

NORTH OKANAGAN/COLUMBIA SHUSWAP REGIONAL HOSPITAL DISTRICT Regular Board Meeting AGENDA

Date: Tuesday, March 26, 2019
Time: 10:00 AM
Location: CSRD Boardroom
555 Harbourfront Drive NE, Salmon Arm

Pages

1. CALL TO ORDER

2. ADOPTION OF MINUTES

2.1 Adoption of Minutes

1

Motion

THAT: the minutes of the February 5, 2019 North Okanagan/Columbia Shuswap Regional Hospital District Board meeting be adopted.

2.2 Business Arising from the Minutes

If any.

3. DELEGATIONS

3.1 10:00 AM 2018 NOCSRHD Year End Financial Statements

Ms. Angie Spencer, BDO Canada, attending.

Presentation of 2018 Audited Financial Statements (Refer to Item 5.1)

3.2 10:15 AM Interior Health Representatives Dan Goughnour and Peter Harding - 2019 Capital Request, Revised

Available to respond to questions in regards to the revised capital request.
(Refer to Correspondence Item 4.1)

3.3 Interior Health Representative Brent Kruschel, Chief Projects Officer - Asset Management Process Capital Buildings and Equipment

4. CORRESPONDENCE

4.1 Letter from Donna Lommer, VP Support Services & CFO, Interior Health (March 6 2019) Revised Capital Funding Request 2019/20 Fiscal Year

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- 4.2 Letter from Donna Lommer, VP Support Services & CFO, Interior Health (February 2019) Major Projects and Three Year Funding 14
- 4.3 Letter to Minister of Health from Peter & Betty Powell (March 12 2019) 18
- Proposed Relocation of the Armstrong Visitor Centre, Pleasant Valley Health Centre
- 4.4 Letter from Lumby Health Services Society (Jan 3 2019) Funding Request 20
- Email response from J. Pierce, Manager, Financial Services - attached to agenda, for reference.
- Motion**
THAT: the correspondence contained on the March 26, 2019 NOCSRHD Board agenda, be received for information.
5. **REPORTS**
- 5.1 2018 NOCSRHD Year-end Financial Statements 26
- Report from Jodi Pierce, Manager, Financial Services dated March 12, 2019.
- Motion**
THAT: in accordance with the Local Government Act, the 2018 NOCSRHD Year-end Financial Statements be approved.
6. **BYLAWS**
- 6.1 2019 NOCSRHD Five Year Financial Plan Bylaw No. 72 43
- Report from Jodi Pierce, Manager, Financial Services, dated March 11, 2019.
- Motion**
THAT: Bylaw No. 72, cited as "2019 North Okanagan/Columbia Shuswap Regional Hospital District Bylaw No. 72", be read a first, second and third time this 26th day of March, 2019.
- Motion**
THAT: Bylaw No. 72, cited as "2019 North Okanagan/Columbia Shuswap Regional Hospital District Bylaw No. 72", be adopted this 26th day of March, 2019.
- 6.2 2019 NOCSRHD Capital Expenditure Bylaw No. 73 53
- Report from Jodi Pierce, Manager, Financial Services dated March 12, 2019.

Motion

THAT: Bylaw No. 73, cited as “North Okanagan Columbia Shuswap Regional Hospital District Capital Expenditure Bylaw No. 73”, be read a first, second, and third time this 26th day of March, 2019.

Motion

THAT: Bylaw No. 73, cited as “North Okanagan Columbia Shuswap Regional Hospital District Capital Expenditure Bylaw No. 73”, be adopted time this 26th day of March, 2019.

6.3 2019 NOCSRHD Capital Expenditure and Borrowing Bylaw No. 74

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Report from Jodi Pierce, Manager, Financial Services dated March 13, 2019.

Motion

THAT: Bylaw No. 74, cited as “North Okanagan Columbia Shuswap Regional Hospital District Capital Expenditure and Borrowing Bylaw No. 74”, be read a first, second and third time this 26th day of March, 2019.

Motion

THAT: Bylaw No. 74, cited as “North Okanagan Columbia Shuswap Regional Hospital District Capital Expenditure and Borrowing Bylaw No. 74”, be adopted this 26th day of March, 2019.

7. DATE OF NEXT MEETING

8. ADJOURNMENT

Motion

THAT: the March 26, 2019 meeting of the North Okanagan/Columbia Shuswap Regional Hospital District Board be adjourned.

NORTH OKANAGAN/COLUMBIA SHUSWAP REGIONAL HOSPITAL DISTRICT

Minutes of a Regular meeting of the North Okanagan/Columbia Shuswap Regional Hospital District Board.

**Note: The following minutes are subject to correction when endorsed by the Board at the
next Regular meeting.**

Date: February 5, 2019

Time: 10:00 AM

Location: Regional District of North Okanagan
9848 Aberdeen Road, Coldstream, BC

Directors Present	D. Brooks-Hill	Area B, CSRD
	P. Demenok	Area C, CSRD
	R. Talbot	Area D, CSRD
	R. Martin (Chair)	Area E, CSRD
	G. Sulz	Revelstoke, CSRD
	C. Eliason	Salmon Arm, CSRD
	M. Makayev	Alt. Director Sicamous CSRD
	S. Fowler	Armstrong, RDNO
	C. Fraser	Spallumcheen
	B. Fleming	Area B, RDNO
	A. Shatzko	Area C, RDNO
	H. Cameron	Area E, RDNO
	D. Delisle	Area F, RDNO
	R. Hoyte	Alt. Director Coldstream, RDNO
	D. Nahal	Vernon, RDNO
	S. Kineshanko	Alt. Director Lumby, RDNO
	D. Hackett	Alt. Director Area D, RDNO
Directors Absent	K. Flynn	City of Salmon Arm, CSRD
	T. Rysz	Sicamous, CSRD
	K. Acton	Lumby, RDNO
	J. Garlick	Coldstream
	B. Schreiner	Enderby, RDNO
	V. Cumming	Vernon, RDNO
	A. Mund	Vernon, RDNO
	B. Quiring	Vernon, RDNO
	R. Fairbairn	Area D, RDNO

Staff	C. Hamilton	Secretary
	L. Shykora	Deputy Mgr., Corporate Admin. (Recorder)
	J. Sham	Assistant Deputy Corporate Officer
	J. Pierce	Manager of Financial Services

1. **CALL TO ORDER**

Charles Hamilton, Secretary, NOCSRHD

The Chair called the meeting to order at 10:00 AM.

2. **ELECTIONS**

2.1 **Election of Chair for 2019**

By Charles Hamilton, Secretary, NOCSRHD

The Secretary called for nominations for the position of Chair, NOCSRHD, for 2019.

Director Eliason nominated Director Martin, who accepted the nomination.

Hearing no further nominations, the Secretary declared Director Martin elected Chair for the Hospital Board for 2019.

2.2 **Election of Vice Chair for 2019**

By Charles Hamilton, Secretary, NOCSRHD

The Secretary called for nomination for the position of Vice-Chair, NOSRHD, for 2019.

Director Nahal nominated Director Shatzko, who did not accept.

Director Martin nominated Director Fleming, who accepted the nomination.

Hearing no further nominations, the Secretary declared Director Fleming elected Vice-Chair of the Hospital Board for 2019.

Chair Martin assumed the Chair at this time.

Introductions

3. **ADOPTION OF MINUTES**

Alt Director Makayev joined the meeting at 10:04 am.

3.1 **Adoption of Minutes**

H2019-001

Moved By Director Fowler

Seconded By Director Delisle

THAT: the minutes of the March 27, 2018 North Okanagan/Columbia Shuswap Regional Hospital District Board be adopted.

CARRIED

3.2 Business Arising from the Minutes

None.

4. DELEGATIONS

4.1 Interior Health

Interior Health (IHA) representatives were in attendance to provide an overview of IHA's Capital request, referenced in Correspondence Item 5.2.

The focus of the presentation was the capital funding request and some high level detail on IHA's capital process for the information of new members on the Board.

Richard Harding and Dan Goughnour from IHA presented to the Board.

Major projects for 2019 include Vernon Jubilee Hospital (VJH) MRI, Shuswap Lake General Hospital (SLGH) Medstation Replacement, VJH Autopsy Suite/Morgue Update - planning, and a VJH HVAC Upgrade

Regional Investments include IHA Lab Facilities - Lab Middleware software.

Looking ahead: Routine Capital Investments and Priority Investments. The 2019/2020 request is unusually large.

Presenters answered questions from the Board.

Director Nahal suggested approaching foundations to help with funding.

Mr. Harding responded that foundations do contribute but most foundations prefer to fund new equipment and not replacement or routine costs.

Presenters left the meeting after their presentation.

5. CORRESPONDENCE

5.1 BDO Canada LLP (October 19, 2018)

Letter from Angie Spencer, CPA, CA, from BDO Canada LLP attaching report outlining BDO's audit plan for the audit of the North Okanagan Columbia Shuswap Regional District financial statements.

5.2 Interior Health (December 18, 2018)

Letter from Donna Lommer, VP Support Services & CFO, Interior Health, outlining the Interior Health annual capital requests for 2019/2020 fiscal year.

H2019-002

Moved By Director Fraser

Seconded By Director Delisle

THAT: the correspondence contained on the February 5, 2019 North Okanagan/Columbia Shuswap Regional Hospital District Board Agenda be received.

CARRIED

6. REPORTS

6.2 2018 NOCSRHD Financial Update

Report from Jodi Pierce, Manager, Financial Services, dated January 31, 2019.

For Information Only.

6.1 2019 NOCSRHD Five Year Financial Plan

Report from Jodi Pierce, Manager, Financial Services, dated January 31, 2019.

Director Eliason suggests an initial tax increase of 25%, and then 15% and 15% tax increase, similar to Option 2 with partial borrowing.

Manager of Financial Services: Next meeting, the Board needs to adopt a 5 year plan. Staff need direction from the Board.

Secretary: The Board needs to tell IHA what is expected. If the Board says sharpen your pencils, it will give IHA more direction.

H2019-003

Moved by Director Eliason

Seconded by Director Demenok

THAT: the capital request of 6.8 million dollars be reduced to 6 million and there be an initial 25% taxation requisition, the rest from long term borrowing, and set the following two years of tax requisition at 15%.

Discussion on the motion:

Director Fraser asked to split the motion and change the limit and the requisition. Director Eliason not opposed to the splitting of the motion.

Motion

THAT: the capital request of 6.8 million dollars be reduced to 6 million dollars.

VOTE ON MOTION - CARRIED

H2019-004

Moved by Director Eliason

Seconded by Director Demenok

THAT: the Board approve Option 2 with a tax increase to a maximum of 25% and the remainder from long term borrowing (none from reserve).

Discussion on motion:

Secretary: if this is an anomaly, then maybe use some reserves but caution if this is the new normal. Board could give staff flexibility to use some reserves with the maximum at the 25% and staff can run a few scenarios.

Manager of Financial Services: not using reserves, the special requests like the MRI, would not be funded without the reserves.

Director Nahal, the Board should be using the reserves to soften the blow. Director Fleming agreed.

Alt. Director Makayev does not support using reserves.

Chair Martin, taxpayers will rarely complain about healthcare but public awareness about why the Board is doing this is needed.

Secretary: need clarity on the use of drawdown reserves. The Board should consider the reserve use, as the public sees it as overtaxation.

Greater faith in the IHA planning letters is needed but here there is a difference in their planning letter and their ask.

Manager of Financial Services: staff identified projects that are eligible for long term borrowing. There are projects that are eligible for long term borrowing but future projects may not be. If the reserves are used this year, there will be a tax spike next year.

Amendment

Moved by Director Fleming

Seconded by Director Cameron

THAT: the Board add the use of reserve funds of \$600,000 to reduce the 25% tax increase in the above motion.

Discussion on the amendment:

Director Eliason, Option 3 includes using \$650,000 from reserves and he is speaking in opposition to the amendment. He could agree with using \$500,000 from the reserves.

Director Fleming, the amended motion is to use reserve funds which would reduce the 25% tax, the remainder being borrowed.

Director Eliason, the full tax request by IHA is for 6.8 million dollars. The 25% tax is to set the precedence to show where it needs to be.

AMENDED MOTION - DEFEATED

**Directors Fleming, Cameron, (Alt.) Hackett, Delisle, and Nahal
– In Favour**

Deputy Manager, Corporate Administration, repeated the main motion of a maximum 25% tax increase with long term borrowing.

Amendment

Moved by Director Fraser

Seconded by Director Nahal

THAT: the Board utilize \$600,000 from the reserve funds to to reduce the long term borrowing.

AMENDING MOTION – CARRIED

Director Demenok – Opposed

VOTE ON MOTION AS AMENDED - CARRIED

7. BYLAWS

None.

8. DATE OF NEXT MEETING

Tuesday, March 26, 2019 at 10:00 AM
CSR D Boardroom, 555 Harbourfront Drive NE, Salmon Arm, BC

9. ADJOURNMENT

H2019-005

Moved by Director Fraser

Seconded by Director Nahal

THAT: the February 5, 2019 meeting of the North Okanagan/Columbia Shuswap
Regional Hospital District Board be adjourned.

CARRIED

Adjournment at 1:10 PM

SECRETARY

CHAIR



Mr. Charles Hamilton, Chief Administrative Officer
 North Okanagan / Columbia Shuswap
 Regional Hospital District
 Box 978, 555 Harbourfront Drive NE
 Salmon Arm, BC V1E 4P1

March 6, 2019

Dear Mr. Hamilton:

RE: CAPITAL FUNDING REQUEST FOR THE 2019/20 FISCAL YEAR (REVISED)

We are providing your Regional Hospital District (RHD) with a revised annual funding request letter as requested by you. As in prior years it is based on Interior Health's (IH) capital budget for the 2019/20 fiscal year and incorporates identified priorities for construction projects, equipment and information technology (IMIT). Intensive engagement occurs during the capital budget development, including involvement of staff and physicians at the site, regional and program level throughout IH. Alignment with IH's and government strategic priorities and the need to replace aging infrastructure were taken into consideration during this process.

For the 2019/20 fiscal year we are requesting funding for the following projects and equipment:

1. Construction Projects over \$100,000

a. Emergency Generator at Queen Victoria Hospital, Revelstoke

This acute care site is currently serviced by only one emergency generator and this is a remote site which experiences numerous power failures throughout the year. The existing single diesel generator is under sized and is to be replaced with two new redundant emergency generators. The generators will be sized to back up all the essential loads of the hospital. This new electrical system will incorporate a "bumpless" or closed transition automatic transfer switch which will allow the hospital to test the emergency power system on a weekly basis without power interruption to the hospital's normal operations. The work will include a new high voltage electrical service to serve a new 600 volt primary distribution and upgrades to portions of the 208 volt distribution to provide improved reliability of the system.

For budgeting purposes we are including the proposed cashflow for this project with spending of approximately \$700,000 in 2019, \$3.8M in 2020 and \$450,000 in 2021.

b. Pharmacy Renovation at Shuswap Lake General Hospital, Salmon Arm

The sterile compounding area in the pharmacy department at this site requires upgrading, including new equipment, air filtration, and air flow handling. Effective May 2021, the College of Pharmacists of British Columbia bylaws will require all pharmacies in B.C. to adopt the National Association of Pharmacy Regulatory Authorities model standards for sterile compounding. Compounding allows individual ingredients to be mixed together in personalized strengths and dosages based on a patient's needs. High-quality standards ensure preparation quality and safety when compounding drugs for patients. If a pharmacy is unable to meet these standards they are not to prepare sterile compounded medications, which include chemotherapy and intravenous medications.

Interior Health Authority
 5th Floor - 505 Doyle Ave.
 Kelowna, BC V1Y 0C5
 Web: www.interiorhealth.ca

VP Support Services & Chief Financial Officer
 Telephone: (250) 862-4025 Fax: (250) 862-4201
 E-Mail: donna.lommer@interiorhealth.ca

c. Chiller Replacement at Queen Victoria Hospital, Revelstoke

This 40 year old chiller is past its useful life and runs with very high utility costs. Loss of the cooling system will have a negative impact on the patients, staff and temperature sensitive equipment. The scope of this project will be to replace the chiller and auxiliary equipment with a reliable heat recovery chiller system to provide heating water and pre-heat domestic hot water, thereby aligning with carbon reduction and sustainability goals. This project's 60% portion will be funded through the Ministry of Health's Carbon Neutral Capital Program.

d. Leasehold Improvements – Renovation/Expansion/Relocation for Shuswap Community Care Services, Salmon Arm

This project will align with IH's strategic agenda to provide comprehensive, person-centred, culturally safe, quality primary care services and coordinate patients' access to specialized community services programs. To improve access for those with complex medical conditions and/or frailty IH is moving community services within Salmon Arm over the next three years in order to address an upcoming lease termination and take advantage of an opportunity to consolidate programs within the community, addressing current needs and future growth. The move of services also provides the opportunity for a fresh look at space organization and utilization, which is expected to find efficiencies. Health professionals will have the opportunity to provide coordinated, integrated community services to the residents of Salmon Arm in newly refreshed and well planned space.

e. Modernize Elevator at Queen Victoria Hospital, Revelstoke

This project entails the complete modernization of this elevator which is past its life expectancy and the only elevator at the site. Scope of work will include a new controller, fixtures, power unit, door operator and other miscellaneous safety upgrades.

2. Construction Projects under \$100,000

a. Staff Duress System at Pleasant Valley Health Centre and Armstrong Community Services, Armstrong

Each staff member will be provided with a personnel badge that features wireless call functionality. In the event they are faced with a threatening situation, staff simply presses their badge's call-button to summon help via annunciation stations tied into the system. The staff duress system enables faster response times during emergencies by identifying the location of the specific employee at risk. This solution provides workers with the peace of mind knowing that they are protected in an emergency situation.

b. Retaining Wall and Security Fence Replacement at Parkview Place, Enderby

This site has pressure treated wood retaining walls on the patio from 1993 which are rotting and leaning posing a danger to persons in care, visitors and staff. The loading dock gate needs to be enlarged for easy egress and the security fence needs replacing as it has deteriorated. Scope of work will include concrete retaining walls, security fence and a redesign of the area by the loading dock for better access.

c. Repave Parking Lot at Pleasant Valley Manor, Armstrong

Freeze and thaw cycles over the seasons have caused heaving in the ground which has severely impacted the asphalt paving and has caused potholes and erosion in the parking lot at this site. This deterioration of the parking lot is a safety issue for persons in care, visitors and staff. The scope of work will include excavation and installation as a new base to accept asphalt.

3. IH-Wide IMIT

As part of the ongoing advancement of the IH digital platform to support health service operations, enable key strategies, improve quality and patient safety, and incorporate innovation to improve effectiveness and efficiency, IH IMIT strategy focuses on expanding technology that supports information exchange between providers. This includes improved communication systems between providers and patients and improved processing of clinical documentation.

This IMIT project is an IH-wide initiative costing approximately \$9 million. The project's benefits are distributed equally across IH regions; therefore the cost allocation to each of the seven RHDs is based upon population data using the PEOPLE 2018, BC Statistics. The North Okanagan/Columbia Shuswap RHD's percentage ratio is approximately 17%. Claims on this project will be calculated using this percentage for the actual cost distribution.

4. IMIT over \$100,000

Ortho Templating Software for Surgical Efficiency at Vernon Jubilee Hospital, Vernon

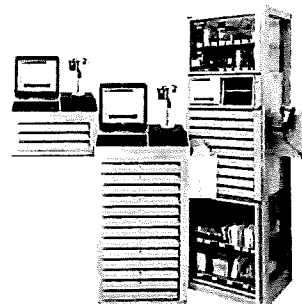
Ortho Templating is orthopedic pre-operative planning software which enables surgeons to accurately template patient images, take measurements, and simulate digitally the expected result prior to surgery. This should greatly reduce the time required to plan and improve the accuracy of implants by reducing corrections at time of surgery resulting in saved time, costs and improved patient outcomes. This project's total cost is \$444,000 and is part of the IH-wide surgical strategy. This software will be implemented at the six regional hospitals. Vernon Jubilee Hospital's portion of the total budget will be \$74,000 of which we are asking your RHD to fund 40% in the amount of \$29,600.

5. Equipment over \$100,000

Please note that pictures shown below are for illustrative purposes only and may not depict the actual equipment to be purchased by IH, which will be established during the procurement process.

a. Medstations, IH-Wide Pyxis Replacement, Phase 4 for Vernon Jubilee Hospital, Vernon

Automated dispensing cabinets (ADC) for medications were first introduced in IH in 2006. This technology has brought improvements in patient safety and workflow that have been well-supported by both nursing and pharmacy staff. In August 2014 IH was informed that the current platform (Pyxis 3500) was approaching end of life and will no longer be supported by the vendor. After extensive consultation with stakeholders IH decided to replace the Pyxis 3500 with Omnicell XT. This newest platform has a number of improvements over the older technology and will further increase patient safety and workflow.



In 2016/17 an IH-wide common structure was required before the ADC replacements could begin. This infrastructure was part of Phase 1 and included servers, software and staffing resources for configuration. The replacement of the individual ADC's started in 2016/17 (Phase 1) and continued in 2017/18 (Phase 2) and 2018/19 (Phase 3). The entire ADC replacement project will be completed by the end of 2019/20 as Phase 4. This project is for the actual purchase of the Omnicell ADC's, renovations and project staffing specifically at this site and is classified as Phase 4 as part of the entire IH rollout.

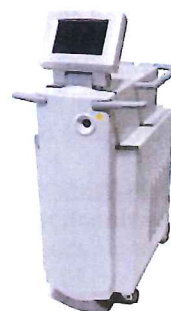
b. Monitoring System, Physiological for Vernon Jubilee Hospital, Vernon and Shuswap Lake General Hospital, Salmon Arm

Physiological monitoring systems consist of a bedside monitor connected to a central system and the patient. This system continuously monitors the patient's ECG, blood pressure, temperature, and blood oxygen levels among other vital signs. This information is also sent to a central system, which displays all of this information for each patient in real time at the nursing station. Alarms sound to alert clinicians if certain parameters fall outside of acceptable ranges, and trends are recorded to help clinicians assess a patient's progress. This new system is replacing a 2010 model at Shuswap Lake General Hospital and a 2011 model at Vernon Jubilee Hospital, both located in the Intensive Care Unit.



c. Holmium Laser for Vernon Jubilee Hospital, Vernon

This equipment is used for urology surgery and combines cutting, ablation and coagulation properties for precise, virtually bloodless procedures. It is also extremely effective in fragmenting urinary stones in the bladder, ureter and/or kidney of all compositions, making it an ideal multipurpose surgical tool. Because its laser light is transmitted through flexible fibers, it is especially suited for minimally invasive endoscopic and laparoscopic procedures. This purchase is replacing a 2002 model in the surgical department that is at end of its technological life. Investment in this technology will support providing elective and emergency care within the community.



d. Laboratory Middleware for Various Facilities

Middleware is software that connects laboratory analyzers and the Laboratory Information System. This software enables communication and data management between those two complex environments. Middleware is a general term for software that "glues together" or bridges the gap between separate, complex programs or systems.

Middleware will allow IH laboratories to enhance and streamline operations. This software streamlines quality control processes that ensure the integrity of laboratory results. The middleware provides the opportunity to integrate and automate repetitive tasks. It is very customizable and adaptable, and will allow IH laboratories to easily incorporate new technology and equipment.

The total cost for the purchase and implementation of this new Laboratory Middleware at all IH laboratory sites is \$1.2M and the North Okanagan/Columbia Shuswap RHD's portion of the total budget will be \$205,750 of which we are asking your RHD to fund 40% in the amount of \$82,300.

e. Sterilizer – Low Temperature Vaporization Hydrogen Peroxide (VHP) for Shuswap Lake General Hospital, Salmon Arm

Please note that IH will not be drawing funds for this equipment purchase which is included in Bylaw #66 approved by your RHD.

6. Equipment under \$100,000 (Global Grant)

We are requesting global funding for equipment that costs between \$5,000 and \$100,000.

Although the 2019/20 budget has been approved by the IH board, all capital spending over \$100,000 regardless of funding source must also be approved annually by government. We will be providing you with information regarding notional government funding and a high level estimate for your planning purposes of the three year funding requirement, as well as a listing of IH's major prioritized items under separate cover.

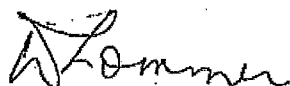
Please be advised we may approach your RHD to contribute towards additional items at a later date should circumstances dictate the need to commence new capital initiatives. We recognize that these late requests present challenges to your capital budget process and thank you for your understanding should such requests be presented for your consideration.

We have included as Appendix 1 a financial summary of our funding request, which totals \$5,945,700. We acknowledge that this amount is higher than amounts previously estimated in our three year notional funding projections (\$4 million per February 2018 letter, and \$2.8 million per February 2017 letter). For 2019/20, there are a number of major infrastructure investments required at facilities within the North Okanagan/Columbia Shuswap region. These are critical projects that are necessary to ensure the sustainability of services in those communities. Unfortunately, they have arisen at the same time. The deferment of the Queen Victoria Hospital emergency generator replacement project from last year has added further pressure, as costs have escalated in a very competitive construction market. Due to an increased risk of failure of this unit, we are unable to defer the project any longer.

It would be appreciated if you could submit it to your Board for approval. Please advise us of the meeting date when funding will be discussed and whether you would like to have IH representatives attend to answer questions that the Directors may have. Upon approval, please send Birgit Koster copies of the relevant bylaws for our records.

We thank you for your on-going support of our capital initiatives. If you require further information, or if you have any questions or concerns, please contact Dan Goughnour or me directly.

Sincerely,



Donna Lommer, CPA, CGA, EMBA
VP Support Services & CFO

/at

Encl. Appendix 1 ~ Summary of Regional Health District Funding Request for 2019/20

cc: Rhona Martin, Chair, NOCSRHD
Jodi Pierce, Manager Financial Services, NOCSRHD
Richard Harding, Acute Health Service Administrator, North Okanagan
Dan Goughnour, Director, Business Support
Lorne Sisley, Corporate Director, Facilities Management and Operations
Birgit Koster, Director Business Support, Capital Planning

Interior Health
North Okanagan Columbia Shuswap
Summary of Regional Hospital District
Funding Request
for 2019/20

Appendix 1

Facility	Location	Project/Equipment Description	Total Budget	RHD Share	2019/20 Funding Request
		<u>Construction Projects over \$100,000</u>			
Queen Victoria Hospital	Revelstoke	Emergency Generator	\$ 4,950,000	\$ 1,980,000	\$ 1,980,000
Shuswap Lake General Hospital	Salmon Arm	Pharmacy Renovation	1,080,000	432,000	432,000
Queen Victoria Hospital	Revelstoke	Chiller Replacement	823,000	329,200	329,200
Shuswap Community Care Services	Salmon Arm	Leasehold Improvements - Renovation/Expansion/Relocation	600,000	240,000	240,000
Queen Victoria Hospital	Revelstoke	Modernize Elevator	280,000	112,000	112,000
		<u>Construction Projects under \$100,000</u>			
Pleasant Valley Health Centre/Armstrong Community Services	Armstrong	Staff Duress System	90,000	36,000	36,000
Parkview Place	Enderby	Retaining Wall and Security Fence Replacement	85,000	34,000	34,000
Pleasant Valley Manor	Armstrong	Repave Parking Lot	60,000	24,000	24,000
		<u>IH-Wide IMIT</u>			
Regional		Various	1,608,000	643,200	643,200
		<u>IMIT over \$100,000</u>			
Vernon Jubilee Hospital	Vernon	Ortho Templating Software for Surgical Efficiency	74,000	29,600	29,600
		<u>Equipment over \$100,000</u>			
Vernon Jubilee Hospital	Vernon	Medstations, IH-Wide Pyxis Replacement, Phase 4	2,939,000	1,175,600	1,175,600
Vernon Jubilee Hospital/Shuswap Lake General Hospital	Vernon/Salmon Arm	Monitoring System, Physiological	465,000	160,200	160,200
Vernon Jubilee Hospital	Vernon	Laser, Holmium	270,000	108,000	108,000
Various	Various	Laboratory Middleware	205,750	82,300	82,300
Shuswap Lake General Hospital	Salmon Arm	Sterilizer - Low Temperature VHP	(159,000)	(63,600)	(63,600)
		<u>Equipment under \$100,000 (Global Grant)</u>			
All Facilities		Equipment between \$5,000 and \$100,000	1,558,000	623,200	623,200
TOTAL			\$ 14,928,750	\$ 5,945,700	\$ 5,945,700



Mr. Charles Hamilton, Chief Administrative Officer
 North Okanagan / Columbia Shuswap
 Regional Hospital District
 Box 978, 781 Marine Park Drive NE
 Salmon Arm, BC V1E 4P1

CONFIDENTIAL

February 15, 2019

Dear Mr. Hamilton:

RE: HIGH LEVEL FUNDING ESTIMATES & MAJOR CAPITAL PROJECTS

Enclosed please find additional information to support your planning process. The top part of the table on the next page presents the total funding envelope that Interior Health (IH) is expected to receive over the next three fiscal years from the Ministry of Health (MOH). The available funding is notional, meaning these amounts can be used for planning purposes, but are not yet confirmed. The final allocations are dependent upon capital funding provided to the MOH from the annual provincial budget. Annual amounts are confirmed to us at the beginning of each fiscal year and if there are changes to the amounts, it will directly impact the estimated funding requirements outlined in the below table.

Accordingly, IH's outer years' high level estimates are quite volatile and should be used for general planning purposes only. Forecasts will shift based on actual demands and changes in available funding. IH relies on its rigorous prioritization process when developing its annual capital budget.

A further factor affecting the volatility of capital needs are the current conditions in the construction market that have led to cost escalations. In order to reduce cost variance during the tendering process, IH engages quantity surveyors to prepare a pre-tender cost estimate to ensure an appropriate budget is in place. If this estimate exceeds the approved original budget, IH has to secure additional funding in order to proceed to tender. Unfortunately, we have experienced this happening more frequently in recent projects; in fact, we even have been faced with projects, where the budget had to be increased to the pre-tender estimate, and then again, when the project went to the market as the lowest bid was higher than the pre-tender estimate established by the consultants. These unpredictable market forces place us in the regrettable position of having to look for scope reduction or value engineering opportunities to stay within budget, but in some situations we need to request additional funding from your RHD, sometimes even multiple times. Appendix 1 provides a sample of projects in your RHD that have not yet been tendered and are subject to potential cost pressures. We will continue to exercise very proactive measures to manage our projects within the budgets they are assigned.

The bottom part of the table refers specifically to your Regional Hospital District (RHD). It shows the approximate total capital requests for facility construction, equipment and Information Management Information Technology for your area for the next three years. The last line indicates a high level estimate of funding requirements from your RHD for planning purposes. These projections are subject to change based on funding availability and/or critical needs that may be identified in a given year.

Interior Health Authority
 505 Doyle Ave.
 Kelowna, BC V1Y 6V8
 Web: www.interiorhealth.ca

VP Support Services & Chief Financial Officer
 Telephone: (250) 862-4025 Fax: (250) 862-4201
 E-Mail: donna.lommer@interiorhealth.ca

North Okanagan Columbia Shuswap Potential Capital Funding Requirements

February 2019

Anticipated Funding from Ministry of Health to Interior Health (millions)	2019/20 (notional)	2020/21 (notional)	2021/22 (notional)	Three-year Total (notional)
Interior Health Notional Funding from the Ministry of Health				
Available Funding for planning purposes only	\$ 28.6	\$ 31.9	\$ 32.0	\$ 92.5

North Okanagan Columbia Shuswap (NOCS) (millions)	2019/20	2020/21 (notional)	2021/22 (notional)	Three-year Total (notional)
Total of all Capital Requests Identified for the next three years				\$ 166.0
Approximate Funding from all Sources for NOCS (Ministry, RHD, Equity, Foundation, etc.)	\$ 15.0	\$ 7.8	\$ 7.8	\$ 30.6
Anticipated Regional Hospital District Funding Requirements for planning purposes only	\$ 6.0	\$ 3.1	\$ 3.1	\$ 12.2

Please note that the above funding requirement amounts do not include any potential Priority Investments in your RHD area. These types of projects require individual MOH approval and are granted outside of the regular capital budget cycle.

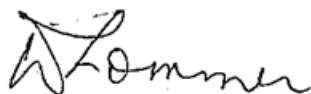
Attached (Appendix 2) please find the prioritized listing of IH's major planned capital projects consisting of:

- Construction projects over \$2 million that are "program" related
- Information Management Information Technology over \$5 million
- Major diagnostic equipment regardless of value

The list is grouped in "A" and "B" priorities and is sorted alphabetically by facility name within these two categories.

If you require further information, or if you have any questions or concerns, please contact Dan Goughnour or me directly.

Sincerely,



Donna Lommer, CPA, CGA, EMBA
VP Support Services & CFO

/bk

Encl. Appendix 1: Projects To Be Tendered, January 2019
 Appendix 2: Major Capital Projects Priority List, December 2018

cc: Rhona Martin, Chair, NOCSRHD
 Jodi Pierce, Manager Financial Services, NOCSRHD
 Richard Harding, Acute Health Service Administrator, North Okanagan
 Dan Goughnour, Director Business Support
 Birgit Koster, Director Business Support, Capital Planning

NORTH OKANAGAN COLUMBIA SHUSWAP
PROJECTS TO BE TENDERED
January 2019

Project Name
QVH Heat Recovery Chiller
QVH Modernize Elevator
QVH Emergency Generator
SAC Leasehold Improvements
SLH Pharmacy Renovation
SLH Sterilizer - Low Temperature VHP
VJH Integrated Chemistry/Immunochemistry Analyzer
VJH HVAC Upgrade

Interior Health

Appendix 2

December 3, 2018

Prioritized Listing of Major Planned Capital Projects consisting of:

Construction projects > \$2 million that are "program" related regardless of funding source (RCI or PI)

Net new IMIT projects > \$5 million

Net new major diagnostic equipment regardless of value (CT/MRI/PET/Radiation Therapy)

Sorted by category and then alphabetically by facility name

Project/Equipment Name	Facility Name	Location	RHD	Estimated total cost (millions)	RCI/PI	Demand for Services	Innovation & Change	Sustainability
Category A Priorities								
Redevelopment	Cariboo Memorial Hospital	Williams Lake	CC	\$128	PI	√	√	√
Lab/Pharmacy/Oncology/Renal Renovation	East Kootenay Regional Hospital	Cranbrook	KE	\$200	PI	√	X	√
Redevelopment	Golden & District Hospital	Golden	KE	\$100	PI	X	√	√
Parkade Expansion	Kelowna General Hospital, Kootenay Boundary Regional Hospital, Royal Inland Hospital	Kelowna, Trail, Kamloops	CO, WKB, T	TBD	PI	√	√	X
MRI	Kootenay Boundary Regional Hospital	Trail	WKB	\$8	PI	√	X	√
Pharmacy and Ambulatory Care	Kootenay Boundary Regional Hospital	Trail	WKB	\$39	PI	√	√	√
Digital Electronic Health Records	Penticton Regional Hospital	Penticton	OS	\$7	PI	√	√	√
Oncology & Relocation of Medical Records	Penticton Regional Hospital	Penticton	OS	TBD	RCI	X	√	√
Redevelopment	Queen Victoria Hospital	Revelstoke	NOCS	\$100	PI	√	X	√
Laboratory Renovation	Royal Inland Hospital	Kamloops	T	\$12	RCI	√	X	√
Redevelopment (Perioperative / ICU)	Shuswap Lake Hospital	Salmon Arm	NOCS	\$30	PI	√	√	√
Long-term Care - 450 Beds	Various	Various	Various	TBD	PI	√	√	√
Inpatient Psychiatry Redesign/Redevelopment	Vernon Jubilee Hospital	Vernon	NOCS	\$75	PI	√	√	√
Category B Priorities								
Emergency Department Renovation	Boundary Hospital	Grand Forks	WKB	TBD	RCI	√	√	√
Community Dialysis Unit	East Kootenay Regional Hospital	Cranbrook	KE	\$4	RCI	√	X	√
Emergency Department and Outpatient Services Renovation	Elk Valley Hospital	Fernie	KE	TBD	RCI	√	√	√
Redevelopment	Elk Valley Hospital	Fernie	KE	\$50	PI	√	√	√
OR Renovation	Golden & District Hospital	Golden	KE	2.5	RCI	√	√	√
Digital Electronic Health Records	Kelowna General Hospital	Kelowna	CO	\$21	PI	√	√	√
CT Scanner (additional)	Penticton Regional Hospital	Penticton	OS	5.0	PI	√	√	√
Maternity and Pediatric Unit	Penticton Regional Hospital	Penticton	OS	TBD	RCI	√	X	√
Inpatient Tower Phase III	Royal Inland Hospital	Kamloops	T	500.0	PI	√	√	√
Oncology Renovation	Royal Inland Hospital	Kamloops	T	TBD	RCI	X	√	√
Community Dialysis Unit	Rutland Health Centre	Kelowna	CO	2.3	RCI	√	X	√
Digital Electronic Health Records	Vernon Jubilee Hospital	Vernon	NOCS	TBD	PI	√	√	√
CT Scanner (additional)	Vernon Jubilee Hospital	Vernon	NOCS	5.0	PI	√	X	√
MDR Expansion - Level 2	Vernon Jubilee Hospital	Vernon	TBD	TBD	RCI	√	√	√
Medical Imaging Redesign	Vernon Jubilee Hospital	Vernon	NOCS	15.0	PI	√	X	√

LEGEND

RCI - Routine Capital Investment
PI - Priority Investment

RHD Areas

CC - Cariboo Chilcotin
CO - Central Okanagan
KE - Kootenay East
NOCS - North Okanagan Columbia Shuswap
OS - Okanagan Similkameen
T - Thompson
WKB - West Kootenay Boundary

<input type="checkbox"/> CAO	<input checked="" type="checkbox"/> Agenda <i>March 21</i>	Ownership
<input type="checkbox"/> Works	<input checked="" type="checkbox"/> Reg Board <i>AND</i>	File# <i>0220-01</i>
<input type="checkbox"/> DS	<input type="checkbox"/> In Camera	<i>NOCSEHD 9000-05</i>
<input checked="" type="checkbox"/> Fin/Adm	<input checked="" type="checkbox"/> Other Mtg	<i>March 26, 2019</i>
<i>2519A</i> MAR 14 2019		
<input type="checkbox"/> Ec Dev	RECEIVED	Ack Sent:
<input type="checkbox"/> IT	<input type="checkbox"/> Staff to Report	<input type="checkbox"/> Fax
<input type="checkbox"/> Parks	<input type="checkbox"/> Staff to Respond	<input type="checkbox"/> Mail
<input type="checkbox"/> SEP	<input type="checkbox"/> Staff Info Only	<input type="checkbox"/> Email
<input type="checkbox"/> HR	<input type="checkbox"/> Dir Mailbox	
<input type="checkbox"/> Other	<input type="checkbox"/> Dir Circulate	

March 12, 2019

The Right Honourable Adrian Dix
Minister of Health
Province of British Columbia
Victoria, B.C.

RE: Proposed Relocation of the Armstrong Vision Center, Pleasant Valley Health Center.

Dear Sir:

It has recently come to our attention that Interior Health is seriously considering moving this clinic from its current location to the Vernon Hospital.

We feel that this would be a huge mistake that would negatively impact on the health care of thousands of British Columbians from Revelstoke to Sorrento and south to Vernon. The information came to light at a Zone Meeting of the Lions clubs involving the executives from Armstrong Lions, Enderby Lions, Lake Country Lions, Lumby Lions and Vernon Lions. All those present were extremely distressed to hear of this proposal. It has been confirmed with Lisa Westermarck of Interior Health that this proposal is indeed being considered. Apparently, the main problem is the availability of Anesthetists for the huge number of eye surgeries at this location.

The Lions Clubs, in this area, were instrumental in establishing this clinic in the first place more than a decade ago and just last year purchased a new Argon laser machine for the clinic at a cost of over \$108,000.00.

The Armstrong/Spallumcheen Health Care Auxiliary who have 25+ years of volunteer service, thousands of hours running a thrift shop, and more than a million dollars donated to health care in the area are also very concerned about this proposal.

In a nutshell, this move would undoubtedly cause eye patients to have to wait much longer for required eye surgery. It would also put all our ophthalmologists in the situation of having to compete for operating time at Vernon hospital which is already extremely busy. If they cannot get operating time, I believe that they would leave the area and find somewhere else to practice.

If this move takes place, I suspect that those volunteer organizations that have been so generously supporting the eye health in this area for so many years, would cease to do so.

The bottom line is that this move would not provide the level of eye care needed in this area; would cause many people a high degree of stress in trying to address their eye health care; and would certainly be likely to cost the province much more in the final analysis.

Your support in looking into this matter as soon as possible and helping to keep this very worthwhile facility open would be very much appreciated.

I am certain that you would agree that you do not solve one problem by creating another larger one.

Thank you for your attention. Please respond to our concerns.

Respectfully,

A handwritten signature in blue ink, appearing to be 'Peter & Betty Powell', with a long horizontal flourish extending to the right.

Peter & Betty Powell

Enderby Lions Club Members.

Cc: Lisa Westermarck, Interior Health

Greg Kylo, MLA Columbia Shuswap

Rona Martin, Chairperson, North Okanagan/ Columbia Shuswap Regional Hospital District

Marj Bailey, President, Armstrong/Spallumcheen Health Auxiliary

Mayor and Council, District of Sicamous

Dr. Shelly Geier, Sicamous Vision Care

Dianne Boyd, President, Armstrong Lions Club

Dennis Morgan, President, Enderby Lions Club



January 3, 2019

Ms. Jodi Pierce Manager, Financial Services
North Okanagan Columbia –Shuswap Regional Hospital
PO Box 978
Salmon Arm, BC V1E 4P1

Dear Jodi,

Lumby & District Health Services Society is writing to request financial support of **\$1360.99** to purchase health equipment for the Lumby Health Centre.

• 2 Welch Allyn ProBP 2400 each \$449.	\$	898.00
• Blood Pressure Cuff, Child (14 – 22 cm) – to accommodate smaller adults	\$	34.99
• Loupe Binocular Magni-Focuser 1.75 –magnifier for viewing injuries.	\$	43.99
• Monitor Blood Glucose One Touch Ultra II Meter Kit to test blood sugars	\$	43.90
• Test Blood Glucose One Touch Ultra Strips box/100	\$	99.99
• Oximeter Pulse Diagnostic 2100 fingertip for testing oxygen levels	\$	99.00

The cost of the equipment is \$1219.87 plus taxes for a total of **\$1360.99**. Interior Health and other health professionals use the **health centre** on a regular basis to provide support for patients in Lumby, Cherryville and outlying areas. Having current equipment keeps the **health centre** functional for health professionals to give the best care possible for patients. The Society's source of income is fundraising and those monies are used to fund the community owned x-ray program, health clinics and educational workshops. The geographic areas that our organization serves are: Lumby, Whitevale, Mable Lake, Trinity Valley, Creighton Valley, Cherryville and Nakusp. Our cliental includes all ages. The Lumby Health Centre is an essential part of the community. Equipment will remain in the Lumby Health Centre and be included in Society's inventory.

- Support seniors with health tools to enable them to stay longer in their homes.
- Having medical tools available for residents will lessen anxiety about their health.
- Supporting disease and injury
- Enhancing quality of life
- Increased direct health support for specific chronic health issues
- Increased services to segments of the population not easily reached through traditional health programs
- Increased ability to self-manage health conditions
- Improved knowledge of how to manage own health symptoms
- Increased health support for families and caregivers
- Support the achievement of healthier community

Attached is a quote from Stevens Company Medical Supplies Store for the requested equipment.

The Society appreciates your past support of our organization. Thank you for your consideration of our current request for funding.

Sincerely,

Barbara Dyck

Barbara Dyck, Administrator
Lumby & District Health Services Society

“Together we can make a difference”



STEVENS

Inspired by the care you deliver


QUOTE #
DATE
G.S.T REG. #

N39693
Dec20/18
R872029996

The Stevens Company Limited . 8188 Swenson Way Delta, British Columbia V4G 1J6
Phone: 604-634-3088 . Fax: 604-585-0193 . Toll Free: 1-800-565-8444

QUOTATION ONLY

QUOTED TO

HILLIARD, SCOTT M. - MISC ACCT
8188 SWENSON WAY

DELTA, BC V4G 1J6
CA

RE.

*** QUOTATION ONLY ***
LUMBY HEALTH
FAX: 250-547-9743

CUSTOMER 4310650		TAX LIC 1 CHARGE GST		TAX LIC 2		A/R TERMS Net 30 Days		A/C PAGE 1	
P.O. # LUMBY HEALTH		F.O.B.		FREIGHT TERMS PREPAID + CHARGE			SHIP VIA Best Way		
SALES REPRESENTATIVE Scott Hilliard		EXPIRY DATE Jan19/19		ENTERED BY jortillan		STORE		DEPARTMENT	
PRODUCT	DESCRIPTION	QTY	SKU	PRICE	PER	EXTENSION			
*** QUOTATION ONLY ***									
111-2400	SPHYG DIGITAL NIBP PROBP 2400 W/CUFF ADULTE & ADULT LARGE	2	EA	449.00	EA	898.00			
111-REUSE-09-2400	CUFF BP 1PCE SPHYG CHILD 1TB PROBP 2400	1	EA	34.99	EA	34.99			
139-1200	LOUPE BINOCULAR MAGNI-FOCUSER 1.75 POWER DISTANCE 14in (#103)	1	EA	43.99	EA	43.99			
552-2096865	MONITOR BLOOD GLUCOSE ONE TOUCH ULTRA II METER KIT	1	EA	43.90	EA	43.90			
552-02434454	TEST BLOOD GLUCOSE ONE TOUCH ULTRA STRIP BX/100	1	BX	99.99	BX	99.99			
334-2100CN	OXIMETER PULSE DIAGNOSTIX 2100 FINGERTIP PORTABLE BATT OPERATED	1	EA	99.00	EA	99.00			
Subtotal						----- 1219.87			
GST PAYABLE						58.80			
British Columbia PST @ 7%						82.32			
Continued on Page 2									
This quotation may be considered firm until Jan19/19. Acceptance later is subject to confirmation. To receive quoted prices, please indicate item/items accepted and return signed copy by fax or mail before Jan19/19. Subject to force majeure.									

ACCEPTED DATE: _____

Thank you for your enquiry.

PURCHASER: _____

PER: _____

SIGNATURE: _____



STEVENS

Inspired by the care you deliver


QUOTE #
DATE
G.S.T REG. #

N39693
Dec20/18
R872029996

The Stevens Company Limited . 8188 Swenson Way Delta, British Columbia V4G 1J6
Phone: 604-634-3088 . Fax: 604-565-0193 . Toll Free: 1-800-565-8444

QUOTATION ONLY

QUOTED TO

HILLIARD, SCOTT M. - MISC ACCT
8188 SWENSON WAY

DELTA, BC V4G 1J6
CA

RE.

*** QUOTATION ONLY ***
LUMBY HEALTH
FAX: 250-547-9743

CUSTOMER 4310650		TAX LIC 1 CHARGE GST	TAX LIC 2	A/R TERMS Net 30 Days		PAGE 2
P.O. # LUMBY HEALTH		F.O.B.	FREIGHT TERMS PREPAID + CHARGE		SHIP VIA Best Way	
SALES REPRESENTATIVE Scott Hilliard		EXPIRY DATE Jan19/19	ENTERED BY jortillan	STORE	DEPARTMENT	
PRODUCT	DESCRIPTION	QTY	SKU	PRICE	PER	EXTENSION
*** SALES QUOTATION TOTAL ***						1360.99

						=====
<p>This quotation may be considered firm until Jan19/19. Acceptance later is subject to confirmation. To receive quoted prices, please indicate item/items accepted and return signed copy by fax or mail before Jan19/19. Subject to force majeure.</p>						

ACCEPTED DATE: _____

Thank you for your enquiry.

PURCHASER: _____

PER: _____

SIGNATURE: _____

Lynda Shykora

From: Jodi Pierce
Sent: Thursday, March 14, 2019 8:14 AM
To: Lynda Shykora
Subject: FW: Lumby & District Health Services Society

Response provided regarding funding request. Thanks,

Jodi Pierce, CPA, CGA

Manager | Financial Administration Services

Columbia Shuswap Regional District

T: 250.833.5907 | F: 250.832.3375 | TF: 1.888.248.2773

E: jpierce@csrd.bc.ca | W: www.csrd.bc.ca



 Please consider the environment before printing this e-mail

From: Jodi Pierce
Sent: Thursday, March 14, 2019 7:23 AM
To: 'Barbara Dyck' <bdyck@shaw.ca>
Cc: Director Martin (RMartin@csrd.bc.ca) <RMartin@csrd.bc.ca>; Charles Hamilton <chamilton@csrd.bc.ca>
Subject: RE: Lumby & District Health Services Society

Good morning Barbara,

Further to my conversation with you the other day, I am unable to confirm that the Lumby Health Care Centre has been designated a hospital or hospital facility under Section 49 of the Hospital District Act (see below), and therefore I am unable to put your funding request in our budget for the 2019 year.

Purposes

20 (1) The purposes of a regional hospital district are the following:

(a) to establish, acquire, construct, reconstruct, enlarge, operate and maintain hospitals and hospital facilities;

(b) to grant aid for the establishment, acquisition, reconstruction, enlargement, operation and maintenance of hospitals and hospital facilities;

(c) to assume obligations of any member municipality, or any improvement district not within the definition "municipality", or any hospital corporation, or any member treaty first nation, with respect to the repayment of money borrowed and provided for the financing of hospital projects and interest on it, or to provide reimbursement to a municipality, improvement district, hospital corporation or member treaty first nation for money provided for financing hospital projects that were raised or obtained otherwise than by borrowing;

(d) to act as the agent of the government in receiving and disbursing money granted out of the hospital insurance fund;

(e) to act as the agent of a hospital for receiving and applying all money paid to or for the hospital by the government of Canada;

(f) to exercise and perform the other powers and duties prescribed under this Act as and when required.

(2) The board of a district may carry out the purposes referred to in subsection (1) only in accordance with and to the extent authorized under this Act.

(3) In exercising the powers under subsection (1) or section 17 (2), the board must raise in any year, by making provision in its budget or by temporary borrowing, an amount which must not be greater in the aggregate than a prescribed amount.

(4) Money raised under subsection (3) but not spent during one year may be carried forward and spent in succeeding years and must be reported to the minister.

(5) Money for which provision has been made in the board's budget under subsection (4) may be raised by temporary borrowing pending receipt of money requisitioned and due to the board under section 25 (2) and (6).

(6) In addition to the money raised under subsection (3), the board may raise annually the money required for the payment of principal and interest on borrowings, other than the principal of a short term loan that is to be repaid out of the money raised by the sale of securities.

Then, Part 1 (1) defines

"hospital" means a hospital as defined by any provision of the *Hospital Act* and includes an institution or facility in the health field designated by the minister under section 49 as a health facility for the purposes of this Act;

"hospital facilities" includes laboratories, laundries and things, services and premises used or supplied in conjunction with a hospital;

Minister may designate health facility

49 The minister may designate an institution or facility in the health field as a health facility for the purposes of this Act.

These designations are necessary in order for the NOCSRHD to comply legislatively per Section 20 (1) and Part 1 (1) of the Act with regard to their funding approvals. I can request that the NOCSRHD Board write a letter to the Minister requesting designation under S.49 so that we don't have this issue in the future. I believe we would also need to write to Interior Health and request that they, too, write a letter to the Minister. I do recognize that your organization has been funded in the past. As I was not the Treasurer for the NOCSRHD at that time, I cannot comment on the thought process then, however it is my obligation and duty as the Treasurer to follow the legislation now.

Unfortunately, this does not solve your funding dilemma for 2019. Perhaps the RDNO or the District of Lumby has grant in aid funds available that you could apply for. It is my hope that we can work together to rectify this situation moving forward. Thanks,

Jodi Pierce, CPA, CGA


Manager | Financial Administration Services

Columbia Shuswap Regional District

T: 250.833.5907 | F: 250.832.3375 | TF: 1.888.248.2773

E: jpierce@csrd.bc.ca | W: www.csrd.bc.ca



 Please consider the environment before printing this e-mail

From: Barbara Dyck [<mailto:bdyck@shaw.ca>]
Sent: Tuesday, March 12, 2019 12:05 PM
To: Jodi Pierce <JPierce@csrd.bc.ca>
Subject: FW: Lumby & District Health Services Society

From: Barbara Dyck [<mailto:bdyck@shaw.ca>]
Sent: Thursday, January 3, 2019 2:01 PM
To: 'jpierce@csrd.bc.ca' <jpierce@csrd.bc.ca>
Subject: Lumby & District Health Services Society

Hi Jodi,

Attached is our letter for financial support and the equipment quote. Please let me know if the Board requires more information.

Thank you for your help.

Warm Regards,



Barbara Dyck, Administrator
Lumby & District Health Services Society
Telephone: 250-547-9741
Fax: 250-547-9743



Virus-free. www.avast.com

NOCSRHD BOARD REPORT

TO: Chair and Directors

File No: 8900 55

SUBJECT: 2018 NOCSRHD Year-end Financial Statements

DESCRIPTION: Report from Jodi Pierce, Manager, Financial Services dated March 12, 2019.

RECOMMENDATION #1: THAT: in accordance with the Local Government Act, the 2018 NOCSRHD Year-end Financial Statements be approved.

SHORT SUMMARY:

The Canadian Auditing Standard 700 states that “*The auditor’s report shall be dated no earlier than the date on which the auditor has obtained sufficient appropriate audit evidence on which to base the auditor’s opinion on the financial statements, including evidence that those with the recognized authority have asserted that they have taken responsibility for those financial statements.*”

The attached draft financial statements have been provided to BDO Canada LLP on which to base their audit, and as such are subject to change. If necessary, a final copy of the 2018 NOCSRHD Year End Financial Statements will be distributed to Directors at the beginning of the Board meeting.

Mrs. Angie Spencer, BDO Canada, will review the 2018 Financial Statements at the Board Meeting.

VOTING:

Unweighted
Corporate ☐

Weighted
Corporate ☒

Stakeholder
(Weighted) ☐

POLICY:

The Year-End Financial Statements must be approved as required by section 376(1) of the Local Government Act.

COMMUNICATIONS:

The approved financial statements will be distributed to member Municipalities and various Provincial Ministries no later than June 30, 2019 and also posted on the CSRD website.

DESIRED OUTCOMES:

That the Board approve the 2018 NOCSRHD Year End Financial Statements.

BOARD'S OPTIONS:

1. *Endorse the Recommendation.*
2. *Deny the Recommendation.*
3. *Defer.*
4. *Any other action deemed appropriate by the Board.*

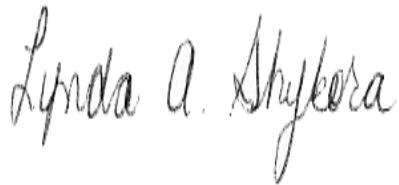
LIST NAME OF REPORT(S) / DOCUMENT(S) AVAILABLE FROM STAFF:

1. None

Report Approval Details

Document Title:	2019-03-26_NOCSRHD_2018 Financial Statements.docx
Attachments:	- Draft Financial Statements - NOCSRHD.pdf
Final Approval Date:	Mar 12, 2019

This report and all of its attachments were approved and signed as outlined below:



Lynda Shykora - Mar 12, 2019 - 10:39 AM



Charles Hamilton - Mar 12, 2019 - 11:55 AM

**North Okanagan Columbia
Shuswap Regional Hospital District
Client Information Package
For the Year Ended December 31, 2018**

Contact Information

**Angie Spencer, CPA, CA
BDO Canada LLP
Chartered Professional Accountants
Ph: 250-832-7171 Fax: 250-832-2429
Email: aspencer@bdo.ca**

**North Okanagan Columbia Shuswap
Regional Hospital District
Financial Statements
For the Year Ended December 31, 2018**

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Management's Responsibility for Financial Reporting

The accompanying financial statements of North Okanagan Columbia Shuswap Regional Hospital District (the "Regional Hospital District") are the responsibility of management and have been approved by the Manager of Financial Services and Chief Administrative Officer on behalf of the Board of Directors (the "Board").

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Certain amounts used in the preparation of the financial statements are based on management's best estimates and judgements. Actual results could differ as additional information becomes available in the future. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Regional Hospital District maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Regional Hospital District's assets are appropriately accounted for and adequately safeguarded.

The Manager of Financial Services, the Chief Administrative Officer and the Board are responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Manager of Financial Services, the Chief Administrative Officer and the Board members meet periodically with management, as well as, the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging its responsibilities, and to review the financial statements and the external independent auditor's report.

The financial statements have been audited by BDO Canada LLP Chartered Professional Accountants in accordance with Canadian generally accepted auditing standards on behalf of the board. The independent auditor's report expresses its opinion on these financial statements. The auditors have full and free access to the accounting records and to the Manager of Financial Services, the Chief Administrative Officer and the Board.

Manager, Financial Services

Chief Administrative Officer

Independent Auditor's Report

**To the Directors of
North Okanagan Columbia Shuswap Regional Hospital District**

Opinion

We have audited the financial statements of North Okanagan Columbia Shuswap Regional Hospital District, which comprise the statement of financial position as at December 31, 2018, and the statements of operations, change in net debt and accumulated deficit and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the North Okanagan Columbia Shuswap Regional Hospital District as at December 31, 2018, and its results of operations, its change in net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the North Okanagan Columbia Shuswap Regional Hospital District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the North Okanagan Columbia Shuswap Regional Hospital District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the North Okanagan Columbia Shuswap Regional Hospital District or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the North Okanagan Columbia Shuswap Regional Hospital District's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise

professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the North Okanagan Columbia Shuswap Regional Hospital District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the North Okanagan Columbia Shuswap Regional Hospital District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the North Okanagan Columbia Shuswap Regional Hospital District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

**Salmon Arm, British Columbia
March 26, 2019**

North Okanagan Columbia Shuswap Regional Hospital District Statement of Financial Position

December 31	2018	2017
Financial assets		
Cash	\$ 650,599	\$ 204,990
Investment funds - Municipal Finance Authority ("MFA") (Note 1)	4,421,607	4,359,757
Accounts receivable	17,818	17,440
Due from member municipalities	778,246	747,437
Deposit and demand notes - MFA (Note 2)	3,137,163	2,969,194
	<u>9,005,433</u>	<u>8,298,818</u>
Liabilities		
Accounts payable	232,003	298,212
Accrued MFA interest payable	778,246	747,437
MFA debt reserve (Note 2)	3,137,163	2,969,194
Temporary borrowing (Note 3 and schedule)	706,000	3,494,000
Long-term debt (Note 3 and Schedule)	66,650,145	66,141,885
	<u>71,503,557</u>	<u>73,650,728</u>
Net debt and accumulated deficit	\$ (62,498,124)	\$ (65,351,910)

Treasurer

North Okanagan Columbia Shuswap Regional Hospital District

Statement of Operations

For the year ended December 31	2018	2017
Revenue	Actual	Actual
Requisition on member municipalities		
City of Armstrong	\$ 225,977	\$ 218,117
City of Revelstoke	507,258	469,127
City of Salmon Arm	997,511	992,112
District of Sicamous	218,811	219,160
City of Enderby	117,705	113,224
City of Vernon	2,663,179	2,630,653
District of Coldstream	666,757	641,016
Township of Spallumcheen	276,684	277,912
Village of Lumby	82,850	81,164
Electoral Areas	2,014,924	2,012,353
Little Shuswap Indian Band	54,698	53,625
Adams Lake Indian Band	19,521	19,138
	7,845,875	7,727,601
Payments in lieu of taxes	23,156	17,778
Debt reserve fund refund	-	579
Interest	76,233	37,892
Actuarial adjustments on MFA debt	680,362	569,763
	8,625,626	8,353,613
Expenses		
Administration	72,000	72,000
Audit	6,402	7,205
Director's remuneration	2,980	9,050
Director's travel	1,033	2,957
Project - Vernon Jubilee Hospital	398,428	759,332
Project - Shuswap Lake Hospital	-	5,106
Project - Queen Victoria Hospital	94,618	235,431
Project - Regional	21,938	23,270
Equipment - Vernon Jubilee Hospital	191,448	460,091
Equipment - Shuswap Lake Hospital	251,314	158,548
Equipment - Queen Victoria Hospital	56,106	7,836
Equipment - Regional	671,398	267,929
Interest on short-term debt	59,197	52,125
Interest on long-term debt	3,293,523	3,327,700
MFA debt reserve fund and expenses	33,838	-
Staff travel	417	289
Section 20-2 funding - Interior Health Authority	617,200	614,700
	5,771,840	6,003,569
Annual surplus	\$ 2,853,786	\$ 2,350,044

North Okanagan Columbia Shuswap Regional Hospital District
Statement of Change in Net Debt and Accumulated Deficit

For the year ended December 31	2018	2018	2017
	Budget (Note 5)	Actual	Actual
Annual surplus	\$ (3,774,122)	\$ 2,853,786	\$ 2,350,044
Net debt and accumulated deficit, beginning of year	(65,351,910)	(65,351,910)	(67,701,954)
Net debt and accumulated deficit, end of year	\$ (69,126,032)	\$ (62,498,124)	\$ (65,351,910)
Net debt and accumulated deficit represented by:			
Cash and investments		5,072,206	4,564,747
Other current fund		(214,185)	(280,772)
Debt recoverable from future taxation (Note 3)		(67,356,145)	(69,635,885)
Net debt and accumulated deficit, end of year		\$ (62,498,124)	\$ (65,351,910)

North Okanagan Columbia Shuswap Regional Hospital District

Statement of Cash Flows

For the year ended December 31	2018	2017
Operating		
Annual surplus	\$ 2,853,786	\$ 2,350,044
Increase in accounts receivable	(378)	(145)
Decrease/(Increase) in due from member municipalities	(30,809)	2,809
Decrease in accounts payable	(66,209)	(241,491)
Increase in accrued interest on long-term debt	30,809	(2,809)
	<u>2,787,199</u>	<u>2,108,408</u>
Investing		
Increase in investment funds	(61,850)	(30,291)
Financing		
Long-term debt retirement	(2,875,578)	(2,764,979)
Long-term debt issues	3,383,838	-
Short-term debt issues	266,000	440,000
Short-term debt retirement	(3,054,000)	-
	<u>(2,279,740)</u>	<u>(2,324,979)</u>
Net change in cash and cash equivalents	445,609	(246,862)
Opening cash and cash equivalents	<u>204,990</u>	<u>451,852</u>
Closing cash and cash equivalents	<u>\$ 650,599</u>	<u>\$ 204,990</u>

North Okanagan Columbia Shuswap Regional Hospital District

Summary of Significant Accounting Policies

December 31, 2018

The North Okanagan Columbia Shuswap Regional Hospital District ("Regional Hospital District") is a governing agency for the hospitals in the North Okanagan Columbia Shuswap region and is incorporated under the Hospital District Act. Its principal activities are to finance capital construction projects and capital equipment purchases for health care facilities within the Regional Hospital District.

**Management's
Responsibility for the
Financial Statements and
Basis of Presentation**

The Regional Hospital District financial statements have been prepared by management in accordance with the recommendations of the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants and include all funds belonging to the economic entity of the Regional Hospital District.

Revenue Recognition

The Regional Hospital District does not accrue grants receivable for equipment and construction. Grants are recorded only when received.

Taxation revenues are recognized at the time the property tax requisitions for the fiscal year become receivable.

MFA Debt Reserve

The Municipal Finance Authority ("MFA") requires a cash contribution of 1% of the face value of debt when issued. The MFA debt reserve earns interest income and is used to pay expenses of the debt issue. Any remaining balance will be returned to the Regional Hospital District at the maturity of the underlying debt issue.

Use of Estimates

The financial statements of the Regional Hospital District have been prepared by management in accordance with Canadian public sector accounting standards. As such, management is required to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. The financial estimates have, in management's opinion, been properly prepared using careful judgment within reasonable limits of materiality and within the framework of the accounting policies identified.

Long-term Debt

Long-term debt is recorded net of any sinking fund balances. Debt service charges, including principal and interest, are charged against current revenue in the period incurred.

Financial Instruments

Financial instruments consist of cash, investment funds, accounts receivable, accounts payable and other payables. The fair values of the Regional Hospital District's financial instruments approximate their carrying value unless

North Okanagan Columbia Shuswap Regional Hospital District

Notes to Financial Statements

December 31, 2018

1. Investment Funds

The investments totalling \$4,421,607 (2017 - \$4,359,757) are held under the name of the Columbia Shuswap Regional District. They are held with the Municipal Finance Authority and are invested in money market funds; as such, fair market value is equal to carrying value. The 2018 annual rate of return was 1.65% (2017 - .97%).

2. MFA Debt Reserve Deposits and Demand Notes

The MFA administers the debenture debt of the Regional Hospital District. As a condition of these borrowings, a portion of the debenture proceeds are withheld as a debt reserve fund. At December 31, 2018, the cash balance in the debt reserve fund was \$1,095,773 (2017 - \$1,039,076). The Regional Hospital District also excludes demand notes in connection with each debenture totalling \$2,041,390 (2017 - \$1,930,118) whereby the Regional Hospital District may be required to loan certain amounts to MFA.

3. Debt Recoverable from Future Taxation

These financial statements only recognize that proportion of the equipment and construction grants that the Regional Hospital District is obligated to finance through future taxation.

Grants to hospitals will be amortized to the extent of the principal payments and the increment in the sinking fund for the related debt. Grants that are fully amortized are removed from accumulated amortization figures.

The debt recoverable from future taxation has been calculated as follows:

	2018	2017
Long-term debt:		
Queen Victoria HCC Residential Care Facility	\$ 1,329,843	\$ 1,329,843
Pleasant Valley Manor fire alarm	3,822,900	3,822,900
Shuswap Lake General Hospital Geothermal heat/cooling	651,399	651,399
Vernon Jubilee Hospital Diagnostic/Treatment building (MFA issue 106)	27,280,235	27,280,235
Vernon Jubilee Hospital Diagnostic/Treatment building (MFA issue 116)	30,586,554	30,586,554
Shuswap Lake General Hospital Phase 1 Renovations	7,480,000	7,480,000
Vernon Jubilee Hospital two additional shelled in floors	10,500,000	10,500,000
Vernon Jubilee Hospital Infrastructure Modifications	1,500,000	1,500,000
Vernon Jubilee Hospital Polson Tower Completion	3,383,838	-
Less accumulated loan amortization (Note 4)	(19,884,624)	(17,009,046)
	66,650,145	66,141,885
Short-term debt:		
Vernon Jubilee Hospital (inpatient bed expansion)	-	3,054,000
Vernon Jubilee Hospital (MRI)	706,000	440,000
Debt recoverable from taxation	\$ 67,356,145	\$ 69,635,885

North Okanagan Columbia Shuswap Regional Hospital District

Notes to Financial Statements

December 31, 2018

4. Accumulated Loan Amortization

Debt is borrowed through the Municipal Finance Authority ("MFA") to finance capital grants to designated hospital facilities. Under the terms of the debt, the Regional Hospital District is required to make principal payments once annually while interest is calculated semi-annually and is based on the original debt principal borrowed. Associated with these principal payments, the MFA provides an 'actuarial adjustment', which is a non-cash reduction in the loan balance representing the investment earnings the MFA expects to realize on the sinking fund investment associated with the debenture. The accumulated loan amortization balance has been calculated as follows:

	2018	2017
Balance - beginning of year	\$ 17,009,046	\$ 14,244,067
Principal payments applied in the year	2,195,216	2,195,216
Actuarial adjustments	680,362	569,763
Balance - end of year	<u>\$ 19,884,624</u>	<u>\$ 17,009,046</u>

5. Budget

The scope of the financial activity reported in the Statement of Operations is not the same as that reported in the Annual Budget. For comparative purposes, actual financial activities have been summarized below in the same manner as was budgeted.

	2018 Actual	2018 Budget
Revenue		
Tax requisition total	\$ 7,771,656	\$ 7,771,656
Other revenue - Agreement - Indian Bands	74,219	73,500
Payments in lieu of taxes	23,156	18,500
Interest	76,233	35,000
Actuarial adjustment on MFA debt	680,362	680,362
	<u>8,625,626</u>	<u>8,579,018</u>
Expenses		
Debt		
Debenture debt - interest and expenses	3,327,361	3,327,700
Interim borrowing interest	59,197	114,875
Administration Expenditures	82,832	91,500
Capital Expenditures		
Capital Projects	33,596	270,000
Capital equipment	759,253	1,771,200
Maintenance and equipment < \$ 100,000	617,200	617,200
Capital Equip/Projects - carried forward from prior year	892,401	6,160,665
	<u>5,771,840</u>	<u>12,353,140</u>
Annual Surplus	<u>2,853,786</u>	<u>(3,774,122)</u>
plus:		
Transfer (to) from accumulated deficit	(3,594,208)	1,750,000
Proceeds from issue of debt	3,616,000	4,899,700
Debenture debt - principal	(2,195,216)	(2,195,216)
less:		
Actuarial adjustment	(680,362)	(680,362)
Financial Plan Balance	<u>\$ -</u>	<u>\$ -</u>

North Okanagan Columbia Shuswap Regional Hospital District

Notes to Financial Statements

December 31, 2018

6. Commitments

- a) The Hospital District has committed to the following expenditures which have been approved by the Interior Health Authority and the Regional Hospital District Board and are to be financed from reserve funds:

		Total	Unexpended
Vernon Jubilee Hospital	- Diagnostic Imaging Redesign (planning)	\$ 60,000	\$ 60,000
	- Inpatient Psychiatry Redevelopment (planning)	60,000	60,000
	- Chemistry Analyzer	58,000	58,000
	- Table, Surgery	57,600	4,775
	- HVAC Upgrade	240,000	240,000
	- Wireless Infrastructure Expansion	8,000	8,000
	- Integrated Immunochemistry Analyzer	70,800	70,800
	- Hematology Analyzer	68,000	68,000
	- Autopsy Suite/Morgue Update	60,000	60,000
	- Access Control System Upgrade	28,000	28,000
	- Vocera	72,000	43,973
	- Wireless Infrastructure Refresh	39,600	9,080
Shuswap Lake Hospital (Salmon Arm)	- Sterilizer	63,600	63,600
	- Electronic Emergency Department Medical Summary	88,000	67,427
	- Medistation, Pyxis replacement	195,600	25,637
Queen Victoria Hospital (Revelstoke)	- Video Conferencing Infrastructure Refresh	12,000	3,647
	- Parking Lot Upgrades	36,000	2,404
	- Anaesthetic Unit with Monitor	48,000	247
Regional	- VJH/SLGH - Medistations, IH Wide Infrastructure	32,000	400
	- Pleasant Valley Health Centre - Laser/Retinal Fibre Optic	48,800	48,800
	- Bastion Place - Parking Lot Upgrades	34,000	3,052
	- IH Wide IMIT over \$100,000	273,800	80,004
	- IH Wide IMIT under \$100,000	138,600	19,067
	- Various Facilities - Specialized Surgical Services	42,800	17,518
	- Vernon Health Centre - Wireless Infrastructure Expansion	16,000	9,157
	- Various Facilities - Telehealth Expansion	13,300	2,587
	- Noric House - Wireless Infrastructure Expansion	6,000	6,000
	- Bastion Place - Cooler/Freezer, Walk In	54,000	18,579
	- Bastion Place - Resident Bus	46,800	500
	- Noric House - Domestic Hot Water Boiler Upgrade (x2)	34,000	34,000
	- Pleasant Valley Manor - Water Softener (x2)	24,000	24,000
	- IH Wide IMIT 2018/2019	1,309,600	847,184
	- Polson Care Centre - Vocera Expansion	39,600	39,600
	- Salmon Arm Health Centre - Wireless Infrastructure	12,000	12,000
	- Bastion Place - Wireless Infrastructure Expansion	8,000	8,000
	- Gateby Care Centre/Noric House - Resident Bus	46,800	46,800
		\$ 3,445,300	\$ 2,090,838

- b) The Hospital District has committed to the following expenditure which has been approved by the Interior Health Authority and the Regional Hospital District Board and to be financed through a borrowing bylaw:

		Total	Unexpended
Vernon Jubilee Hospital	- MRI (Bylaw 68)	2,840,000	1,934,926
		\$ 2,840,000	\$ 1,934,926

North Okanagan Columbia Shuswap Regional Hospital District

Schedule of Debt

For the year ended December 31, 2018

Short-term Debt

Security Issuing Bylaw	Rate	2018 Net Debt	2017 Net Debt
58		\$ -	\$ 3,054,000
68	2.80%	706,000	440,000
		\$ 706,000	\$ 3,494,000

Interest on short-term debt is paid monthly. There are no specific terms of repayment. Interest is a variable rate through the Municipal Finance Authority. Repayment of short-term debt is either by cash payment at the completion of the project or by conversion to long term debt. The interim financing for bylaw 68 will be converted to long term debt in the earliest available debt issue after completion of the project anticipated to be Fall 2019.

Long-term Debt

Security Issuing Bylaw	Maturity Date	Rate	Original Debt Amount	2018 Net Debt	2017 Net Debt
27	2022	2.25%	\$ 1,329,843	\$ 434,163	\$ 532,471
32	2029	4.13%	3,822,900	2,464,284	2,639,981
38	2035	3.73%	7,480,000	5,825,038	6,061,391
43	2019	4.13%	651,399	77,223	151,475
45/106	2034	4.13%	27,280,235	20,347,954	21,244,438
45/116	2036	4.20%	30,586,554	24,785,705	25,715,010
46	2036	3.25%	10,500,000	8,508,638	8,827,657
44	2023	3.15%	1,500,000	823,304	969,462
58	2033	3.20%	3,383,836	3,383,836	-
			\$ 86,534,767	\$ 66,650,145	\$ 66,141,885

Principal payments, actuarial adjustments and interest obligations for the next five years and thereafter:

Year	Principal & Actuarial Adj	Interest
2019	3,172,538	3,401,806
2020	3,217,309	3,374,903
2021	3,344,127	3,374,903
2022	3,475,962	3,374,903
2023	3,493,405	3,321,357
Thereafter	49,946,804	38,265,793
Totals	\$ 66,650,145	\$ 55,113,665

Interest is calculated on a semi-annual basis and is based on the original debt amount. An actuarial adjustment is recorded to adjust the outstanding loan balance to actual.

NOCSRHD BOARD REPORT

TO: Chair and Directors

File No: 8900 42; BL 72

SUBJECT: 2019 NOCSRHD Five Year Financial Plan

DESCRIPTION: Report from Jodi Pierce, Manager, Financial Services, dated March 11, 2019.

RECOMMENDATION #1: THAT: Bylaw No. 72, cited as "2019 North Okanagan/Columbia Shuswap Regional Hospital District Bylaw No. 72", be read a first, second and third time this 26th day of March, 2019.

RECOMMENDATION #2: THAT: Bylaw No. 72, cited as "2019 North Okanagan/Columbia Shuswap Regional Hospital District Bylaw No. 72", be adopted this 26th day of March, 2019.

SHORT SUMMARY:

Attached is the proposed 2019 Five Year Financial Plan for the North Okanagan Columbia Shuswap Regional Hospital District. This financial plan includes all traditionally funded capital initiatives and all previously approved projects, in the amended Capital Funding request submitted March 6, 2019 in the amount of \$5,945,700.

VOTING:

Unweighted ☐
Corporate

Weighted ☒
Corporate

Stakeholder ☐
(Weighted)

BACKGROUND:

On December 10, 2018, a Capital Funding request letter was submitted in the amount of \$6,813,300. This request was substantially higher than the \$4.0 million indicated in the planning letter received in February 28, 2018. Consequently staff determined that a budget session was required of the Board and was held on February 5, 2019. At that meeting, a number of options were presented to the Board. Two resolutions were passed during that meeting. One was to communicate to Interior Health that the capital request would be funded to a maximum of \$6,000,000 and the second was that the budget include a 25% tax increase and that \$600,000 from reserve funds be used to reduce long-term borrowing.

During the budget meeting, three projects were anticipated to be funded potentially through long-term borrowing which totalled approximately \$4,000,000. One of the projects that Interior Health removed from the capital request budget was one of the projects that was to be funded through long term borrowing. The attached budget represents a 24.6% increase in taxation, long-term borrowing of \$1,980,000 and use of \$125,000 of reserves. Staff recommends decreasing the use of reserves to \$125,000 from the \$600,000 as it is more stream-lined to fund a major projects using either taxation or borrowing, rather than a combination of funding sources.

POLICY:

An annual budget must be approved by March 31st each year and a provisional budget must be approved by December 31st each year as required by section 23 of the Hospital District Act. The 2019 Five Year Financial Plan serves as both documents.

FINANCIAL:

The 2019 Five Year Financial Plan is produced in the same format as previous years and is compliant with PSAB requirements. The current year actuals, as per the Annual Financial statements, are compared to the related budget and are projected out based on reasonable estimates for five years to meet the requirement to approve a provisional budget by December 31st.

For the purposes of the five year plan, staff has projected increases in funding requests for years 3, 4 and 5 at 2.5% per year; these increases will be adjusted annually to agree to the actual requests received from Interior Health.

The annual deficit projected for 2019 is due primarily to the completion of the MRI capital projects that is to be funded using borrowing as the source of funding. Borrowing is not considered a revenue stream and this project has not yet been completed. In years following, the annual surplus component of the budget includes actuarial adjustments; but not transfers from reserves, debt payments nor proceeds from additional debt. These comparisons are necessary for internal financial reporting purposes. To arrive at a balanced financial plan per the Hospital District Act requirements, the transfers from reserves, debt payments and proceeds from additional debt are added or subtracted to the annual surplus or deficit as determined under PSAB requirements.

The overall proposed 2019 tax requisition is a 24.6% increase over 2018 which when applied across jurisdictions can range from 23.0% in Enderby to 32.7% in the City of Revelstoke due to changes in assessments. This financial plan is projecting a 10-11% increase in taxation in the next two years to allow the Hospital District to cover all expenditures, including debt payments and accumulate cash reserves as Interior Health has indicated that there are a number of significant projects on the horizon such as the Inpatient Psychiatric facility at Vernon Jubilee which could require funding of approximately \$25 million by the NOCSRHD.

The tax rate implication is an increase in the mill rate from \$0.2619/\$1,000 assessment in 2018 to \$0.3006/\$1,000 in 2019. The average residential tax would increase from \$91.87 per average residence assessed at \$350,765 in 2018 to \$115.15 per average residence assessed at \$381,737 in 2019.

KEY ISSUES/CONCEPTS:

The 2019 Five Year Financial Plan includes the following:

1. Total Tax Requisition has increased by 24.6% to \$9,682,547 (2018 - \$7,771,656).
2. The financial plan includes annual IHA capital expenditure request of \$5,945,700 for the current year. Prior approved capital expenditures carried over from previous years to 2019 is \$3,986,314 which includes completion of the MRI project.
3. Transfer from reserves in the amount of \$125,000.
4. Budget indicates a deficit of \$2,982,388 (2018 – deficit of \$3,882,122) largely as a result of projects that have been carried forward for completion that were budgeted and taxed for in prior years and/or using borrowing as a source of funding.
5. Final 2019 Tax Requisition will change slightly utilizing BC Assessment 2019 Revised Roll (and 2018 Final roll) due March 31st 2019 (current rates have been calculated using the 2019 Completed Roll)
6. The RHD does not fund Hospital operating expenditures which are the responsibility of IHA.

IMPLEMENTATION:

The approved budget will be implemented upon adoption and will provide the authority for expenditures.

COMMUNICATIONS:

The approved annual budget will be distributed to member Municipalities, Interior Health and various Provincial Ministries as well as posted on the CSRD website.

DESIRED OUTCOMES:

That the 2019 NOCSRHD Five Year Financial Plan in the amount of \$13,603,320 be approved.

BOARD'S OPTIONS:

1. *Endorse the Recommendation.*
2. *Deny the Recommendation.*
3. *Defer.*
4. *Any other action deemed appropriate by the Board.*

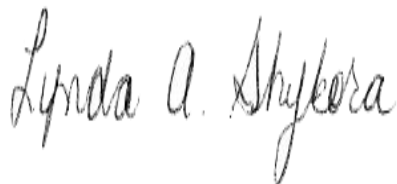
LIST NAME OF REPORT(S) / DOCUMENT(S) AVAILABLE FROM STAFF:

1. List reports

Report Approval Details

Document Title:	2019-03-26_NOCSRHD_2019 Five Year Financial Plan.docx
Attachments:	<ul style="list-style-type: none">- 2019 Five Year Financial Plan Bylaw 72 Schedule A.pdf- 2019 Summary of Requisition by Jurisdiction.pdf- Status of Approved and Proposed Projects.pdf
Final Approval Date:	Mar 14, 2019

This report and all of its attachments were approved and signed as outlined below:



Lynda Shykora - Mar 14, 2019 - 2:34 PM



Charles Hamilton - Mar 14, 2019 - 2:40 PM

**NORTH OKANAGAN COLUMBIA SHUSWAP REGIONAL HOSPITAL DISTRICT
2019 FIVE YEAR FINANCIAL PLAN BYLAW NUMBER 72
SCHEDULE A**

	2018 Actual YTD	2018 Budget	2019 Budget	2020 Budget	2021 Budget	2022 Budget	2023 Budget
REVENUES:							
Tax Requisition:	\$ 7,771,656	\$ 7,771,656	\$ 9,682,547	\$ 10,659,229	\$ 11,850,777	\$ 12,744,717	\$ 13,120,989
Other:							
Payment in lieu of taxes	23,156	18,500	18,500	18,500	18,500	18,500	18,500
Interest	76,233	35,000	50,000	50,000	50,000	50,000	50,000
Actuarial adjustment	680,362	680,362	795,385	894,411	1,021,230	1,153,064	1,236,921
Service agreements - Indian Bands	74,219	73,500	74,500	75,245	75,997	76,757	77,525
Debenture surplus & debt reserve refund							
	8,625,626	8,579,018	10,620,932	11,697,385	13,016,504	14,043,039	14,503,935
EXPENDITURES							
Expenses:							
Administration	82,831	91,500	91,500	91,500	91,500	91,500	91,500
Debenture debt - interest (existing)	3,293,523	3,327,700	3,401,806	3,374,903	3,374,903	3,374,903	3,321,357
Debenture debt - interest (new)	-	-	-	163,101	163,101	163,101	163,101
MFA Debt Reserve fund and expenses	33,838						
Interim Borrowing MFA - Interest	59,197	114,875	114,400	-	-	-	-
Expenditures under Section 20(2)							
Global Grant	617,200	617,200	623,200	638,800	654,800	671,200	688,000
Capital Equipment - new requests	735,103	1,879,200	2,198,900	2,000,000	2,050,000	2,101,300	2,153,900
Capital Projects - new requests	33,596	270,000	3,187,200	1,050,000	1,076,300	1,103,300	1,130,900
Capital Equip/Projects - carried forward from prior year	916,553	6,160,665	3,986,314	-	-	-	-
	5,771,840	12,461,140	13,603,320	7,318,304	7,410,604	7,505,304	7,548,758
ANNUAL SURPLUS (DEFICIT)	\$ 2,853,786	\$ (3,882,122)	\$ (2,982,388)	\$ 4,379,081	\$ 5,605,900	\$ 6,537,735	\$ 6,955,177
(for financial reporting purposes - PSAB)							
Plus: Transfer from/(to) reserves	(3,594,207)	1,858,000	2,240,000	(900,000)	(2,000,000)	(2,800,000)	(3,200,000)
Proceeds from issue of debt	3,616,000	4,899,700	3,914,926	-	-	-	-
Less: Debenture debt - Principal payments (existing debt)	(2,195,216)	(2,195,216)	(2,377,153)	(2,322,898)	(2,322,898)	(2,322,898)	(2,256,484)
Debenture debt - Principal payments (new debt)	-	-	-	(261,773)	(261,773)	(261,773)	(261,773)
Actuarial Adjustment	(680,362)	(680,362)	(795,385)	(894,411)	(1,021,230)	(1,153,064)	(1,236,921)
FINANCIAL PLAN BALANCE	\$ 0	\$ 0	\$ (0)	\$ (0)	\$ 0	\$ 0	\$ (0)

NOCSRHD - 2019 TAX REQUISITION

from 2019 - 2023 FIVE YEAR FINANCIAL PLAN

Member Municipality	2019 Total Assessments	2018 Actual Requisition	2019 Estimated Requisition	+/-	%
City of Armstrong	882,763,302	225,791	284,408	58,617	26.0%
City of Enderby	428,656,871	117,469	144,505	27,036	23.0%
City of Revelstoke	1,878,212,156	508,436	674,834	166,398	32.7%
City of Vernon	9,355,451,494	2,663,349	3,284,649	621,300	23.3%
District of Coldstream	2,760,547,016	665,842	821,698	155,856	23.4%
City of Salmon Arm	3,518,869,336	1,000,519	1,237,301	236,782	23.7%
Township of Spallumcheen	974,100,876	276,921	358,021	81,100	29.3%
District of Sicamous	821,323,484	218,551	270,311	51,760	23.7%
Village of Lumby	298,150,315	82,717	105,842	23,125	28.0%
Electoral Areas	8,080,596,245	2,012,061	2,500,977	488,916	24.3%
	\$ 28,998,671,095	\$ 7,771,656	\$ 9,682,546	\$ 1,910,890	24.6%

(Assessments from BCAA 2019 COMPLETED ROLL)

Comparison of Total Assessments

Member Municipality	2019 Total Assessments	2018 Total Assessments	+/-	%
City of Armstrong	882,763,302	798,755,241	84,008,061	10.5%
City of Enderby	428,656,871	398,772,819	29,884,052	7.5%
City of Revelstoke	1,878,212,156	1,595,203,857	283,008,299	17.7%
City of Vernon	9,355,451,494	8,570,799,488	784,652,006	9.2%
District of Coldstream	2,760,547,016	2,565,591,913	194,955,103	7.6%
City of Salmon Arm	3,518,869,336	3,240,232,426	278,636,910	8.6%
Township of Spallumcheen	974,100,876	846,928,852	127,172,024	15.0%
District of Sicamous	821,323,484	761,540,527	59,782,957	7.9%
Village of Lumby	298,150,315	269,585,815	28,564,500	10.6%
Electoral Areas	8,080,596,245	7,422,685,373	657,910,872	8.9%
	\$ 28,998,671,095	\$ 26,470,096,311	\$2,528,574,784	9.6%

(COMPLETED Roll)

(FINAL Roll)

North Okanagan Columbia Shuswap Regional Hospital District

Status of Hospital District Approved & Proposed Projects for 2018/2019 as at Dec 31, 2018

Facility	Project/Equipment	Budget Category	Total Cost	RHD Cost	Expended in Prior Year(s)	Expended in Current Year	Total Expended	Project	
A - Completed Projects per IHA - Aug 27, 2018 for closed projects at March 31, 2018									
Queen Victoria, Revelstoke	Wireless Infrastructure Refresh	IMIT	\$ 20,000	\$ 8,000	7,835.93		7,835.93	2016 Budget	64
	Replace Isolation Transformers	Construction	\$ 300,000	\$ 120,000	103,459.95		103,459.95	2016 Budget	64
Shuswap Lake, Salmon Arm	Radiologist Diagnostic Monitor Replacement	IMIT	\$ 42,500	\$ 17,000	16,204.57		16,204.57	2016 Budget	64
	General Radiographic System	Equip	\$ 547,000	\$ 218,800	208,003.54		208,003.54	2016 Budget	64
	C-Arm	Equip	\$ 265,000	\$ 106,000	0.00	60,777.79	60,777.79	2016 Budget	64
Vernon Jubilee	Polson Tower Completion	Const over \$100K	\$ 29,563,000	\$ 5,525,000	3,204,499.12		3,204,499.12	2013 Budget borrow	58
	Chillers in South Tower	Construction	\$ 1,200,000	\$ 480,000	457,373.72		457,373.72	2016 Budget	64
	General Radiographic System	Equip	\$ 617,000	\$ 246,800	204,104.92	2,075.20	206,180.12	2016 Budget	64
	Multi-purpose System	Equip	\$ 1,175,000	\$ 470,000	437,915.88		437,915.88	2016 Budget	64
Regional									
Parkview Place	Vocera Expansion	IMIT	\$ 70,000	\$ 28,000	26,748.90		26,748.90	2016 Budget	64
Various	Telehealth Infrastructure Expansion	IMIT	\$ 30,000	\$ 12,000	11,747.76		11,747.76	2017 Budget	66
			\$ 33,829,500	\$ 7,231,600	\$ 4,677,894	\$ 62,852.99	\$ 4,740,747.28		
B - Fully Funded Projects per NOCSRHD but not officially closed by IHA									
Queen Victoria, Revelstoke	Heliport	Const over \$100K	\$ 465,000	\$ 186,000	124,978.10	61,021.90	186,000.00	2017 Budget	66
Vernon Jubilee	Laser, CO2	Equip	\$ 195,000	\$ 78,000	-	78,000.00	78,000.00	2016 Budget	64
Regional									
Various Facilities	Forms on Demand and Patient ID System	IMIT	\$ 286,000	\$ 114,400	102,560.49	11,839.51	114,400.00	2016 Budget	64
Global Grant	Equipment between \$5,000 and \$100,000	Global	\$ 1,543,000	\$ 617,200	\$ -	617,200.00	617,200.00	2018 Budget	
	Sub-total		\$ 2,024,000	\$ 809,600	\$ 102,560	\$ 768,061.41	\$ 809,600.00		
C - In Progress Projects									
Queen Victoria, Revelstoke	Parking lot lighting upgrades	Const under \$100K	\$ 90,000	\$ 36,000	-	33,595.70	33,595.70	2018 Budget	71
	Video Conferencing Infrastructure Refresh	IMIT	\$ 30,000	\$ 12,000		8,352.70	8,352.70	2017 Budget	66
	Anaesthetic Unit with Monitor	Equip	\$ 120,000	\$ 48,000		47,753.34	47,753.34	2018 Budget	71
Shuswap Lake General, Salmon Arm	Sterilizer - Low Temp VHP	Equip	\$ -	\$ -	0.00		0.00	2017 Budget	66
	Electronic Emergency Department Medical Summary	IMIT	\$ 220,000	\$ 88,000		20,573.45	20,573.45	2018 Budget	71
	Medistation, IH wide Pyxis replacement	Equip	\$ 489,000	\$ 195,600		169,963.24	169,963.24	2018 Budget	71

C - In Progress Projects (cont'd)

Vernon Jubilee

Diagnostic Imaging Redesign (planning)	Const over \$100K	\$ 150,000	\$ 60,000	-	0.00	2015 Budget	62
Inpatient Psychiatry Redevelopment (planning)	Const over \$100K	\$ 150,000	\$ 60,000	16,558.09	(16,558.09)	2015 Budget	62
Chemistry Analyzer	Equip over \$100K	\$ 145,000	\$ 58,000	-	0.00	2015 Budget	62
Table, Surgery	Equip over \$100K	\$ 144,000	\$ 57,600	-	52,825.22	2015 Budget	62
HVAC Upgrade	Const over \$100K	\$ 600,000	\$ 240,000	-	0.00	2017 Budget	66
Wireless Infrastructure Expansion	IMIT	\$ 20,000	\$ 8,000	-	0.00	2017 Budget	66
Integrated Chemistry/Immunochemistry Analyzer (add'l in	Equip	\$ 322,000	\$ 70,800	-	0.00	2017 Budget	66
Hematology Analyzer	Equip	\$ 170,000	\$ 68,000	-	0.00	2017 Budget	66
MRI	Equip/Const over \$1	\$ 7,100,000	\$ 2,840,000	490,087.82	414,986.08	2017 Amended Budget	68
Autopsy Suite/Morgue Update - Planning	Const over \$100K	\$ 150,000	\$ 60,000	-	0.00	2018 Budget	71
Access Control System Upgrade	Const under \$100K	\$ 70,000	\$ 28,000	-	0.00	2018 Budget	71
Vocera	IMIT	\$ 180,000	\$ 72,000	-	28,027.15	2018 Budget	71
Wireless Infrastructure Refresh	IMIT	\$ 99,000	\$ 39,600	-	30,520.00	2018 Budget	71

C - In Progress Projects, continuedRegional

VJH/SLGH	Medistations, IH Wide Infrastructure	Equip	\$ 80,000	\$ 32,000	27,492.12	4,107.90	31,600.02	2016 Budget	64
Pleasant Valley Health Centre	Laser, Retinal, Fibre Optic	Equip	\$ 122,000	\$ 48,800	-	-	0.00	2016 Budget	64
Bastion Place	Parking Lot Upgrades	Const under \$100K	\$ 85,000	\$ 34,000	23,269.70	7,678.58	30,948.28	2017 Budget	66
Regional	Corporate Projects over \$100K	IMIT	\$ 684,500	\$ 273,800	126,251.17	67,545.01	193,796.18	2017 Budget	66
Various	Specialized Surgical Services	IMIT	\$ 107,000	\$ 42,800	18,357.10	6,924.62	25,281.72	2017 Budget	66
Regional	Corporate Projects under \$100K	IMIT	\$ 346,500	\$ 138,600	85,986.03	33,547.10	119,533.13	2017 Budget	66
Vernon Health Centre	Wireless Infrastructure Expansion	IMIT	\$ 40,000	\$ 16,000	-	6,842.98	6,842.98	2017 Budget	66
Various	Telehealth Expansion	IMIT	\$ 33,250	\$ 13,300	-	10,713.42	10,713.42	2017 Budget	66
Noric House	Wireless Infrastructure Expansion	IMIT	\$ 15,000	\$ 6,000	-	-	0.00	2017 Budget	66
Bastion Place	Cooler/Freezer, Walk In	Equip	\$ 135,000	\$ 54,000	-	35,420.58	35,420.58	2017 Budget	66
Bastion Place	Resident Bus	Equip	\$ 117,000	\$ 46,800	-	46,300.44	46,300.44	2017 Budget	66
Noric House	Domestic Hot Water Boiler Upgrade (x2)	Const under \$100K	\$ 85,000	\$ 34,000	-	-	0.00	2018 Budget	71
Pleasant Valley Manor	Water Softener (x2)	Const under \$100K	\$ 60,000	\$ 24,000	-	-	0.00	2018 Budget	71
Regional	IH Wide IMIT	IMIT	\$ 3,274,000	\$ 1,309,600	-	438,265.41	438,265.41	2018 Budget	71
Polson Care Centre	Vocera Expansion	IMIT	\$ 99,000	\$ 39,600	-	-	0.00	2018 Budget	71
Salmon Arm Health Centre	Wireless Infrastructure Expansion	IMIT	\$ 30,000	\$ 12,000	-	-	0.00	2018 Budget	71
Bastion Place	Wireless Infrastructure Refresh	IMIT	\$ 20,000	\$ 8,000	-	-	0.00	2018 Budget	71
Gateby Care Centre/Noric House	Resident Bus	Equip	\$ 117,000	\$ 46,800	-	-	0.00	2018 Budget	71

Sub-total

\$ 87,851,250	\$ 22,482,100	\$ 10,466,054	\$ 1,447,384.83	\$ 13,514,245.49
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Opening balances

\$ 23,291,700	\$ 10,568,614	\$ 2,278,299.23
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D - New Projects for 2019/2020

Queen Victoria, Revelstoke	Emergency Generator	Const over \$100K	\$	4,950,000	\$	1,980,000	0.00	2019 Budget
	Chiller Replacement	Const over \$100K	\$	823,000	\$	329,200	0.00	2019 Budget
	Modernize Elevator	Const over \$100K	\$	280,000	\$	112,000	0.00	2019 Budget
Shuswap Lake General, Salmon Arm	Pharmacy Renovation	Const over \$100K	\$	1,080,000	\$	432,000	0.00	2019 Budget
Vernon Jubilee	Ortho Templating Software for Surgical Efficiency	IMIT	\$	74,000	\$	29,600	0.00	2019 Budget
	Medstations, IH Wife Pyxis Replacement, Phase 4	Equip	\$	2,939,000	\$	1,175,600	0.00	2019 Budget
	Monitoring System, Physiological	Equip	\$	465,000	\$	160,200	0.00	2019 Budget
	Laser, Holmium	Equip	\$	270,000	\$	108,000	0.00	2019 Budget
Regional								
Shuswap Community Care Services	Leasehold Improvements-Reno/Expansion/Relocation	Const over \$100K	\$	600,000	\$	240,000	0.00	2019 Budget
PV Health Centre/Armstrong Comm Se	Staff Duress System	Const under \$100K	\$	90,000	\$	36,000	0.00	2019 Budget
Parkview Place	Retaining Wall and Security Fence Replacement	Const under \$100K	\$	85,000	\$	34,000	0.00	2019 Budget
Pleasant Valley Manor	Repave Parking Lot	Const under \$100K	\$	60,000	\$	24,000	0.00	2019 Budget
Regional	IH Wide IMIT	IMIT	\$	1,608,000	\$	643,200	0.00	2019 Budget
Various	Laboratory Middleware	Equip	\$	205,750	\$	82,300	0.00	2019 Budget
All Facilities	Equipment under \$100,000 (Global Grant)	Equip	\$	1,558,000	\$	623,200	0.00	2019 Budget
Sub-total				\$ 15,087,750	\$ 6,009,300	\$ -	\$ -	\$ -
TOTAL				\$ 138,792,500	\$ 36,532,600	\$ 15,246,509	\$ 2,278,299.23	\$ 19,064,593

**NORTH OKANAGAN/COLUMBIA SHUSWAP
REGIONAL HOSPITAL DISTRICT**

BYLAW NO. 72

A bylaw to adopt the Five Year Financial Plan for the period 2019 – 2023, inclusive

The Board of the North Okanagan/Columbia Shuswap Regional Hospital District, in open meeting assembled, HEREBY ENACTS as follows:

1. Schedule "A" attached hereto and made a part of this bylaw is the 2019 Five Year Financial Plan of the North Okanagan/Columbia Shuswap Regional Hospital District for the years 2019 to 2023, inclusive.
2. This bylaw may be cited for all purposes as "2019 North Okanagan/Columbia Shuswap Regional Hospital District Financial Plan Bylaw No. 72."

READ A FIRST TIME this _____ day of March, 2019.

READ A SECOND TIME this _____ day of March, 2019.

READ A THIRD TIME this _____ day of March, 2019.

ADOPTED this _____ day of March, 2019.

MANAGER OF CORPORATE
ADMINISTRATION SERVICES (SECRETARY)

CHAIR

CERTIFIED a true copy of
Bylaw No. 72, as adopted.

Deputy Manager,
Corporate Administration Services (Secretary)

NOCSRHD BOARD REPORT

TO: Chair and Directors

File No: 8900 42

SUBJECT: 2019 NOCSRHD Capital Expenditure Bylaw No. 73

DESCRIPTION: Report from Jodi Pierce, Manager, Financial Services dated March 12, 2019.

RECOMMENDATION #1: THAT: Bylaw No. 73, cited as "North Okanagan Columbia Shuswap Regional Hospital District Capital Expenditure Bylaw No. 73", be read a first, second, and third time this 26th day of March, 2019.

RECOMMENDATION #2: THAT: Bylaw No. 73, cited as "North Okanagan Columbia Shuswap Regional Hospital District Capital Expenditure Bylaw No. 73", be adopted this 26th day of March, 2019.

SHORT SUMMARY:

Attached is the Capital Expenditure Bylaw No. 73 to be enacted by the Board as required by Section 32 of the Hospital District Act.

VOTING:

Unweighted ☐
Corporate

Weighted ☒
Corporate

Stakeholder ☐
(Weighted)

POLICY:

Section 32 of the Hospital District Act says that a Board that proposes to spend money to meet capital expenditures must prepare and enact a capital bylaw permitting the spending of that money.

FINANCIAL:

The 2019 Five Year Financial Plan includes an additional \$3,965,700 in capital expenditures as submitted by Interior Health for the 2019/2020 fiscal year. These expenditures will be funded through monies budgeted in the current year of operation.

IMPLEMENTATION:

The approved bylaw will authorize the Treasurer to settle the terms and conditions of the expenditures.

COMMUNICATIONS:

The approved Capital Expenditure Bylaw will be distributed to Interior Health and various Provincial Ministries as well as posted on the CSRD website as part of the Five Year Financial Plan.

DESIRED OUTCOMES:

That the North Okanagan Columbia Shuswap Regional Hospital District Capital Expenditure Bylaw No. 73 in the amount of \$3,965,700, as described in Schedule "A", be approved.

BOARD'S OPTIONS:

1. *Endorse the Recommendation.*

2. *Deny the Recommendation.*
3. *Defer.*
4. *Any other action deemed appropriate by the Board.*

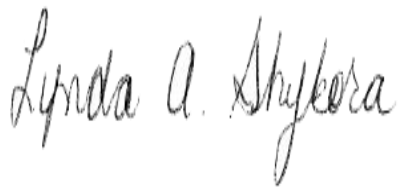
LIST NAME OF REPORT(S) / DOCUMENT(S) AVAILABLE FROM STAFF:

1. None

Report Approval Details

Document Title:	2019-03-26_NOCSRHD_Capital Expenditure Bylaw No. 73.docx
Attachments:	- NOCSRHD 2019 Capital Expenditure Bylaw No 73 Schedule A.pdf - BL 73 2019 Capital Expenditure.pdf
Final Approval Date:	Mar 14, 2019

This report and all of its attachments were approved and signed as outlined below:



Lynda Shykora - Mar 14, 2019 - 11:17 AM



Charles Hamilton - Mar 14, 2019 - 11:44 AM

**NORTH OKANAGAN/COLUMBIA SHUSWAP
REGIONAL HOSPITAL DISTRICT**

CAPITAL EXPENDITURE BYLAW NO. 73

WHEREAS the Board of the North Okanagan/Columbia Shuswap Regional Hospital District proposes to expend money for the capital expenditures described in Schedule "A" attached hereto and forming an integral part of this bylaw;

AND WHEREAS those capital expenditures have received the approval required under Section 23 of the Hospital District Act;

NOW THEREFORE the Board of the North Okanagan/Columbia Shuswap Regional Hospital District enacts the following capital expenditure bylaw as required by Section 32 of the Hospital District Act:

1. The Board hereby authorizes and approves expenditure of money necessary to complete the capital expenditures as described in Schedule "A" attached hereto totaling \$3,965,700.
2. The payment of the portion that the Regional Hospital District is responsible for, shall be funded through monies budgeted in the current year of operation.
3. Board hereby delegates the necessary authority to the Treasurer to settle the terms and conditions of the expenditure.
4. This bylaw may be as the "North Okanagan/Columbia Shuswap Regional Hospital District Capital Expenditure Bylaw No. 73."

READ A FIRST TIME this _____ day of _____ March _____, 2019.

READ A SECOND TIME this _____ day of _____ March _____, 2019.

READ A THIRD TIME this _____ day of _____ March _____, 2019.

ADOPTED this _____ day of _____ March _____, 2019.

MANAGER OF CORPORATE ADMINISTRATION
SERVICES (SECRETARY)

CHAIR

CERTIFIED a true copy of
Bylaw No. 73 as adopted.

Deputy Manager,
Corporate Administration Services (Secretary)

SCHEDULE "A"

NORTH OKANAGAN/COLUMBIA SHUSWAP REGIONAL HOSPITAL DISTRICT

CAPITAL EXPENDITURE BYLAW NO. 73

Facility	Location	Project/Equipment Description	Total Budget	RHD Share	2019/20 Funding Request
		<u>Construction Projects over \$100,000</u>			
Shuswap Lake General Hospital	Salmon Arm	Pharmacy Renovation	1,080,000	432,000	432,000
Queen Victoria Hospital	Revelstoke	Chiller Replacement	823,000	329,200	329,200
Shuswap Community Care Services	Salmon Arm	Leasehold Improvements - Renovation/Expansion/Relocation	600,000	240,000	240,000
Queen Victoria Hospital	Revelstoke	Modernize Elevator	280,000	112,000	112,000
		<u>Construction Projects under \$100,000</u>			
Pleasant Valley Health Centre/Armstrong Community Services	Armstrong	Staff Duress System	90,000	36,000	36,000
Parkview Place	Enderby	Retaining Wall and Security Fence Replacement	85,000	34,000	34,000
Pleasant Valley Manor	Armstrong	Repave Parking Lot	60,000	24,000	24,000
		<u>IH-Wide IMIT</u>			
Regional		Various	1,608,000	643,200	643,200
		<u>IMIT over \$100,000</u>			
Vernon Jubilee Hospital	Vernon	Ortho Templating Software for Surgical Efficiency	74,000	29,600	29,600
		<u>Equipment over \$100,000</u>			
Vernon Jubilee Hospital	Vernon	Medstations, IH-Wide Pyxis Replacement, Phase 4	2,939,000	1,175,600	1,175,600
Vernon Jubilee Hospital/Shuswap Lake General Hospital	Vernon/Salmon Arm	Monitoring System, Physiological	465,000	160,200	160,200
Vernon Jubilee Hospital	Vernon	Laser, Holmium	270,000	108,000	108,000
Various	Various	Laboratory Middleware	205,750	82,300	82,300
Shuswap Lake General Hospital	Salmon Arm	Sterilizer - Low Temperature VHP	(159,000)	(63,600)	(63,600)
		<u>Equipment under \$100,000 (Global Grant)</u>			
All Facilities		Equipment between \$5,000 and \$100,000	1,558,000	623,200	623,200
TOTAL			\$ 9,978,750	\$ 3,965,700	\$ 3,965,700

NOCSRHD BOARD REPORT

TO: Chair and Directors

File No: BL 74

SUBJECT: 2019 NOCSRHD Capital Expenditure and Borrowing Bylaw No. 74

DESCRIPTION: Report from Jodi Pierce, Manager, Financial Services dated March 13, 2019.

RECOMMENDATION #1: THAT: Bylaw No. 74, cited as "North Okanagan Columbia Shuswap Regional Hospital District Capital Expenditure and Borrowing Bylaw No. 74", be read a first, second and third time this 26th day of March, 2019.

RECOMMENDATION #2: THAT: Bylaw No. 74, cited as "North Okanagan Columbia Shuswap Regional Hospital District Capital Expenditure and Borrowing Bylaw No. 74", be adopted this 26th day of March, 2019.

SHORT SUMMARY:

Attached is the Capital Expenditure and Borrowing Bylaw No. 74 to be enacted by the Board as required by section 32 of the Hospital District Act in conjunction with the 2019 Five Year Financial Plan Bylaw.

VOTING:	Unweighted Corporate	<input type="checkbox"/>	Weighted Corporate	<input checked="" type="checkbox"/>	Stakeholder (Weighted)	<input type="checkbox"/>
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POLICY:

Section 32 of the Hospital District Act says that a Board that proposes to spend money to meet capital expenditures must prepare and enact a capital bylaw permitting the spending of that money.

FINANCIAL:

The 2019 Five Year Financial Plan includes \$1,980,000 in capital expenditures as submitted by Interior Health for an emergency generator at Queen Victoria Hospital in Revelstoke. This expenditure will be funded by way of long-term debt.

IMPLEMENTATION:

The approved bylaw will authorize the Treasurer to settle the terms and conditions of the expenditures.

COMMUNICATIONS:

The approved Capital Expenditure Bylaw will be distributed to Interior Health and various Provincial Ministries as well as posted on the CSRD website as part of the Five Year Financial Plan.

DESIRED OUTCOMES:

That the North Okanagan Columbia Shuswap Regional Hospital District Capital Expenditure and Borrowing Bylaw No. 74 in the amount of \$1,980,000, as described in Schedule "A", be approved.

BOARD'S OPTIONS:

1. *Endorse the Recommendation.*

2. *Deny the Recommendation.*
3. *Defer.*
4. *Any other action deemed appropriate by the Board.*

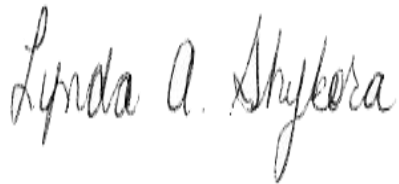
LIST NAME OF REPORT(S) / DOCUMENT(S) AVAILABLE FROM STAFF:

1. None

Report Approval Details

Document Title:	2019-03-26_NOCSRHD_Capital Expenditure and Borrowing Bylaw.docx
Attachments:	- BL 74 capital Expenditure Borrowing Bylaw.pdf - NOCSRHD 2019 Capital Expenditure and Borrowing Bylaw No 74 Schedule A.pdf
Final Approval Date:	Mar 14, 2019

This report and all of its attachments were approved and signed as outlined below:



Lynda Shykora - Mar 14, 2019 - 11:14 AM



Charles Hamilton - Mar 14, 2019 - 11:46 AM

**NORTH OKANAGAN/COLUMBIA SHUSWAP
REGIONAL HOSPITAL DISTRICT**

CAPITAL EXPENDITURE & BORROWING BYLAW NO. 74

WHEREAS the Board of the North Okanagan/Columbia Shuswap Regional Hospital District proposes to expend money for the capital expenditures described in Schedule "A" attached hereto and forming an integral part of this bylaw;

AND WHEREAS those capital expenditures have received the approval required under Section 23 of the Hospital District Act;

NOW THEREFORE the Board of the North Okanagan/Columbia Shuswap Regional Hospital District enacts the following capital expenditure and borrowing bylaw as required by Sections 32 and 33 of the Hospital District Act:

1. The Board hereby authorizes and approves expenditure of money necessary to complete the capital expenditures as described in Schedule "A" attached.
2. The Board authorizes and approves the borrowing of a net sum not exceeding \$1,980,000 upon the credit of the Regional Hospital District by issuance and sale of securities in a form and manner agreed to by the Municipal Finance Authority of British Columbia. The term of the securities and repayment of the principal and interest shall be over a term not to exceed fifteen (15) years.
3. To meet the payments of principal and interest during the term of the securities, there shall be included in the estimates of the Regional Hospital District each year, the respective amounts of principal and interest falling due each year;
4. The Board hereby delegates the necessary authority to the Treasurer to settle the terms and conditions of the borrowings.
5. This bylaw may be cited for all intents and purposes as the "North Okanagan/Columbia Shuswap Regional Hospital District Capital Expenditure & Borrowing Bylaw No. 74, 2019"

READ A FIRST TIME this _____ day of _____, 2019.

READ A SECOND TIME this _____ day of _____, 2019.

READ A THIRD TIME this _____ day of _____, 2019.

ADOPTED this _____ day of _____, 2019.

MANAGER OF CORPORATE ADMINISTRATION
SERVICES (SECRETARY)

CHAIR

CERTIFIED a true copy of
Bylaw No. 74 as adopted.

Deputy Manager,
Corporate Administration Services (Secretary)

SCHEDULE "A"

NORTH OKANAGAN/COLUMBIA SHUSWAP REGIONAL HOSPITAL DISTRICT
CAPITAL EXPENDITURE AND BORROWING BYLAW NO. 74

Facility	Location	Project/Equipment Description	Total Budget	RHD Share	2019/20 Funding Request
Queen Victoria Hospital	Revelstoke	<u>Construction Projects over \$100,000</u>			
		Emergency Generator	\$ 4,950,000	\$ 1,980,000	\$ 1,980,000
TOTAL			\$ 4,950,000	\$ 1,980,000	\$ 1,980,000