. S\$1.75 psf per month.

22 Dec 2017

- 12.16. AA rejected the joint proposal by SDA, PSS, and SMA, and counter-offered a lease rate of \$5.00 psf starting from 1 Aug 2018.
- 12.17. AA opined that the S\$1.75 psf valuation rate reported by the professional property valuer is a "misrepresentation due to the input of differences in land area".

5 Feb 2018

- 12.18. On 5 Feb 2018, SDA, SMA, and PSS jointly responded to AA and informed that market analysis provides no support to justify acceptance of AA's proposed S\$5.00 psf rate to our respective memberships.
- 12.19. SDA, SMA, and PSS iterated a joint offer of \$4 psf, inclusive of sinking fund (SF) and property tax contributions, as well as requested for value-added inclusions of the usage of Auditorium, Theatre, swimming pool and gym, in order for a larger critical mass to become familiar with the facility and to avoid situations of underutilisation.
- 12.20. SDA, SMA, and PSS asked for AA's response by 28 Feb 2018.
- 12.21. No official response was received from AA.

23 Mar 2018

- 12.22. On 23 Mar 2018, SMA wrote to AA and indicated that as no response was received from the AA, SMA will have to consider all other options and alternatives for the SMA, and that SMA will consider a suitable offer from the AA when it is received.

16 Apr 2018

- 12.23. Letter dated 12 Apr 2018 was received from AA Chairman, Dr Alvin Tan, to 3 sister organisations, stating that all previous offers had been rescinded and the new offers stood as follows:
- SMA: \$6.50 psf for 3,298 sq ft of office space;
 - SDA: \$5.00 psf for 1,010 sq ft of office space;
 - PSS: \$4.50 psf for 836 sq ft of office space.

In addition, SMA, SDA, and PSS would also be required to pay an additional \$0.40 psf to the SF.

25 Apr 2018

- 12.24. On 25 Apr 2018, AA met with the 3 sister organisations. At this meeting, AA's previous offers in its letter dated 12 Apr 2018 were again rescinded.
- 12.25. AA then proposed a final offer of \$5 psf to 3 sister organisations, with \$0.40 psf contribution to SF.
- 12.26. AA informed the 3 sister organisations that even if the SLA were to lower its lease rate to AA in the Master Tenancy Agreement (MTA), AA will nonetheless not lower its lease rate of \$5 psf to the 3 sister organisations.
- 12.27. Further meetings and letters ensued.

25 Jun 2018

- 12.28. On 25 Jun 2018, the 3 sister organisations sent a letter to AA stating their final offer of \$4 psf with the following conditions: 1. No more contributions to SF, 2. AA to return unused parts of the SF if and when AA ceases to be Master Tenant, and 3. that the SF be used to realign the fence of 2 College Road (a condition previously imposed by SLA).

27 Jun 2018

- 12.29. On 27 Jun 2018, in a meeting between AA and the 3 sister organisations, new AA Chairman Dr Lai Kah Weng makes an offer of \$4.80 psf, with no more contributions to SF.

- 12.30. AA then informed the 3 sister organizations that the fence re-alignment works were no longer necessary.
- 12.31. AA revealed that the MTA amount had been reduced from \$500,000 to \$228,000 per year.
- 12.32. The 3 sister organizations note that at their offer of \$4psf rental rate and occupying 5,144 sq ft, AA would receive \$246,912 per year from SMA, SDA, and PSS combined, which was already in excess of the entire MTA amount of \$228,000 charged by SLA to AA.

29 Jun 2018

- 12.33. SMA, SDA, and PSS reject AA's offer of \$4.80 psf.

6 Jul 2018

- 12.34. AA offers \$4psf for only the first three months of rental out of the proposed three-year lease.

12 Jul 2018

- 12.35. SMA, SDA and PSS reject AA's offer of \$4 psf for only the first three months of lease.

17 Jul 2018

- 12.36. On 17 Jul 2018, AA informed the 3 sister organisations that the present lease would expire on 2 Aug 2018.
- 12.37. A Notice to Quit (NTQ) would be sent to the 3 sister organisations on 23 Jul 2018
- 12.38. A penalty rate of two times the existing rental rate would be charged on the 3 sister organisations should they not vacate the existing premises by or before the NTQ expires.

23 Jul 2018

- 12.39. The 3 sister organisations separately signed Tenancy Agreements with the Singapore Manufacturing Federation (SMF) for rental of the new premises.

25 Jul 2018

- 12.40. SMA informed AA that it will vacate the existing premises by 2 Aug 2018.

30 Jul 2018

- 12.41. SMA started its move to the temporary office at SMF Building.

2 Aug 2018

- 12.42. SMA handed over the premises of 2 College Road to AA.
- 12.43. Dr Lee HC presented key financial figures related to the decision to relocate to SMF Building. SMA is projected to save nearly \$200K over the 5.5 years lease even after taking into account the associated renovation and relocation costs.

Sinking Fund

2 Oct 2018

- 12.44. On 2 Oct 2018, the 3 sister organisations wrote jointly and officially to AA, requesting for the return of unused portions of the SF as at 2 Aug 2018.
- 12.45. It is the view of our legal advisers that the SF was meant to be used for the repair and replacement of existing capital expenses while we were tenants of part of the property for about 25 years from the inception of the SF in August 1993 to the end of our respective leases in August 2018.
- 12.46. No reply was received from AA despite reminders.
- 12.47. Dr Lee HC presented the legal advice (dated 10 Aug 2018) obtained regarding our position for the recovery of sinking fund, and also the joint letter to AA dated 2 Oct 2018.

28 Feb 2019

- 12.48. On 28 Feb 2019, AA responded that they are unable to see any basis for acceding to the request for the refund of any portion of the unused SF. AA's view is that there is no contractual basis under the agreement for this request and there is no such qualification to the underlying intent and purpose of the SF at the time it was created.
- 12.49. AA's letter was presented to members.
- 12.50. The advice of our legal advisers (dated 5 Mar 2019) subsequent to AA's letter was also presented.

Discussion on Sinking Fund

- 12.51. Dr Tan Yia Swam (Dr Tan YS) commented that there should be an official documentation of AA's professional discourtesy given the chain of events.

12.52. Dr Wong CY and Dr Lee HC informed that in regard to the relocation from 2 College Road to SMF Building, SMA had previously sent a PDF link to members containing a summary of the events, as well as important documents between the 3 sister organisations and AA, leading up to the move out of 2 College Road.

12.53. Dr Chong Yeh Woei (Dr Chong YW) asked if SDA and PSS have made a decision regarding this matter. Dr Lee HC informed that the Presidents of SDA and PSS have indicated via emails that they do not wish to further pursue the matter of the Sinking Fund.

12.54. Dr Neo Eak Chan asked if there were any other goodwill measures that can be explored.

12.55. Dr Lee HC informed that mediation could possibly be one consideration but will nonetheless incur further financial and time costs.

12.56. The following resolution was proposed:

“This House proposes that: SMA will not pursue the recovery of the unused portions of the Sinking Fund, based on consideration of the following:

- the decisions of the 2 sister organisations [PSS and SDA] to not pursue the unused Sinking Fund;
- costs of further actions, whether mediation or legal action;
- the probability of winning legal action based on legal advice;
- the amount of unused portion of the Sinking Fund attributable to SMA; and
- considerations of collegiality between sister organisations”

12.57. The results of poll were as follow:

Agree: 12

Disagree: 1

Abstain: 4

Total: 17 votes. As such, the resolution was passed.

12.58. Dr Chong YW proposed a note of thanks to Dr Lee HC and also to the SMA secretariat for their hard work in relation to lease negotiations, pursue of unused portion of Sinking Fund, as well as the relocation of SMA office within a short period of time as a result of the circumstances presented.

There being no other matters, Dr Dev declared the AGM closed at 3.41 pm.

DR LOO KAI GUO BENNY

Honorary Assistant Secretary

60th SMA Council