

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 28, 2018

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 below 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, that 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 in 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.

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.

**North Okanagan Columbia Shuswap Potential Capital Funding Requirements**

February 2018

<b>Anticipated Funding from Ministry of Health to Interior Health</b> (millions)	2018/19 (notional)	2019/20 (notional)	2020/21 (notional)	Three-year Total (notional)
<b>Available Funding</b> for planning purposes only	\$ 28.0	\$ 29.6	\$ 32.0	\$ 89.6

<b>North Okanagan Columbia Shuswap (NOCS)</b> (millions)	2018/19	2019/20 (notional)	2020/21 (notional)	Three-year Total (notional)
<b>Total of all Capital Requests Identified for the next three years</b>				\$ 119.0
<b>Approximate Funding from all Sources for NOCS</b> (Ministry, RHD, Equity, Foundation, etc.)	\$ 6.8	\$ 10.0	\$ 7.5	\$ 24.3
<b>Anticipated Regional Hospital District Funding Requirements</b> for planning purposes only	\$ 2.7	\$ 4.0	\$ 3.0	\$ 9.7

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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.

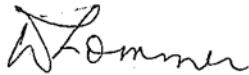
Attached please find the prioritized listing of IH's major planned capital projects consisting of:

- Construction projects over \$2 million that are "program" related
- Net new Information Management Information Technology over \$5 million
- Net new 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. Major Capital Projects Priority List, December 2017

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