

**NANAIMO REGIONAL HOSPITAL DISTRICT
SELECT COMMITTEE MEETING**

**TUESDAY, FEBRUARY 28, 2017
5:30 PM**

(RDN Committee Room)

A G E N D A

PAGES

CALL TO ORDER

DELEGATIONS

Chris Sullivan – Director of Capital Planning, Vancouver Island Health Authority.

MINUTES

2-3 Minutes of the Nanaimo Regional Hospital District Select Committee meeting held Tuesday, February 23, 2016.

BUSINESS ARISING FROM THE MINUTES

COMMUNICATIONS/CORRESPONDENCE

REPORTS

4-10 Island Health 2017/2018 Annual Capital Grant Requests.

11-16 Nanaimo Regional Hospital District 2017 Revised Budget.

UNFINISHED BUSINESS

ADDENDUM

BUSINESS ARISING FROM DELEGATIONS OR COMMUNICATIONS

NEW BUSINESS

ADJOURNMENT

(Dinner will be provided)

Distribution: W. Pratt (Chair), A. McPherson, J. Stanhope, I. Thorpe, M. Lefebvre, T. Westbroek
P. Carlyle, W. Idema, J. Harrison

For Information Only: H. Houle, M. Young, B. Rogers, J. Fell, B. Veenhof, B. Colclough, B. McKay,
B. Bestwick, J. Hong, J. Kipp, B. Yoachim
T. Moore, M. Manhas

REGIONAL DISTRICT OF NANAIMO

**MINUTES OF THE NANAIMO REGIONAL HOSPITAL DISTRICT SELECT COMMITTEE MEETING
HELD ON TUESDAY, FEBRUARY 23, 2016 AT 3:59 PM IN THE
RDN COMMITTEE ROOM**

In Attendance:

Director W. Pratt	Chairperson
Director A. McPherson	Electoral Area A
Director J. Stanhope	Electoral Area G
Director I. Thorpe	City of Nanaimo
Director M. Lefebvre	City of Parksville
Director T. Westbroek	Town of Qualicum Beach

Also in Attendance:

Director M. Young	Electoral Area C
Director B. Rogers	Electoral Area E
Director B. Veenhof	Electoral Area H
Director B. Bestwick	City of Nanaimo
D. Trudeau	Interim 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

Island Health Representatives, re Energy Plant Upgrade.

Island Health representatives provided a summary of the proposed Biomass Boiler project for NRGH. Questions and concerns focused on air quality, GHG emissions, fuel options and impacts to the community. Island Health representatives requested that the NRHD consider confirmation of 40% cost-sharing for either conventional gas fired or the biomass option.

MINUTES

Minutes of the Nanaimo Regional Hospital District Select Committee meeting held Tuesday, October 27, 2015.

MOVED Director Stanhope, SECONDED Director McPherson, that the Minutes of the Nanaimo Regional Hospital District Select Committee meeting held Tuesday, October 27, 2015, be adopted.

CARRIED

REPORTS

Request for Approval of 2016/2017 Capital Equipment and Minor Capital Project Lists.

MOVED Director Lefebvre, SECONDED Director Stanhope, that the 2016/2017 list of minor capital improvement projects with Nanaimo Regional Hospital District cost sharing in the amount of \$1,215,802 be approved.

CARRIED

MOVED Director Lefebvre, SECONDED Director Stanhope, that the 2016/2017 list of capital equipment purchases with Nanaimo Regional Hospital District cost sharing in the amount of \$851,438 be approved.

CARRIED

MOVED Director Lefebvre, SECONDED Director Stanhope, that \$1,376,815 in unallocated annual minor capital funding from 2016/17 request be split with \$776,815 redirected to Regional Hospital District cost shared large capital projects and \$600,000 held in contingency for minor capital projects and equipment purchases.

CARRIED

MOVED Director Lefebvre, SECONDED Director Stanhope, that the \$868,435 in unallocated prior year minor capital funding be reallocated to the NRGH Electrical Energy Plant Upgrade project.

CARRIED

Nanaimo Regional Hospital District Bylaw No. 162 - 2016 Proposed Budget.

MOVED Director Westbroek, SECONDED Director Stanhope, that the 2016 Regional Hospital District budget be approved with the following components:

Property tax requisition	\$ 6,984,190
Capital grant allowance	\$ 2,667,240
Transfer to major capital reserve	\$ 1,776,815

CARRIED

MOVED Director Westbroek, SECONDED Director Lefebvre, that "Nanaimo Regional Hospital District 2016 Annual Budget Bylaw No. 162, 2016" be introduced and read three times.

CARRIED

MOVED Director Stanhope, SECONDED Director Lefebvre, that "Nanaimo Regional Hospital District 2016 Annual Budget Bylaw No. 162, 2016" be adopted.

CARRIED

ADJOURNMENT

MOVED Director Lefebvre, SECONDED Director Westbroek, that this meeting be adjourned.

CARRIED

TIME: 6:08 PM

CHAIRPERSON

CORPORATE OFFICER

TO: Nanaimo Regional Hospital District
Select Committee

MEETING: February 28, 2017

FROM: Wendy Idema
Director of Finance

FILE: 1745-01

SUBJECT: **Island Health 2017/2018 Annual Capital Grant Requests**

RECOMMENDATIONS:

1. That the 2017/2018 request from Island Health for the Nanaimo Regional Hospital District to cost share minor capital projects in the amount of \$1,650,071 be approved.
2. That the 2017/2018 request from Island Health for the Nanaimo Regional Hospital District to cost share capital equipment in the amount of \$1,793,984 be approved.
3. That the request from Island Health for the Nanaimo Regional Hospital District to cost share on the minor capital projects started in 2017/2018 and identified as multi-year projects for 2018/2019 and 2019/2020 be approved.

SUMMARY:

On February 9, 2017, Island Health provided its request for the 2017/2018 minor capital projects and capital equipment at Nanaimo Regional Hospital District (NRHD) designated facilities and is requesting that cost sharing be approved in the amount of \$3,444,055. This request is unchanged from the 2017 provisional Hospital District budget.

BACKGROUND:

On February 9, 2017, Island Health detailed their requests for minor capital projects and capital equipment funding for the 2017/18 year (Attachment 1) in the amount of \$3,444,055, which is unchanged from 2016.

The minor capital projects list provided totals \$4,346,178 with the NRHD's 40% cost share of \$1,650,071. Five projects will continue into 2018/19 and require a commitment from the NRHD to provide the continued funding over those years.

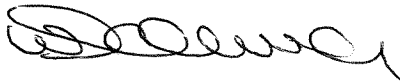
The second list details planned capital equipment purchases totaling \$4,484,961 with \$1,793,984 as the NRHD's 40% cost share.

ALTERNATIVES:

1. Approve the requests as presented.
2. Provide alternative direction.

FINANCIAL IMPLICATIONS:

The cost sharing of minor capital projects and equipment by the NRHD is included annually as part of the budget for the Hospital District and is incorporated in the 2017 plan being reported on separately. Island Health has submitted the requested cost sharing at the funding level amount of \$3,444,055 which is based on the provisional budget approved by the Nanaimo Regional Hospital District Board in November. There are no unanticipated financial implications as a result of this request.



Wendy Idema, CPA, CGA
widema@rdn.bc.ca
February 21, 2017

Attachments

1. Island Health - 2017/2018 Capital Projects and Equipment

Reviewed by:

- M. Manhas, Manager Capital Accounting & Financial Reporting
- P. Carlyle, Chief Administrative Officer

Excellent care, for everyone,
everywhere, every time.



February 9, 2017

REF #18132

Mrs. Wendy Idema
Director of Finance
Nanaimo Regional Hospital District (NRHD)
6300 Hammond Bay Road
Nanaimo BC V9T 6N2

Dear Mrs. Idema:

Re: 2017/18 Capital Projects and Equipment

I am writing to advise you of the Island Health 2017/18 capital plan for which NRHD cost-sharing is requested.

I understand the NRHD has approved a provisional 2017 budget of \$3,444,055 for minor capital projects and equipment. Island Health proposes the following allocation which we have itemized in the attached project and equipment lists:

Minor Capital Projects	\$1,650,071
Equipment	1,793,984
Total:	\$3,444,055

Patient Portal Project

In recent semi-annual meetings between Island Health and RHD representatives, the importance of Information Management/Information Technology (IM/IT) in health care was discussed. Island Health described how RHD cost-sharing on high priority IM/IT capital projects will improve outcomes for Island Health residents. This includes “smart” or integrated IM/IT equipment and IM/IT infrastructure to enable increased functionality in equipment; this would not include administrative IM/IT capital projects. The intent is not to increase the financial burden on RHDs, but rather to ensure the highest priority capital projects are funded whether they are traditional facility, equipment or IM/IT projects.

For 2017/18, Island Health is requesting RHD cost-sharing for the Patient Portal. This is an Electronic Health Record (EHR) tool that will provide convenient and secure web-based access for residents to their health records. Through the portal, residents can review information Island Health has on file for them, view their prior lab and diagnostic test results, view their health record reports, see their schedule of past and planned visits, access educational materials and in some cases directly interact with their care team via secure messaging. The tool is designed to encourage individuals to participate in their health care and support a move towards self-management.

Capital Planning

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The Province has identified improved access to health records as a high priority and the portal helps facilitate this by providing convenient access to information and services for residents living within Island Health. The portal is planned to be deployed in a phased manner starting in 2017/18 within specific geographies and patient populations and eventually to cover all of Island Health.

Beyond the functionality mentioned, subsequent phases of patient portal may include:

- Online scheduling system for primary and ambulatory care – the ability to request and/or self-schedule your appointments. This should reduce wait times by streamlining capacity management practices, essentially optimizing the flow of patients through our facilities.
- Enhanced communication with the care team. This should reduce the wait times if you do not have to attend the hospital for your care information needs (e.g. medication refills and quick consultations).
- Patient documentation – ability for patients to complete history/physical assessments and pre-surgical assessments online and have these become part of their electronic health record.
- Wellness management – ability for patients to link fitbit/diet tracking applications to their portal based personal health record.

The total project cost for the Patient Portal is \$600,000. Island Health is proposing this cost be divided by RHD based on the 2015 population statistics provided by BC Stats. The allocation for NRHD is \$120,941, or 20 percent of the total, and is included on the minor capital projects list.

Other Updates

As noted in previous correspondence, Island Health is proceeding with planning related to replacement of the Nanaimo Regional General Hospital (NRGH) Intensive Care Unit and Boiler Plant projects. In addition, Island Health is also planning a new MRI at NRGH. This MRI project has an estimated cost of \$4.5 million (equipment and associated construction). Further information on these major projects will be provided after the schematic design stage.

I would like to thank the NRHD for its significant contribution to Island Health's capital projects and equipment. We are grateful for your support, and we appreciate partnering with you to meet the Nanaimo Regional District's health infrastructure needs.

Please call me at (250) 370-8912 if you have any questions.

Yours truly,



Chris Sullivan
Director, Capital Planning

Attachments

cc: Matthew O'Rae, Corporate Director, Capital Management & Finance Projects
Carol Botrakoff, Manager, Capital Finance and Treasury
Shelley McKenzie, Director, Nanaimo Oceanside
Damian Lange, Director, Nanaimo Acute

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Island Health 2017/18: Minor Capital Projects

2017/18 Recommended Committee Approvals

Site	Project Name	Project Cost
Trillium Lodge	New Roof	104,550
Trillium Lodge	Generator Replacement	365,925
Trillium Lodge	Replace Domestic Water Distribution System	256,250
Trillium Lodge	Upgrade Electrical Breakers	209,100
Oceanside Health Centre	Install nurse call bell system	99,000
Nanaimo Wentworth	Building Fabric & Finish	96,000
Nanaimo Wentworth	Asbestos Abatement and HVAC Installation	250,000
Nanaimo Regional General Hospital	Building Fabric and Finish	512,500
Nanaimo Regional Health District	Hazardous Material Remediation	150,000
Nanaimo Regional General Hospital	Tower Fabric & Finish	500,000
Nanaimo Regional General Hospital	Laundry Room Renovation	99,000
Nanaimo Regional General Hospital	Central Diet Office Space	99,000
Nanaimo Regional General Hospital	Public Washroom Accessibility	106,641
Nanaimo Regional General Hospital	Replace Reverse Osmosis System	60,000
Nanaimo Regional General Hospital	Operating Room Fan System Replacement	250,000
Nanaimo Regional General Hospital	Upgrade Kitchen HVAC, Refrigeration System	377,228
Nanaimo Regional General Hospital	Biomed Space Expansion	365,925
Nanaimo Regional General Hospital	Lab HVAC Energy Upgrade/Supply Exhaust Fan	165,703
Nanaimo Regional General Hospital	Phase 3 Zoning and Scheduling (Carbon Neutral Pro)	390,000
Nanaimo Regional General Hospital	Electro Static Filters	342,834
Nanaimo Regional General Hospital	Upgrade 3 bariatric rooms	750,000
Dufferin Place	Replace Old Fire Alarm Devices	70,725
Dufferin Place	Install call bell and staff duress system	99,000
Various	Patient Portal	120,941
Total 2017/18 Approvals:		5,840,322

Total	2017/18		2018/19		2019/20	
	VIHA	RHD	Total	Total	Total	Total
104,550	62,730	41,820				
227,957	136,774	91,183		137,968		
256,250	153,750	102,500				
209,100	125,460	83,640				
99,000	59,400	39,600				
96,000	96,000					
125,000	125,000			125,000		
256,250	153,750	102,500		256,250		
150,000	90,000	60,000				
500,000	300,000	200,000				
99,000	59,400	39,600				
99,000	59,400	39,600				
106,641	63,985	42,656				
60,000	36,000	24,000				
250,000	150,000	100,000				
377,228	226,337	150,891				
365,925	219,555	146,370				
165,703	99,422	66,281				
390,000	234,000	156,000				
171,417	102,850	68,567		171,417		
55,338	33,203	22,135		694,662		
70,725	42,435	28,290				
99,000	59,400	39,600				
12,094	7,256	4,838		54,424		
4,346,178	2,696,107	1,650,071		1,439,721		54,424

**Island Health
2017/18 RECOMMENDED APPROVED CAPITAL EQUIPMENT - NANAIMO REGIONAL HOSPITAL DISTRICT**

Control #	Department	Site	Equipment Name	Qty	Budget	New / Replace
Equipment >\$100,000						
3391a	Medical Imaging	Nanaimo Regional General Hospital	Fluoroscopy x ray	1	1,476,172.58	R
17NR013	OR (Urology)	Nanaimo Regional General Hospital	Urology Fluoroscopy bed	1	817,000.00	R
Total Equipment > \$100,000					2,293,172.58	
Equipment < \$100,000						
3916	Rehabilitation Services	Nanaimo Regional General Hospital	Supportive Chairs	1	7,707.00	R
3917	Medical Floors 4 & 5	Nanaimo Regional General Hospital	Ice and water machines	1	8,762.00	R
3920	Occupational Therapy	Nanaimo Regional General Hospital	Dickson Paraffin Baths	1	8,298.00	R
3921	Intensive Care Unit	Nanaimo Regional General Hospital	GE Handheld Ultrasound	2	23,608.00	N
3922	Intensive Care Unit	Nanaimo Regional General Hospital	Bladder Scanner	2	39,137.70	N
3923	Medical Floors 4 & 5	Nanaimo Regional General Hospital	Bariatric Equipment	1	8,197.00	N
3059	Intensive Care Unit	Nanaimo Regional General Hospital	Electric powered Bariatric Chairs	2	30,316.86	N
3924	Emergency Department	Nanaimo Regional General Hospital	Tono-Pen Avia	1	6,536.00	N
8022	Therapy Services	Nanaimo Regional General Hospital	Balance System SD - Biodex 950 - 300	1	27,677.55	N
3928	Medical Floors 4 & 5	Nanaimo Regional General Hospital	Video Conference Equipment	1	78,824.44	N
2171	Medical Floors 4 & 5	Nanaimo Regional General Hospital	Vital Signs Monitor	1	5,260.00	N
3932	Ambulatory Clinic	Nanaimo Community Service	Bariatric Stretcher	1	11,305.92	N
3933	Urgent Care	Oceanside Community	Cardiac Bedside Monitor	1	20,731.05	N
3336	Lab Medicine- Chemistry	Nanaimo Regional General Hospital	Automated Urine Microscopy Analyzer	1	79,479.52	N
2078	Medical Imaging - X-Ray/Fluoroscopy	Oceanside Health Centre	Digital Imaging Plate Upgrade	1	80,147.43	R
3266	Magnetic Resonance Imaging	Nanaimo Regional General Hospital	MRI Vital Signs Monitor	1	83,281.77	R
2074	Ultrasound	Oceanside Health Centre	Ultrasound Scanning Stretchers	3	18,834.48	R
3261	Ultrasound	Nanaimo Regional General Hospital	Ultrasound Machine Upgrade	1	47,454.00	R
3260	Ultrasound	Nanaimo Regional General Hospital	Ultrasound Machine Upgrade	1	47,454.00	R
3972b	Ultrasound	Nanaimo Regional General Hospital	Ultrasound Scanner - portable trade in - upgrade	1	99,806.00	R
1167	Medicine	Nanaimo Regional General Hospital	Dose Calibrator	1	15,409.50	R
3974	Mobile MRI	Nanaimo Regional General Hospital	Philips Computer Upgrades	1	45,555.84	R
2086	X-Ray/Fluoroscopy	Nanaimo Regional General Hospital	Digital imaging plate upgrade for mobile X-ray unit	1	80,147.43	R
1183	X-Ray	Nanaimo Regional General Hospital	Digital Imaging Plate for X-ray unit	1	80,147.43	R
3663	Ostomy Wound Care Clinic	Nanaimo Regional General Hospital	Patient Stretchers	2	12,556.32	R
3863	Dietary	Eagle Park	Cleveland 2 Compartment Steamer	1	34,404.15	R
2329	Patient Food	Nanaimo Regional General Hospital	Shrink Tunnel / Sealer	1	34,641.42	R
3853	Biomedical Engineering	Nanaimo Regional General Hospital	Ultrasound Probe Analyzer	1	65,842.00	N
3753	Acute Obstetrics and Neonatal Services	Nanaimo Regional General Hospital	Table Top Ice Dispenser	1	8,762.00	N
3751	Operating Room - Anesthesia	Nanaimo Regional General Hospital	Pediatric Glidescope, Titanium System	1	26,264.32	N
3747	Acute Obstetrics and Neonatal Services	Nanaimo Regional General Hospital	Blitblankets	2	13,894.00	R
3769	Echo Cardiology	Nanaimo Regional General Hospital	Echocardiography Table	3	49,451.58	R
17NR006	Echo Cardiology	Nanaimo Regional General Hospital	Epiq7C Demo Systems	1	99,222.00	N
2396	Residential Services	Trillium Lodge	Bariatric Air Mattress	1	12,793.17	N

Control #	Department	Site	Equipment Name	Qty	Budget	New / Replace
1504	Residential Services	Dufferin Place	Medication Carts	2	13,510.46	N
2395	Residential Services	Trillium Lodge	Pressure Relief Mattress Sentry 1400.36 x 80	5	33,633.05	N
9266	Residential Services	Dufferin Place	Mattress System	1	16,435.00	N
3789	Residential Services	Dufferin Place	Bath Lift with Scale	3	31,509.00	N
2495	Operating Room - Urology	Nanaimo Regional General Hospital	Sit to Stand Sara Mechanical Lifts	2	49,693.84	R
2494	Operating Room - Urology	Nanaimo Regional General Hospital	Semi Rigid Ureterscope	2	141,875.60	R
3101	Operating Room - Oral Surgery	Nanaimo Regional General Hospital	Flexible Cobra Ureterscope	8	343,472.08	R
3819	Operating Room	Nanaimo Regional General Hospital	Stryker RemB Micro Drill Oral	3	33,882.18	R
3818	Operating Room	Nanaimo Regional General Hospital	LED Steris Surgical Lights	2	42,566.24	R
2520	Operating Room Main	Nanaimo Regional General Hospital	Wolf Flexible Cystoscopes	2	17,794.00	N
3816	Operating Room - Gynecology	Nanaimo Regional General Hospital	Ultrasound Probes	1	11,250.16	R
1081	Operating Room Main	Nanaimo Regional General Hospital	Bariatric Yellow Fin Stirrups	12	75,337.92	R
3114	Operating Room - Anesthesia	Nanaimo Regional General Hospital	Operating Room Patient Stretcher	2	32,268.72	R
3807	Operating Room - Anesthesia	Nanaimo Regional General Hospital	Glidescope Video Laryngoscopy System and Blades	6	36,650.16	R
					<u>2,191,788.29</u>	
					<u>4,484,960.87</u>	
					<u>1,793,984.35</u>	
			Total Equipment < \$100,000			
			Total Equipment Approved for NRHD			
			Total Possible Cost Sharing by NRHD			

TO: Nanaimo Regional Hospital District
Select Committee

MEETING: February 28, 2017

FROM: Manvir Manhas, Manager Capital
Accounting and Financial Reporting

FILE: 1700-03

SUBJECT: Nanaimo Regional Hospital District 2017 Revised Budget

RECOMMENDATIONS:

1. That “Nanaimo Regional Hospital District 2017 Annual Budget Bylaw No. 163, 2017” be introduced and read three times.
2. That “Nanaimo Regional Hospital District 2017 Annual Budget Bylaw No. 163, 2017” be adopted.

SUMMARY:

Regional Hospital Districts are required to approve an annual budget on or before March 31 each year.

Attachment 1 shows a revised budget which raises \$7,193,715 in property tax revenues for 2017 (3.0% increase over 2016). The budget includes \$3.44 million for capital equipment and minor capital projects at facilities in the Nanaimo Regional Hospital District (NRHD) area; \$2.75 million for debt payments in 2017 and a \$1.8 million transfer to reserve for future infrastructure projects.

BACKGROUND:

At the December 6, 2016 NRHD Board Meeting the following motion for the 2017 Hospital District Budget was approved:

That the 2017 Regional Hospital District Provisional Budget be approved with the following components:

Property tax requisition	\$ 7,158,794
Capital grant allowance	\$ 3,444,055

CARRIED

Since that time, a formal annual capital grant funding request has been received from Island Health and incorporated into the attached revised 2017 budget and 2017 – 2021 projections document (Attachment 1).

Compared to the provisional budget, the revised budget shows an increase of \$35,000 (0.5% increase) in property taxes due to additional debt servicing costs now included for the potential purchase of a new MRI at the Nanaimo Regional General Hospital (estimated project cost \$4.5 million, NRHD share \$1.8 million).

Presently, major capital projects included in the budget which include borrowing are as follows:

Project	NRHD Share	Timing
Electrical Energy Plant Upgrade	\$4,676,800	Currently underway
New MRI	\$1,800,000	2017-2018
Boiler Plant Upgrade	\$5,000,000 preliminary estimate for gas boiler	2017-2019
ICU Redevelopment	\$6,000,000 preliminary estimate	2018-2020

At this time there are no other major projects proposed by Island Health; however, their long-term plan does include a new patient tower at the Nanaimo Regional General Hospital when funding becomes available. The 2017 revised budget includes a \$1.8 million transfer to a reserve fund established for significant projects such as the new patient tower and an annual funding envelope of \$3,444,055 for smaller capital equipment and projects (up to \$1.5 million) at designated facilities in the NRHD.

ALTERNATIVES:

1. Introduce and approve Bylaw No. 163 as presented for the 2017 Nanaimo Regional Hospital District Budget.
2. Make further changes to the annual budget and approve an amended bylaw.

FINANCIAL IMPLICATIONS:

Alternative 1

2017 Revised Budget

The revised budget includes a 3.0% increase to the 2017 requisition as compared to 2016 which was a 2% increase. This will result in a tax requisition of \$7,193,715 for 2017 (2016 requisition= \$6,984,190). The estimated tax cost for 2017 is \$19.91 per \$100,000 based on 2017 assessments which is below the 2016 rate of \$21.80 as a result of increased assessment values throughout the region.

Preliminary results for 2016 indicate a surplus of approximately \$630,000 greater than planned largely due to timing of the Electrical Plant Upgrade project billings from Island Health as \$411,000 has been reserved from annual grants for this project which will carry forward to 2017. Ongoing lower interim financing rates and better than expected interest revenue contributed approximately \$100,000 to the surplus. As well \$100,000 was received from MFA as a refund of surplus sinking funds on extinguished debt.

The 2017 transfer to reserves for future major projects is increased to \$1.8 million (provisional budget - \$1.7 million) as a result of \$100,000 received from MFA in 2016 as noted above. The annual capital grant allowance is \$3,444,055, which has been held static for several years as Island Health has not required the full funding envelope in the last couple of years and a portion of the funds has been used for major capital instead. For 2017, they have provided a list of items with matched funding to fully utilize the allowance.

2017 to 2021 Budget Forecast

The outlook for future years in Attachment 1 has been revised based on updated information. The proposed increases to the tax requisition for 2018 to 2021 are estimated at 3% in order to maintain reserve fund transfers. Debt servicing costs are estimated to increase from \$2.8 million in 2017 to \$3.7 million in 2021. These amounts will continue to be revised as information is received from Island Health on capital project plans. Should there be approval from the Province for a new major capital project that the NRHD approves for cost sharing, debt servicing costs would need to be revised for the future.

Alternative 2

A final budget must be approved by March 31 so any alternative direction would have to observe this deadline.



Manvir Manhas (mmanhas@rdn.bc.ca)

February 21, 2017

Attachments:

1. Nanaimo Regional Hospital District Revised Budget 2017 to 2021
2. Nanaimo Regional Hospital District Bylaw 163

Reviewed by:

- W. Idema, Director of Finance
- P. Carlyle, Chief Administrative Officer

NANAIMO REGIONAL HOSPITAL DISTRICT
REVISED BUDGET
2017 to 2021

	2016		2017		2018		2019		2020		2021	
	Approved Budget 2.0%	Actuals	Proposed Feb 2017 3.0%	Proposed Feb 2017 3.0%	Proposed Feb 2017 3.0%	Proposed Feb 2017 3.0%	Proposed Feb 2017 3.0%	Proposed Feb 2017 3.0%	Proposed Feb 2017 3.0%	Proposed Feb 2017 3.0%	Proposed Feb 2017 3.0%	Proposed Feb 2017 3.0%
Current Projection												
Revenues												
Property taxes	6,984,190	6,984,190	7,193,715	7,409,527	7,631,813	7,860,767	8,096,590	8,339,892	8,583,244	8,828,596	9,073,948	9,319,300
Grants in lieu	30,000	33,651	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Interest income	75,000	108,296	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Other revenue		101,364										
Transfer from reserves	868,435	868,435	2,172,142	966,758	983,715	813,052	713,302	47,496	3,546,678	172,500	3,691,407	1,000,000
Transfer from prior years unallocated grant funding	2,128,466	2,128,374	9,495,857	8,506,285	8,745,527	8,803,819	8,862,111	8,920,403	8,978,695	9,037,000	9,095,292	9,153,584
Prior year surplus applied	10,086,091	10,224,310										
Expenditures												
Administration	36,400	36,400	40,600	42,224	43,913	45,669	47,496	49,342	51,188	53,034	54,880	56,726
Debt payments	2,976,577	2,971,318	2,752,197	2,746,727	3,140,497	3,132,071	3,526,841	3,518,415	3,913,211	3,904,785	4,299,571	4,291,145
Debt issue expense/temp financing	75,000	898	80,663	220,683	200,000	293,750	293,750	293,750	293,750	293,750	293,750	293,750
Annual capital grants (see below)	2,667,240	2,667,240	3,444,055	3,512,936	3,548,065	3,619,027	3,690,000	3,761,000	3,832,000	3,903,000	3,974,000	4,045,000
Annual capital grant applied to major project	868,435	456,851	411,584									
Surplus applied to capital projects	142,646	142,646	1,800,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Reserve for Future Projects	1,776,815	1,776,815	1,800,000	7,522,570	7,932,475	8,090,517	8,248,559	8,406,601	8,564,643	8,722,685	8,880,727	9,038,769
	8,543,113	8,052,168	8,529,099	983,715	983,715	713,302	713,302	481,810	481,810	481,810	481,810	481,810
Surplus for future years' expenditures	1,542,978	2,172,142	966,758									
Total assessments												
Revised roll Mar 2016	32,039,088,185	32,039,088,185	36,133,105,287	36,855,767,393	37,592,882,741	38,344,740,395	39,111,635,203	39,883,520,051	40,636,404,905	41,389,289,759	42,142,174,613	42,895,069,467
Rate per thousand	0.2179896649	0.217989662	0.199089318	0.201041174	0.203012166	0.205002481	0.207012309	0.209022137	0.211031965	0.213041793	0.215051621	0.21706145
Projected Tax Cost per \$100,000	\$ 21.80	\$ 21.80	\$ 19.91	\$ 20.10	\$ 20.30	\$ 20.50	\$ 20.70	\$ 20.90	\$ 21.10	\$ 21.30	\$ 21.50	\$ 21.70
Reserve Fund Status												
Opening Balance	2,379,000	2,379,000	4,155,815	5,955,815	6,955,815	7,955,815	8,955,815	9,955,815	10,955,815	11,955,815	12,955,815	13,955,815
Applied to budget												
New contribution	1,776,815	1,776,815	1,800,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Balance available	4,155,815	4,155,815	5,955,815	6,955,815	7,955,815	8,955,815	9,955,815	10,955,815	11,955,815	12,955,815	13,955,815	14,955,815

NANAIMO REGIONAL HOSPITAL DISTRICT

BYLAW NO. 163

**A BYLAW TO ADOPT A
BUDGET FOR THE YEAR 2017**

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 2017 Annual Budget Bylaw No. 163, 2017".
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, 2017.

Introduced and read three times this _____ day of _____, 2017.

Adopted this _____ day of _____, 2017.

CHAIRPERSON

CORPORATE OFFICER

Schedule 'A' to accompany "Nanaimo
Regional Hospital District 2017 Annual
Budget Bylaw No. 163, 2017".

Chairperson

Corporate Officer

SCHEDULE 'A'
NANAIMO REGIONAL HOSPITAL DISTRICT
2017 ANNUAL BUDGET

Property taxes	\$ 7,193,715
Grants in lieu	30,000
Interest income	100,000
Prior year surplus	<u>2,172,142</u>
Total Revenues	<u>\$9,495,857</u>
Administration	\$ 40,600
Debt servicing	2,752,197
Debt issuing expense	80,663
Capital grants	3,444,055
Capital grant applied to major projects	411,584
Transfer to reserve	<u>1,800,000</u>
Total expenditures	<u>\$8,529,099</u>
Net surplus for future year	<u>\$966,758</u>