

NANAIMO REGIONAL HOSPITAL DISTRICT

**REGULAR BOARD MEETING
TUESDAY, MARCH 25, 2014
7:00 PM**

(RDN Board Chambers)

A G E N D A

PAGES

CALL TO ORDER

DELEGATIONS

MINUTES

3-5 Minutes of the Hospital Board meeting held Tuesday, February 11, 2014.

BUSINESS ARISING FROM THE MINUTES

UNFINISHED BUSINESS

COMMISSION, ADVISORY & SELECT COMMITTEE

Regional Hospital District Select Committee

6-8 **Minutes of the Regional Hospital District Select Committee meeting held on Tuesday, February 25, 2014** (for Information) (All Directors – One Vote).

That the minutes of the Regional Hospital District Select Committee meeting held Tuesday, February 25, 2014 be received for information.

Request for Approval of 2014/15 Capital Equipment and Minor Capital Project Lists (All Directors – Weighted Vote).

- 1. That the 2014/2015 list of capital equipment purchases with Regional Hospital District cost sharing in the amount of \$779,386 be approved.*
- 2. That the 2014/2015 list of capital improvement projects with Regional Hospital District cost sharing in the amount of \$1,081,708 be approved.*
- 3. That the request for a one-time \$1,092,345 allocation from the annual capital grant funding for a replacement CT Scanner at Nanaimo Regional General Hospital be approved.*

4. *That projected cost sharing for 2015/16 for capital improvement projects shown on the 2014/2015 list in the amount of \$1,507,688 be approved.*

9-10

Nanaimo Regional Hospital District 2014 Annual Budget Bylaw No. 157.

(All Directors – Weighted Vote)

1. *That the 2014 Regional Hospital District annual budget be approved with the following components:*

Property tax requisition 6,712,985

Capital grant allowance 3,444,055

(All Directors – Weighted Vote)

2. *That the "Nanaimo Regional Hospital District 2014 Annual Budget Bylaw No. 157, 2014" be introduced and read three times.*

(All Directors 2/3 Weighted Vote)

3. *That the "Nanaimo Regional Hospital District 2014 Annual Budget Bylaw No. 157, 2014" be adopted.*

ADMINISTRATOR'S REPORTS

11-14

Nanaimo Regional Hospital District Bylaw No. 158 – Shelled-In Operating Rooms Borrowing Authorization (All Directors – Weighted Vote/ 2/3 Weighted Vote).

ADDENDUM

NEW BUSINESS

ADJOURNMENT

REGIONAL DISTRICT OF NANAIMO

**MINUTES OF THE NANAIMO REGIONAL HOSPITAL DISTRICT MEETING
HELD ON TUESDAY, FEBRUARY 11, 2014 AT 6:45 PM IN THE
RDN BOARD CHAMBERS**

In Attendance:

Director J. Stanhope	Chair
Director D. Brennan	Vice Chair
Director A. McPherson	Electoral Area A
Director H. Houle	Electoral Area B
Director M. Young	Electoral Area C
Alternate	
Director F. Van Eynde	Electoral Area E
Director J. Fell	Electoral Area F
Director B. Veenhof	Electoral Area H
Director T. Greves	City of Nanaimo
Director D. Johnstone	City of Nanaimo
Director J. Kipp	City of Nanaimo
Director M. Lefebvre	City of Parksville
Alternate	
Director S. Tanner	Town of Qualicum Beach

Regrets:

Director G. Holme	Electoral Area E
Director J. de Jong	District of Lantzville
Director J. Ruttan	City of Nanaimo
Director G. Anderson	City of Nanaimo
Director B. Bestwick	City of Nanaimo
Director D. Willie	Town of Qualicum Beach

Also in Attendance:

P. Thorkelsson	Chief Administrative Officer
J. Harrison	Director of Corporate Services
W. Idema	Director of Finance
T. Osborne	Gen. Mgr. Recreation & Parks
D. Trudeau	Gen. Mgr. Transportation & Solid Waste
G. Garbutt	Gen. Mgr. Strategic & Community Development
R. Alexander	Gen. Mgr. Regional & Community Services
J. Hill	Mgr. Administrative Services
C. Golding	Recording Secretary

CALL TO ORDER

The Chief Administrative Officer called the meeting to order.

ELECTION OF CHAIR

The Chief Administrative Officer called for nominations to the position of Chair of the Nanaimo Regional Hospital District Board for the year 2014.

Director Brennan nominated Director Stanhope.

There being no further nominations, the Chief Administrative Officer declared Director Stanhope as Chair for the Nanaimo Regional Hospital District Board for the year 2014.

Chair Stanhope took the Chair.

ELECTION OF THE VICE CHAIR

The Chair called for nominations to the position of Vice Chair of the Nanaimo Regional Hospital District Board for the year 2014.

Director Johnstone nominated Director Brennan.

There being no further nominations, the Chair declared Director Brennan as Vice Chair for the Nanaimo Regional Hospital District Board for the year 2014.

MINUTES

Minutes of the Regular Hospital Board meeting held Tuesday, November 26, 2013.

MOVED Director Kipp, SECONDED Director Lefebvre, that the minutes of the Regular Hospital Board meeting held Tuesday, November 26, 2013, be adopted.

CARRIED

COMMISSION, ADVISORY & SELECT COMMITTEE

Regional Hospital District Select Committee Terms of Reference.

MOVED Director Lefebvre, SECONDED Director Houle, that the Regional Hospital District Select Committee Terms of Reference be received for information.

CARRIED

2014 Chair Appointments to the Regional Hospital District Select Committee.

2014 Committee Members:

- J. Kipp (Chair)
- J. Stanhope
- A. McPherson
- D. Johnstone
- M. Lefebvre
- D. Willie

ADJOURNMENT

MOVED Director Van Eynde, SECONDED Director Brennan, that this meeting terminate.

CARRIED

TIME: 6:50 PM

CHAIRPERSON

CORPORATE OFFICER

REGIONAL DISTRICT OF NANAIMO

**MINUTES OF THE NANAIMO REGIONAL HOSPITAL DISTRICT SELECT COMMITTEE MEETING
HELD ON TUESDAY, FEBRUARY 25, 2014 AT 5:05 PM IN THE
RDN COMMITTEE ROOM**

In Attendance:

Director J. Kipp	Chairperson
Director A. McPherson	Electoral Area A
Director J. Stanhope	Electoral Area G
Director D. Johnstone	City of Nanaimo
Director M. Lefebvre	City of Parksville
Director D. Willie	Town of Qualicum Beach

Regrets:

Also in Attendance:

P. Thorkelsson	Chief Administrative Officer
J. Harrison	Director of Corporate Services
W. Idema	Director of Finance
C. Golding	Recording Secretary

CALL TO ORDER

The Chairperson called the meeting to order.

DELEGATIONS

Chris Sullivan, Director of Capital Planning, Island Health, attended the meeting.

MINUTES

Minutes of the Nanaimo Regional Hospital District Select Committee meeting held, November 6, 2013.

MOVED Director Johnstone, SECONDED Director Lefebvre, that the minutes of the Nanaimo Regional Hospital District Select Committee meeting held, November 6, 2013, be adopted.

CARRIED

REPORTS

Request for Approval of 2014/15 Capital Equipment and Minor Capital Project Lists.

MOVED Director Stanhope, SECONDED Director Lefebvre, that the 2014/2015 list of capital equipment purchases with Regional Hospital District cost sharing in the amount of \$779,386 be approved.

CARRIED

MOVED Director Stanhope, SECONDED Director Lefebvre, that the 2014/2015 list of capital improvement projects with Regional Hospital District cost sharing in the amount of \$1,081,708 be approved.

CARRIED

MOVED Director Stanhope, SECONDED Director Lefebvre, that the request for a one-time \$1,092,345 allocation from the annual capital grant funding for a replacement CT Scanner at Nanaimo Regional General Hospital be approved.

CARRIED

MOVED Director Stanhope, SECONDED Director Lefebvre, that projected cost sharing for 2015/16 for capital improvement projects shown on the 2014/2015 list in the amount of \$1,507,688 be approved.

CARRIED

The Nanaimo Regional Hospital District Select Committee members request an information session with Island Health representatives be arranged that would allow the full Nanaimo Regional Hospital District Board to participate and receive information on the Island Health's strategic and capital plans.

Nanaimo Regional Hospital District 2014 Annual Budget Bylaw No. 157.

MOVED Director Stanhope, SECONDED Director Lefebvre, that the 2014 Regional Hospital District annual budget be approved with the following components:

Property tax requisition 6,712,985

Capital grant allowance 3,444,055

CARRIED

MOVED Director Stanhope, SECONDED Director Lefebvre, that the "Nanaimo Regional Hospital District 2014 Annual Budget Bylaw No. 157, 2014" be introduced and read three times

CARRIED

MOVED Director Stanhope, SECONDED Director Lefebvre, that the "Nanaimo Regional Hospital District 2014 Annual Budget Bylaw No. 157, 2014" be adopted.

CARRIED

Nanaimo Regional Hospital District Bylaw No. 158 – Shelled-In Operating Rooms Borrowing Authorization.

MOVED Director Stanhope, SECONDED Director Johnstone, that cost sharing for the construction of two shelled-in operating rooms at Nanaimo Regional General Hospital be approved for \$1,200,000.

CARRIED

MOVED Director Stanhope, SECONDED Director Johnstone, that "Nanaimo Regional Hospital District (Shelled-In Operating Rooms) Borrowing Bylaw No. 158, 2014" be introduced and read three times.

CARRIED

MOVED Director Stanhope, SECONDED Director Johnstone, that "Nanaimo Regional Hospital District (Shelled-In Operating Rooms) Borrowing Bylaw No. 158, 2014" be adopted.

CARRIED

ADJOURNMENT

MOVED Director Stanhope, SECONDED Director Lefebvre, that this meeting adjourn.

CARRIED

TIME: 6:00 PM

CHAIRPERSON

CORPORATE OFFICER

NANAIMO REGIONAL HOSPITAL DISTRICT

BYLAW NO. 157

**A BYLAW TO ADOPT A
BUDGET FOR THE YEAR 2014**

The Board of the Nanaimo Regional Hospital District, in open meeting assembled, enacts as follows:

1. This bylaw may be cited as the "Nanaimo Regional Hospital District 2014 Annual Budget Bylaw No. 157, 2014".
2. Schedule 'A' attached hereto and forming part of this bylaw is the Annual Budget for the Nanaimo Regional Hospital District for the year ending December 31, 2014.

Read three times this day of , 2014.

Adopted this day of , 2014.

CHAIRPERSON

CORPORATE OFFICER

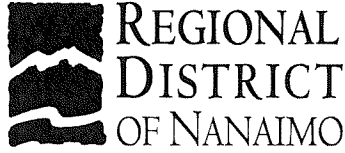
Schedule 'A' to accompany "Nanaimo Regional Hospital District 2014 Annual Budget Bylaw No.157, 2014".

Chairperson

Corporate Officer

SCHEDULE 'A'
NANAIMO REGIONAL HOSPITAL DISTRICT
2014 ANNUAL BUDGET

Property taxes	\$6,712,985
Grants in lieu	30,000
Interest income	50,000
Prior year surplus	<u>3,420,875</u>
Total Revenues	<u>\$10,213,860</u>
Administration	\$ 24,725
Debt servicing	2,941,055
Debt issuing expense	165,015
Capital grants	3,444,055
Short-term debt pay down	10,650
Transfer to reserve	<u>1,245,000</u>
Total expenditures	<u>\$7,830,500</u>
Net surplus for future year	<u>\$2,383,360</u>



RDN REPORT		[Handwritten initials]
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BOARD		

MEMORANDUM

Nanaimo Regional Hospital District

TO: Paul Thorkelsson
Chief Administrative Officer

DATE: March 19, 2014

FROM: Wendy Idema
Director of Finance

FILE:

SUBJECT: Nanaimo Regional Hospital District Bylaw No. 158 – Shelled-In Operating Rooms Borrowing Authorization

PURPOSE:

To revise loan authorization Bylaw No. 158 for adoption to fund the construction of shelled-in operating rooms at the Nanaimo Regional General Hospital.

BACKGROUND:

A formal request for cost sharing to fund construction of two shelled-in operating rooms at Nanaimo Regional General Hospital (NRGH) was received from Island Health as part of their 2014/15 funding requests and was approved by the Select Committee on February 25, 2014. Since that time staff have been advised by Island Health that 50% funding for the project is being provided by the Nanaimo and District Hospital Foundation resulting in a revised request for funding from Island Health of \$600,000. Debt servicing for the project is included in the financial plan for the Nanaimo Regional Hospital District (NRHD). Construction of the shelled-in operating rooms has been approved by the Province and is scheduled to proceed in 2014. In order to make the reimbursement, a borrowing bylaw must be adopted.

ALTERNATIVES:

1. Adopt the bylaw as presented.
2. Amend the bylaw and adopt it as amended.

FINANCIAL IMPLICATIONS:

Alternative 1

The total project cost is \$3 million with \$1.5 million being funded by the Nanaimo and District Hospital Foundation and the remainder split between the NRHD and Island Health. The debt servicing and issuing costs for \$600,000 related to a 40% share of the net \$1.5 million cost have been incorporated into the Nanaimo Regional Hospital District (NRHD) 2014 to 2018 financial plan. Staff's understanding is

that the project can be completed within this funding envelope and once authorized, this Bylaw approval cannot be exceeded without additional approval from the Board.

Alternative 2

Should there be amendments to the bylaw, the financial implications would need to be evaluated once the changes were known. Staff are not aware of any issues that could impact the project and the funding approval and recommend proceeding with approval of Bylaw No. 158.

SUMMARY/CONCLUSIONS:

A formal request for cost sharing to fund construction of two shelled-in operating rooms at Nanaimo Regional General Hospital (NRGH) has been received from Island Health as part of their 2014/15 funding requests. This project was first raised by Island Health in February 2013 and has been discussed and approved in principle previously by the Select Committee and Board at a higher amount. Island Health has advised that the Nanaimo and District Hospital Foundation is providing 50% funding to the project, and they have decreased their request for NRHD funding to a lower amount. In order to make the reimbursement, a borrowing bylaw must be adopted. The NRHD share of the total \$3 million cost is \$600,000.

RECOMMENDATIONS:

1. That cost sharing for the construction of two shelled-in operating rooms at Nanaimo Regional General Hospital be approved for \$600,000.
2. That “Nanaimo Regional Hospital District (Shelled-In Operating Rooms) Borrowing Bylaw No. 158, 2014” be introduced and read three times.
3. That “Nanaimo Regional Hospital District (Shelled-In Operating Rooms) Borrowing Bylaw No. 158, 2014” be adopted.



Report Writer



Chief Administrative Officer

NANAIMO REGIONAL HOSPITAL DISTRICT

BYLAW NO. 158

CAPITAL EXPENDITURE & BORROWING BYLAW

WHEREAS the Board of the Nanaimo Regional Hospital District proposes to expend money for capital expenditures described in Schedule 'A' attached hereto and forming 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 Nanaimo Regional Hospital District enacts the following as required by Section 32 and Section 34 of the *Hospital District Act*:

1. The Board hereby authorizes and approves the borrowing and expenditure of money for the construction of shelled –in operating rooms at the Nanaimo Regional General Hospital.
2. The Board authorizes and approves the borrowing of a net sum not exceeding \$600,000 (Six Hundred Thousand Dollars) upon the credit of the District by the 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 the repayment of the principal and interest shall be for a term not to exceed twenty (20) 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 to the Director of Finance the necessary authority to settle the terms and conditions of the borrowings.
5. This bylaw may be cited for all purposes as "Nanaimo Regional Hospital District (Shelled-In Operating Rooms) Borrowing Bylaw No. 158, 2014".

Introduced and read three times this day of , 2014.

Adopted this day of , 2014.

CHAIRPERSON

CORPORATE OFFICER

Schedule 'A' to accompany "Nanaimo Regional Hospital District (Shelled-In Operating Rooms) Borrowing Bylaw No. 158, 2014"

Chairperson

Corporate Officer

SCHEDULE 'A'

Shelled-In Operating Rooms Construction at Nanaimo Regional General Hospital

Total project budget	\$	3,000,000
Nanaimo Hospital Foundation share		<u>- 1,500,000</u>
Portion funded by Island Health and NRHD		1,500,000
Nanaimo and District Hospital Foundation funding	x	<u>40%</u>
Nanaimo Regional Hospital District share	\$	<u>600,000</u>