



**CENTRAL OKANAGAN REGIONAL
HOSPITAL DISTRICT BOARD MEETING
AGENDA**

Thursday, October 8, 2020
11:00 a.m.
Woodhaven Board Room
1450 K.L.O. Road, Kelowna, BC

Pages

1. CALL TO ORDER

Chair Given acknowledged that this meeting is being held on the traditional territory of the syilx/Okanagan peoples.

2. ADDITION OF LATE ITEMS

3. ADOPTION OF THE AGENDA

Recommended Motion:
THAT the agenda be adopted.

4. ADOPTION OF THE MINUTES

4.1. Regional Hospital District Meeting Minutes - July 9, 2020

1 - 3

(All Directors - Unweighted Corporate Vote - Simple Majority - LGA 208.1)

Recommended Motion:
THAT the Regional Hospital District meeting minutes of July 9, 2020 be adopted.

5. NEW BUSINESS

5.1. Interior Health Authority - Mid Cycle Funding Update

4 - 6

Presenting: Dan Goughnour, Corporate Director-Business Operations and
Sylvia Weir, Chief Financial Officer

(All Directors - Unweighted Corporate Vote - Simple Majority - LGA 208.1)

Recommended Motion:

THAT the September 30, 2020 additional capital funding request letter from the Interior Health Authority for the 2020/2021 fiscal year be received.

- | | | |
|--------|---|---------|
| 5.1.1. | PowerPoint | 7 - 16 |
| 5.2. | CORHD Financial Plan Amending and Capital Bylaws, 1st, 2nd and 3rd Readings and Adoption | 17 - 30 |

(All Directors - Unweighted Corporate Vote - Simple Majority - LGA 208.1)

Recommended Motion:

THAT the Director of Financial Services report dated September 30, 2020 regarding IHA's mid-cycle budget requests and proposed budget amendments be received.

- | | | |
|--------|--|---------|
| 5.2.1. | CORHD Bylaw No. 2 - 2020 Financial Plan Amending Bylaw, 1st, 2nd and 3rd Readings and Adoption | 31 - 33 |
|--------|--|---------|

(All Directors - Weighted Vote - 2/3 Majority - LGA 210, 214)

Recommended Motion:

THAT Central Okanagan Regional Hospital District 2020 – 2024 Financial Plan Amendment Bylaw No. 2-2020 be given 1st, 2nd, and 3rd readings and adopted.

- | | | |
|--------|---|---------|
| 5.2.2. | CORHD Capital Bylaw No. 250, 1st, 2nd and 3rd Readings and Adoption | 34 - 35 |
|--------|---|---------|

(All Directors - Weighted Vote - 2/3 Majority - LGA 210, 214)

Recommended Motion:

THAT the Central Okanagan Regional Hospital District Capital Expenditure Bylaw No. 250 be given 1st, 2nd, and 3rd readings and adopted.

- | | | |
|--------|--|---------|
| 5.2.3. | CORHD Capital Bylaw No. 251, 1st, 2nd and 3rd Reading and Adoption | 36 - 37 |
|--------|--|---------|

(All Directors - Weighted Vote - 2/3 Majority - LGA 210, 214)

Recommended Motion:

THAT the Central Okanagan Regional Hospital District Capital Expenditure Bylaw No. 251 be given 1st, 2nd, and 3rd readings and adopted.

- | | | |
|--------|--|--|
| 5.2.4. | Projects and/or Facilities Qualifying as Designated Facilities | |
|--------|--|--|

(All Directors - Unweighted Corporate Vote - Simple Majority - LGA 208.1)

Recommended Motion:

THAT the Central Okanagan Regional Hospital Board approves funding and future capital bylaw approvals subject to the projects and/or facilities qualifying as designated facilities pursuant to the *Hospital District Act*.

Recommended Motion:

THAT the Central Okanagan Regional Hospital Board requests Interior Health pursue the designation of “health facility” for the West Kelowna Urgent and Primary Care Centre for the purposes of the Hospital District Act.

6. ADJOURN

**Minutes of the *MEETING* of the Central Okanagan Regional Hospital District
Inaugural Meeting held in the Woodhaven Board Room, Regional District Offices
on Thursday, July 9, 2020**

Directors: J. Baker (District of Lake Country)
M. Bartyik (Central Okanagan East Electoral Area)
W. Carson (Central Okanagan West Electoral Area)
M. Singh, alternate for M. DeHart (City of Kelowna)
C. Fortin (District of Peachland) (*attended electronically*)
G. Given (City of Kelowna)
C. Hodge (City of Kelowna)
G. Milsom (City of West Kelowna)
L. Stack (City of Kelowna) (*attended electronically*)
L. Wooldridge (City of Kelowna)
J. Coble (Westbank First Nation) (*attended electronically*)

Absent: C. Basran (City of Kelowna)
S. Johnston (City of West Kelowna)
B. Sieben (City of Kelowna)

Staff: B. Reardon, Chief Administrative Officer
M. Rilkoff, Director of Financial Services (*attended electronically*)
M. Drouin, Manager-Corporate Services (recording secretary)

1. CALL TO ORDER

Chair Given called the meeting to order at 11:45 a.m.

It was acknowledged that this meeting is being held on the traditional territory of the Syilx/Okanagan Peoples.

Roll call was taken as some board members were in attendance electronically.

2. ADDITION OF LATE ITEMS

There were no late items.

3. ADOPTION OF THE AGENDA

(All Directors - Unweighted Corporate Vote - Simple Majority - 208.1)

#H15/20 BAKER/MILSOM

THAT the agenda be adopted.

CARRIED unanimously

4. ADOPTION OF THE MINUTES

- 4.1 Regional Hospital District Board Meeting Minutes – March 23, 2020 (*All Directors - Unweighted Corporate Vote - Simple Majority - 208.1*)

#H16/20 HODGE/BAKER

THAT the Regional Hospital District Board meeting minutes of March 23, 2020 be adopted.

CARRIED unanimously

5. NEW BUSINESS

- 5.1 2019 Final RDCO Audit Report – Year Ended December 31, 2019 - M. Rilkoff, Director of Financial Services and BDO Auditor, Markus Schrott (*All Directors - Unweighted Corporate Vote - Simple Majority - LGA 208.1*)

Staff report outlined that the BDO auditors have completed their final audit for the Hospital District year ended December 31, 2019.

M. Schrott, BDO auditor, reviewed the report. The financial statements present fairly, in all material respects, the financial position of the Central Okanagan Regional Hospital District and its financial operations and its cash flows for the year ended December 31, 2019 in accordance with Canadian public sector accounting standards.

#H17/20 BAKER/MILSOM

THAT BDO's Central Okanagan Regional Hospital District Final Audit Report for the year ended December 31, 2019 be received.

CARRIED unanimously

- 5.2 CORHD Financial Audited Statements - Year Ended December 31, 2019 – Approval - M. Rilkoff, Director of Financial Services and BDO Auditor, Markus Schrott (*All Directors - Unweighted Corporate Vote - Simple Majority - LGA 208.1*)

Staff report outlined the financial audited statements for year ended December 31, 2019 are presented for consideration. In the opinion of the auditors, the financial statements present fairly, in all material respects.

#H18/20 STACK/BAKER

THAT the Central Okanagan Regional Hospital District Financial Statements – year ended December 31, 2019 be approved.

CARRIED unanimously

6. ADJOURN

There being no further business the meeting was adjourned at 11:57 a.m.

CERTIFIED TO BE TRUE AND CORRECT

G. Given (Chair)

B. Reardon (Chief Administrative Officer)



Mr. Brian Reardon, Chief Administrative Officer
Central Okanagan Regional Hospital District
1450 KLO Road
Kelowna, BC V1W 3Z4

September 30, 2020

Dear Mr. Reardon:

RE: ADDITIONAL CAPITAL FUNDING REQUEST FOR THE 2020/21 FISCAL YEAR (REVISED)

As a follow up to our funding request letter dated December 11, 2019 we would like to present you with some additional projects, for which Interior Health (IH) has received government approval to proceed with. We apologize for this ask outside of the normal capital funding request timelines.

For the 2020/21 fiscal year we are requesting additional funding for the following projects:

1. Planning

Long-term Care (LTC) Business Plan in Kelowna

The Ministry of Health (MoH) advised IH to proceed with planning for several LTC projects across our health region. One of the locations is Kelowna. This planning project will complete a business plan for submission to the MoH to replace the existing 221 bed site of Cottonwoods Care Centre that currently has four people to a room. The Business Plan will confirm the location and program requirements for the project (including the configuration of beds), preparing an indicative design and including a class 'C' cost estimate.

2. Construction Projects over \$100,000

a. Urgent and Primary Care Centre (UPCC) & Primary Care Network (PCN) at Leased – Unit 19, 2484 Main Street, West Kelowna

This project is IH's first to combine a UPCC and PCN into a single space. The creation of a UPCC in the West Kelowna area seeks to address a local need for access to urgent and primary care services within the community. To accommodate this project a shortlist of potential locations were considered; the preferred site was chosen and a lease signed in April 2020. This program and its location have been selected to improve patient access to urgent care services in the Central Okanagan area that is culturally safe and welcoming. It will reduce wait times, increase access to primary care, reduce workload for IH staff and physicians, reduce congestion in the emergency department and improve patient flow. Substantial tenant improvements are required to make the space functional for a UPCC. Design is completed and construction has begun with the goal to open the doors to this new centre in October 2020.

The West Kelowna Urgent and Primary Care Centre is consistent with the strategic direction of both IH and the MoH and supports a team-based primary care model. In order to alleviate acute care pressures, non-emergent care can be delivered safely outside of the emergency department of an acute care facility and in a more appropriate community setting, which provides a model of care that works for care providers, patients and the broader system of care. The proposed model of care for the UPCC is supported through an engagement between IH and Aboriginal, patient and community stakeholders.

The PCN is a partnership effort between IH, Aboriginal, and Divisions of Family Practice partners. The focus of this initiative is to improve access to primary care for all people living in Westbank First Nation, West Kelowna, and Peachland. Portions of the healthcare teams that are part of the PCN will be based out of the new shared space. Clinicians will see patients in the space, as well as provide outreach to local family practices and patients' homes. The co-location of the two services will support the integration of the UPCC within the PCN and streamline access to primary care for patients and families. This combined model is the first of its kind in the province and is supported by the MoH.

As this is a new IH facility please consider passing a resolution requesting IH to pursue the designation of this site under the Hospital District Act.

b. Fifth Floor Completion at Community Health & Services Centre (CHSC), Kelowna

The CHSC building has one remaining unoccupied area that was intended to be used to lease to a commercial tenant. The area which is approximately 2600 square feet has remained as vacant shelled space since moving into the building in the fall of 2016.

The decision at this time to move forward with the completion of the space is related to these three main areas:

- 1) Reconfigurations in other areas of the fifth floor have had a domino effect resulting in one complete department (Public Health) moving into this vacant space. With an increase of Public Health staff there is a requirement for a larger footprint for this department.
- 2) Meeting room capacity is limited on the fifth floor and we are adding five additional meeting rooms to provide more areas for people to work in when they require increased confidentiality that cannot be met in an open office concept. The pandemic has put tremendous pressure on limited meeting rooms as Medical Health Officers are on all day calls and require privacy and uninterrupted spaces. Effectively, several of our meeting rooms on the fifth floor have turned into personal offices for health care professionals.
- 3) A focus on physical distancing related to COVID-19. Public Health was located in a very congested workspace that could not meet engineering protocols related to Covid-19, the new area will accommodate for these current deficiencies in meeting physical distancing.

A financial summary of our funding requests is provided in Appendix 1. We would appreciate it, if you could submit the requests to your Board for consideration. Please advise us of the meeting date when they will be discussed to enable us to have IH representatives attend and to answer questions that may arise. If the requests should receive approval, please send Birgit Koster copies of the relevant bylaws for our records.

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

Sincerely,



**Sylvia Weir, Chief Financial Officer
Interior Health Authority**

/at

Encl. Appendix 1 ~ Summary of Additional RHD Funding Request for 2020/21 (REVISED)

cc: Gail Given, Chair, CORHD
Marilyn Rilkoff, Director of Financial Services, CORHD
Jaymi Chernoff, Executive Director, Clinical Operations – KGH/COK
Dan Goughnour, Corporate Director, Business Operations
Scott McGeachy, Chief Project Officer
Birgit Koster, Director Business Support, Capital Planning

Interior Health
Central Okanagan
Summary of Regional Hospital District Additional Funding Request
for 2020/21
REVISED

Appendix 1

Facility	Location	Equipment/Project Description	Total Budget	RHD Share	2020/21 Additional Funding Request
TBD (replacement of Cottonwoods Care Centre)	Kelowna	<u>Planning</u> Long-term Care Business Plan	\$ 250,000	\$ 100,000	\$ 100,000
		<u>Construction Projects over \$100,000</u>			
Leased - Unit 19, 2484 Main Street	West Kelowna	Urgent and Primary Care Centre & Primary Care	3,100,000	1,200,000	1,200,000
Community Health & Services Centre	Kelowna	Fifth Floor Completion	300,000	120,000	120,000
TOTAL			\$ 3,650,000	\$ 1,420,000	\$ 1,420,000

Interior Health Out-of-Cycle Funding Request

Presentation to Central Okanagan Regional Hospital District

Danielle Cameron – Interim Executive Director, Clinical Operations Community – IH South – Central Okanagan

Deborah Preston – Director Primary Care, Clinical Operations Community – IH South – Central Okanagan

Dan Goughnour – Corporate Director, Business Operations South

October 8, 2020



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Long-Term Care Business Plan - Kelowna

- * Complete business plan to submit to Ministry to replace Cottonwoods Care Centre – 221 beds
 - * Confirm location
 - * Define program requirements
 - * Prepare indicative design including class “C” cost estimate
- * Total Budget \$250K; CORHD funding request **\$100K**
- * Cottonwoods Care Center was built in two phases in 1975 and 1986.
- * The building design is outdated and does not meet current LTC standards for new builds.
 - * Primarily 4 beds rooms, with some double and single rooms scattered throughout. Initial design also included 6 and 8 bed wards which has since been transformed into common space.
 - * 4 bed rooms in LTC create challenges with person centered approach which negatively impacts the experience of persons in care; as well as, infection prevention and control.


CHSC Fifth Floor Completion

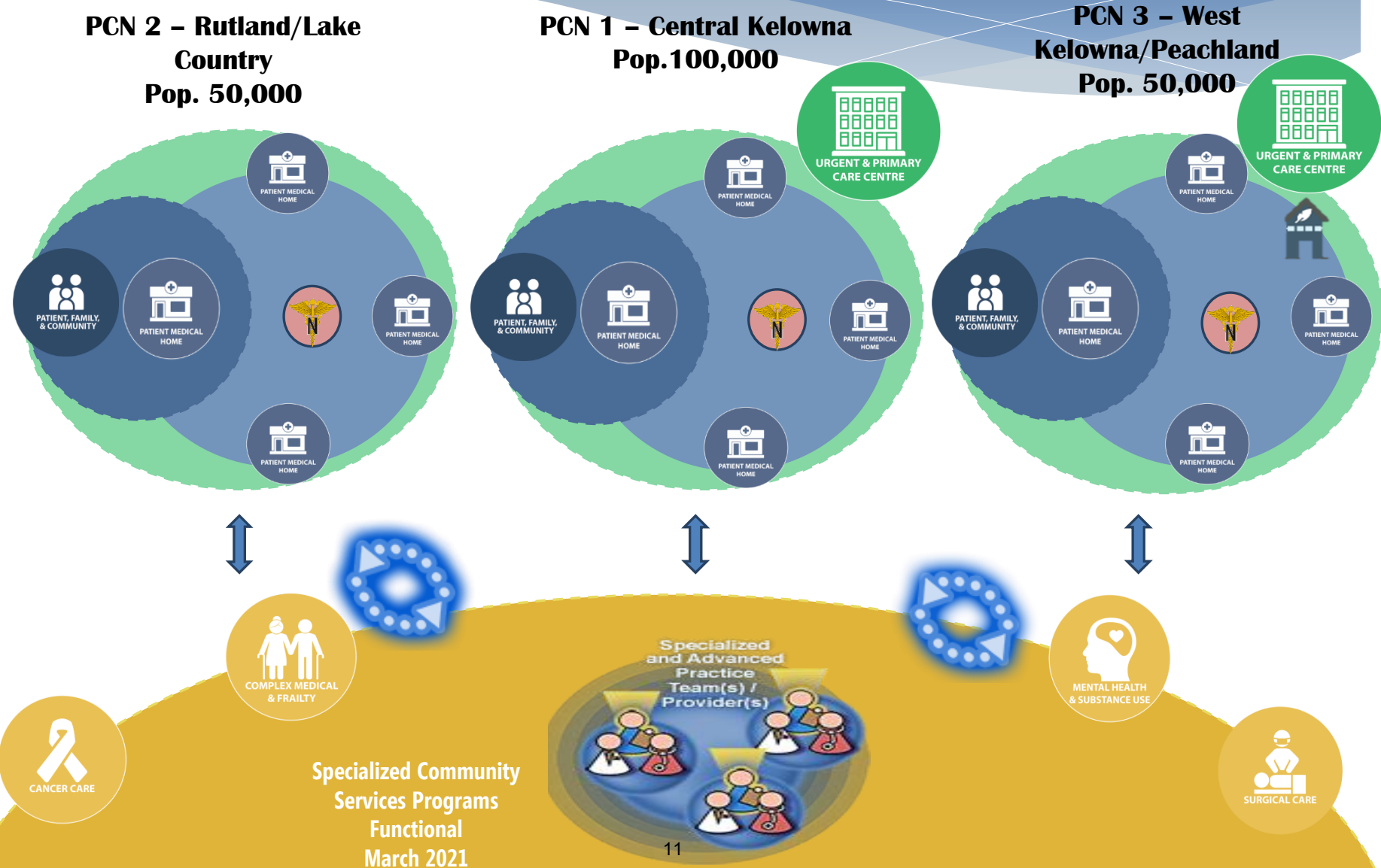
- * Completion of 5th Floor at Community Health & Services Centre (CHSC) in Kelowna
- * Previously unoccupied space intended to be leased to commercial tenant
- * COVID response
 - * Rearrangement of space within the building for physical distancing
 - * Expansion of space required for growth within Population Health and Medical Health Officer teams.
 - * Limited meeting room capacity
- * Total Budget \$300K; CORHD funding request **\$120K**
- * CHSC has already been designated under the Hospital District Act as the CORHD previously approved funding in 2015/16

UPCC and PCN – West Kelowna

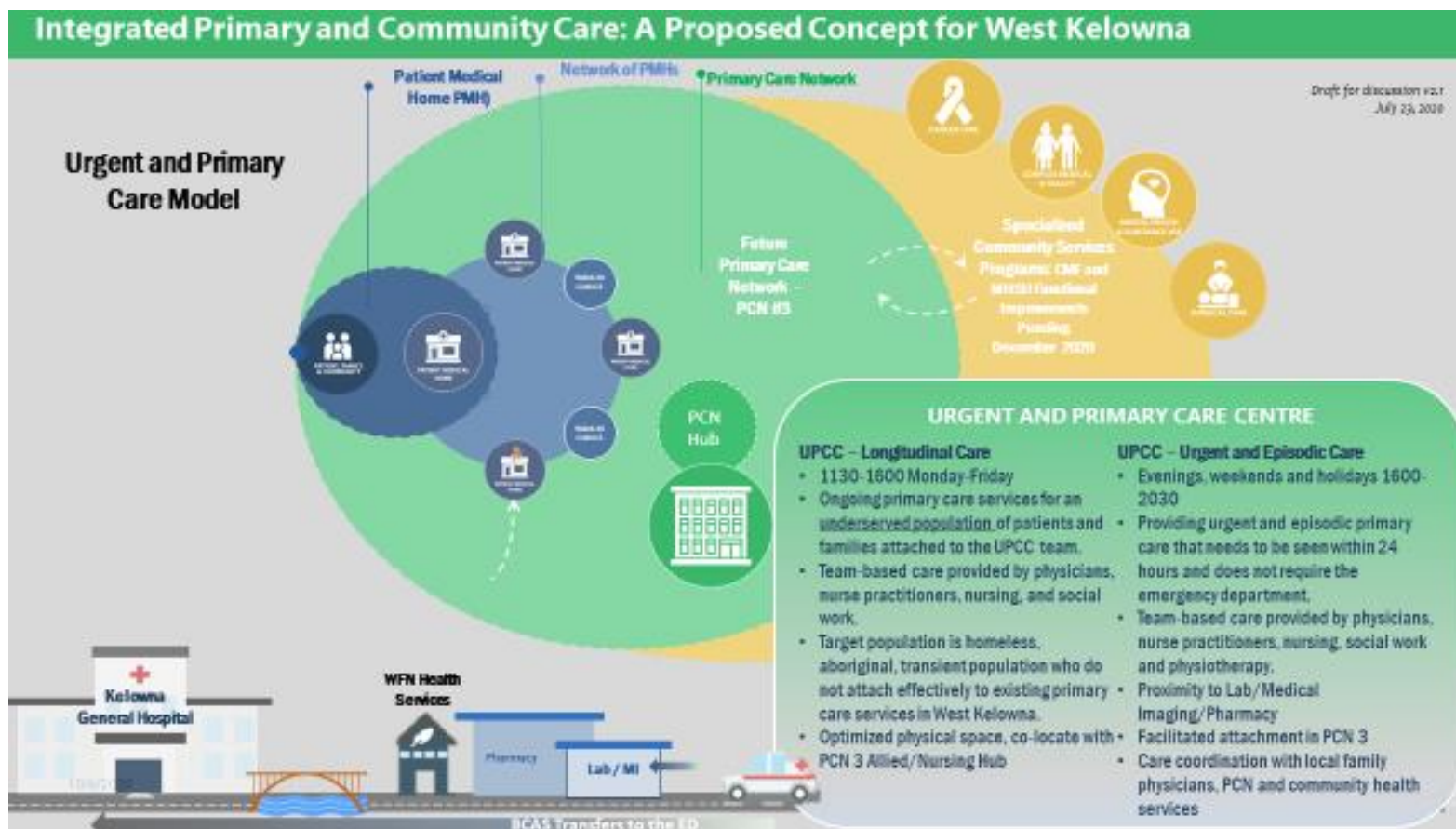
- * Urgent and Primary Care Centre (UPCC) and Primary Care Network (PCN) leasehold improvements
- * Located at Unit 19, 2484 Main Street, West Kelowna
- * Capital improvements required to make space functional for an UPCC
- * Open doors October 5, 2020 for urgent care 4:30 to 8:30 pm, Mon- Fri.
- * Total Budget \$3.1M; CORHD funding request **\$1.2M**
- * Would require the CORHD board to pass resolution requesting IH to pursue Hospital District Act designation

Primary Care Networks: Integrated System of Care in COK

 RN coordinators act as conduit from PMH to Allied Team/SCSPs



UPCC and PCN – West Kelowna



Team Composition

- * Longitudinal Primary Care
 - * Nurse Practitioner
 - * Social Worker
 - * Registered Nurses
 - * Medical Office Assistant

- * Urgent and Episodic Primary Care
 - * Nurse Practitioner
 - * Social Worker
 - * Registered Nurses
 - * **Physiotherapist**
 - * **Family Physician**



In Summary

- * Long-term Care Business Plan
 - * Total budget = \$250K
 - * **CORHD Funding Request = \$100K**
- * CHSC 5th Floor Completion
 - * Total budget = \$300K
 - * **CORHD Funding Request = \$120K**
- * West Kelowna UPCC and PCN
 - * Total budget = \$3.1M
 - * **CORHD Funding Request = \$1.2M**

Questions?



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Thank you for your continued
support!



Interior Health
Every person matters



Regional Hospital District Board Report

TO: Regional Hospital District Board

FROM: Marilyn Rilko
Director of Financial Services

DATE: September 30, 2020

SUBJECT: 2020 IHA Mid Cycle Budget Requests & Proposed Budget Amendment

Voting Entitlement: All Directors – Weighted Vote – Simple Majority – LGA 210/214

Purpose: To consider requests received from IHA to fund 40% of the West Kelowna Urgent Primary Care Centre (WKUPCC), and two additional projects, and to make any required bylaw amendments based on the Board approvals.

Executive Summary:

Interior Health Authority (IHA) is requesting that CORHD fund 40% of three (3) additional mid-budget cycle capital projects for their 2020/2021 fiscal year totaling \$1.42m:

- Cottonwoods Care Centre Replacement Long Term Care Business Plan \$100,000
- West Kelowna Urgent Primary Care Centre \$1,200,000
- Kelowna Community Health & Services Centre 5th Floor Completion \$120,000.

If the Board is in favour of providing this funding, the budget amendment bylaw and two capital bylaws on the agenda would require approval.

The funding for these projects could be provided in 2020 by:

- Moving \$1.784m of approved project cash requirements shown in the current financial plan from 2020 to 2021, and utilizing those funds for these new projects in 2020.
- Transferring any excess to reserves. In 2021, the use of reserves will be required to fund the projects moved to 2021.

It should be noted that the WKUPCC does not yet have Designated Facility Status by the Minister under the Hospital Act. This is a requirement for RHD funding under the *Hospital District Act*. IHA does not anticipate that this will be a problem.

RECOMMENDATION #1:

THAT Central Okanagan Regional Hospital District 2020 – 2024 Financial Plan Amendment Bylaw No. 2-2020 be given 1st, 2nd, and 3rd readings and adopted.

RECOMMENDATION #2

THAT the Central Okanagan Regional Hospital District Capital Expenditure Bylaw No. 250 be given 1st, 2nd, and 3rd readings and adopted.

RECOMMENDATION #3

THAT the Central Okanagan Regional Hospital District Capital Expenditure Bylaw No. 251 be given 1st, 2nd, and 3rd readings and adopted.

RECOMMENDATION #4

THAT the Regional Hospital Board approves funding and future capital bylaw approvals subject to the projects and/or facilities qualifying as designated facilities pursuant to the *Hospital District Act*.

Respectfully Submitted:



Marilyn Rilko, CPA CMA
Deputy CAO

Implications of Recommendation:

General: Anticipated improvements to the delivery of emergency care in the Central Okanagan and KGH Emergency Room.

Financial: Funding for this project in 2020 could come from shifting previously approved projects within the Financial Plan from 2020 to 2021, and utilizing the 2020 funds for these projects, and for the newly proposed projects. Any excess funds would be transferred into reserves. In 2021, the use of reserves would be required to pay for the projects previously approved.

Legal/Statutory Authority: *Hospital District Act*
Central Okanagan Regional Hospital District Bylaw No. 1-2020
Hospital Act

Background:

CORHD has received a revised letter from the Interior Health Authority (IHA) dated September 30, 2020. IHA is requesting additional mid-budget cycle capital funding for the 2020/2021 fiscal year totaling \$1.42m for three (3) projects:

- Cottonwoods Care Centre Replacement Long Term Care Business Plan \$100,000
- West Kelowna Urgent Primary Care Centre \$1,200,000
- Kelowna Community Health & Services Centre 5th Floor Completion \$120,000

The funding for these projects could be provided in 2020 by:

- Moving \$1.784m of cash flow requirements for previously approved projects from 2020 to 2021:
 - Bylaw 226 – KGH Boiler Room Upgrade \$252,000
 - Bylaw 231 – KGH Monitoring System Physiological \$312,200
 - Bylaw 242 – KGH Cath Lab \$621,600
 - Bylaw 243 – KGH Meal Delivery System \$598,400
- An additional \$364k would also be transferred to reserves.
- In 2021, \$1.784m would be withdrawn from reserves to pay for these previously approved deferred projects.

It should be noted that the new UPCC does not yet have Designated Facility Status by the Minister under the *Hospital Act*. This is a requirement for RHD funding under the *Regional Hospital District Act*. IHA does not anticipate that this will be a problem.

If the Board is in favour of funding all three projects, or some combination thereof, in order to expedite the required bylaws and funding, staff recommends the following:

- Approval of the budget bylaw amendment;
- Approval of the capital bylaws for the other two projects; and
- That the Board provide instructions to staff via resolution that no payment be made to IHA for this project until the Designated Facility Status is confirmed. A capital bylaw for the project would be brought forward at a future meeting once the facility is designated.

Financial Considerations:

The West Kelowna UPC Centre (WKUPCC) does not yet have designated facility status by the Minister under the *Hospital Act*. This is a requirement for RHD funding under the *Hospital District Act*. IHA does not anticipate that this will be a problem. Funding would not be provided by CORHD until such time as that designation is confirmed in writing, and the capital bylaw would be brought forward at that time.

External Implications:

By adding the West Kelowna UPCC, it is anticipated that there will be improvements to the delivery of emergency care in the Central Okanagan and KGH Emergency Room.

Alternative Recommendation:

The Board could choose fund some partial combination of the three proposed projects. The bylaws and recommendations would be amended accordingly at the direction of the Board.

Attachment(s):

- Central Okanagan Regional Hospital District 2020-2024 Financial Plan Amendment Bylaw 2-2020
- Central Okanagan Regional Hospital District Capital Expenditure Bylaw No. 250
- Central Okanagan Regional Hospital District Capital Expenditure Bylaw No. 251
- Original 2020-2024 CORHD Financial Plan Bylaw 1-2020 (for comparative reference)

IHA Mid-Cycle Budget Requests – Proposed Budget Amendment

Central Okanagan Regional Hospital District Board Meeting

October 08, 2020

1450 K.L.O. Road
Kelowna, BC, V1W 3Z4
rdco.com



2020 Mid Budget Cycle Requests:

- Interior Health requesting 40% CORHD funding – 3 new projects – Total \$1.42m:
 - Cottonwoods Care Centre Replacement – Long Term Care Business Plan \$100k
 - West Kelowna Urgent Primary Care Centre \$1.2m
 - Kelowna Community Health & Services Centre – 5th Floor Completion \$120k

If Board is in favor of all three projects:

- Funding of the \$1.42m would come from:
 - \$1.784m cash flow funding for four approved projects moved to 2021:
 - Bylaw 226: KGH Boiler Room Upgrade \$252k
 - Bylaw 231: KGH Monitoring System Physiological \$312.2k
 - Bylaw 242: KGH Cath Lab \$621.6k
 - Bylaw 243: KGH Meal Delivery System \$598.4k
 - Plus - Additional \$364k transferred to reserves in 2020

Snapshot: 2020 – 2024 Original Financial Plan Projects & Reserves vs. Amended

Expenditure Funding Under Section 20(2)

IHA Minor Capital Improvements and Equipment Funding:	1,030,300	1,045,755	1,061,441	1,082,670	1,104,323
IHA Capital Projects (Pd with Current Budget Funds)	9,429,564 f	15,854,246 a,f	3,938,559 f	3,997,638	4,057,602
IHA Capital Projects (Pd with New Financing)	0	0 a	0	0	0
Transfer to Reserves	6,221,771 d, h	0	6,143,006 d	6,837,522 d	7,560,893 d
Total Capital Projects Section 20(2)	16,681,635	16,900,000	11,143,006	11,917,829	12,722,818
TOTAL EXPENDITURE	26,735,374	27,172,670	21,643,025	22,654,505	23,706,300
Year End Reserve Balance (Unrestricted)	(11,207,658) d,h	(4,817,735) d	(11,008,918) d	(17,956,529) d	(25,696,987) d

Expenditure Funding Under Section 20(2)

IHA Minor Capital Improvements and Equipment Funding:	1,030,300	1,045,755	1,061,441	1,082,670	1,104,323
IHA Capital Projects (Pd with Current Budget Funds)	9,065,364 f,h	17,638,446 a,f,h	3,938,559 f	3,997,638	4,057,602
IHA Capital Projects (Pd with New Financing)	0	0 a	0	0	0
Transfer to Reserves	6,585,971 d, h	0	6,143,047 d	6,837,585 d	7,560,979 d
Total Capital Projects Section 20(2)	16,681,635	18,684,200	11,143,047	11,917,892	12,722,904
TOTAL EXPENDITURE	26,735,374	28,956,870	21,643,066	22,654,568	23,706,386
Year End Reserve Balance (Unrestricted)	-11,571,858 d,h	-3,401,397 d,h	-9,578,458 dh	-16,511,827 dh	-24,237,924 dh

Note: WKUPCC not yet a “Designated Facility” under the Hospital Act.

- The West Kelowna UPC Centre does not have designated facility status by the Minister under the Hospital Act.
- This is a requirement for RHD funding under the Hospital District Act.
- Not anticipated to be a problem. IH and CORHD staff will coordinate.
- Anticipate that Election may cause some delay in Ministerial approval.
- Ensure funding is not provided by CORHD until designation is confirmed in writing.
- Capital Bylaw will be brought forward when approved.

Designated Facilities:

- The *Hospital District Act*, Section 20 (1) only allows hospital districts to fund hospitals and hospital facilities, as defined in Part 1 – Definitions. Under Section 49 of the *Hospital District Act*, the Minister may designate an institution or facility in the health field as a health facility for the purposes of the *Act*.

Hospital District Act – Section 20 - Purposes

- (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.

Definitions in the Act

- **"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;

Ability of the Minister to Designate:

- **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.

Recommendations:

- **#1 - THAT** Central Okanagan Regional Hospital District 2020-2024 Financial Plan Amendment Bylaw No. 2-2020 be given 1st, 2nd, and 3rd readings and adopted.
- **#2 - THAT** the Central Okanagan Regional Hospital District Capital Expenditure Bylaw No. 250 be given 1st, 2nd, and 3rd readings and adopted.
- **#3 - THAT** the Central Okanagan Regional Hospital District Capital Expenditure Bylaw No. 251 be given 1st, 2nd, and 3rd readings and adopted.
- **#4 - THAT** the Regional Hospital Board approves funding and future capital bylaws subject to the projects and/or facilities qualifying as designated facilities pursuant to the *Hospital District Act*
- **#5 - THAT** the Central Okanagan Regional Hospital Board requests Interior Health pursue the designation of “health facility” for the West Kelowna Urgent and Primary Care Centre for the purposes of the Hospital District Act.”

CENTRAL OKANAGAN REGIONAL HOSPITAL DISTRICT

BYLAW NO. 2-2020

Being a bylaw to amend the 2020-2024 Financial Plan

WHEREAS the Central Okanagan Regional Hospital District adopted the “2020-2024 Financial Plan Bylaw No. 1-2020” on the 23rd day of March, 2020 pursuant to Section 23 of the *Hospital District Act*:

NOW THEREFORE the Board of Directors of the Central Okanagan Regional Hospital District in open meeting assembled enacts as follows:

- 1) The Financial Plan for the years 2020-2024, a copy of which is attached hereto, is hereby amended.
- 2) This bylaw may be cited as the “2020-2024 Financial Plan Amending Bylaw No. 2-2020”.

READ A FIRST TIME THIS	8 th	DAY OF	October	2020
READ A SECOND TIME THIS	8 th	DAY OF	October	2020
READ A THIRD TIME THIS	8 th	DAY OF	October	2020
ADOPTED THIS	8 th	DAY OF	October	2020

Chair

Director of Corporate Services

I hereby certify the above bylaw to be a true and correct copy of the 2020-2024 Financial Plan Budget Amending Bylaw No. 2-2020 as adopted by the Board of the Central Okanagan Regional Hospital District at its meeting held on the 8th day of October, 2020.

Dated at Kelowna, B.C. this 8th day of October 2020

Director of Corporate Services

CENTRAL OKANAGAN REGIONAL HOSPITAL DISTRICT

2020-2024 FINANCIAL PLAN

REVISED ROLL Mar 23

Oct 8, 2020 Amendment

	2020	2021	2022	2023	2024
	\$	\$	\$	\$	\$
REVENUE & FINANCING:					
Tax Requisition					
City of Kelowna	13,118,976	13,647,015	14,196,307	14,767,709	15,362,109
District of Peachland	474,515	493,615	513,483	534,150	555,650
District of Lake Country	1,246,397	1,296,564	1,348,751	1,403,038	1,459,510
City of West Kelowna	2,814,496	2,927,780	3,045,623	3,168,209	3,295,729
Electoral Area Central Okanagan West	340,966	344,376	347,820	351,298	354,811
Electoral Area Central Okanagan East	313,650	316,786	319,954	323,154	326,385
Total Tax Requisition	18,309,000	19,026,135	19,771,937	20,547,557	21,354,194
Net Cash from New Financing	0	0 a	0	0	0
MFA Actuarial Addition	1,426,374 c	1,644,555 c	1,871,129 c	2,107,011 c	2,352,192 c
Transfer From Reserves	0	8,286,180 a,h	0	0	0
Use of Surplus Cash	7,000,000	0	0	0	0
TOTAL REVENUE	26,735,374	28,956,870	21,643,066	22,654,568	23,706,386
EXPENSES & DEBT PAYMENTS:					
Expenses:					
Administration	39,500	40,000	40,500	41,000	41,500
Audit & Contract Services	9,250	9,500	9,775	10,050	11,175
Debt Issue Expense	0	0	0	0	0
Principal Debt Reduction re: MFA Actuarial Addition	1,426,374 c	1,644,555 c	1,871,129 c	2,107,011 c	2,352,192 c
MFA Debt Repayments Existing	8,553,615	8,553,615	8,553,615	8,553,615	8,553,615
MFA Debt Repayments New Projects	0	0 a	0 a	0 a	0 a
Temporary Borrowing Interest	25,000	25,000	25,000	25,000	25,000
Total Expenses & Debt Payments	10,053,739	10,272,670	10,500,019	10,736,676	10,983,482
Expenditure Funding Under Section 20(2)					
IHA Minor Capital Improvements and Equipment Funding:	1,030,300	1,045,755	1,061,441	1,082,670	1,104,323
IHA Capital Projects (Pd with Current Budget Funds)	9,065,364 f,h	17,638,446 a,f,h	3,938,559 f	3,997,638	4,057,602
IHA Capital Projects (Pd with New Financing)	0	0 a	0	0	0
Transfer to Reserves	6,585,971 d, h	0	6,143,047 d	6,837,585 d	7,560,979 d
Total Capital Projects Section 20(2)	16,681,635	18,684,200	11,143,047	11,917,892	12,722,904
TOTAL EXPENDITURE	26,735,374	28,956,870	21,643,066	22,654,568	23,706,386
Year End Reserve Balance (Unrestricted)	-11,571,858 d,h	-3,401,397 d,h	-9,578,458 dh	-16,511,827 dh	-24,237,924 dh

Impact on residential home average assessment \$734,500 in 2020:

% Increase per house	3.10%	3.00%	3.00%	3.00%	3.00%
Annual Tax	189.03	194.69	200.52	206.53	212.72
Residential Tax Rate (cents)	0.2574	0.2651	0.2730	0.2812	0.2896
	b,d,e	b,d	b,d	b,d	b,d

a. No additional debt required to fund anticipated 2021 projects. Use reserves. IHA has indicated that there are potential large project requests coming in the next 10 years.

b. Assumes assessment growth of 1.0%

c. MFA Actuarial Amounts: Actuarial Interest Revenue is offset by an equal reduction to debt.

d. IHA has indicated that they have ongoing equipment and infrastructure replacement needs. Any additional funds are placed in reserves to assist in avoiding additional debt in the future, or to pay down debt on refinancing.

e. In 2019, the average equivalent house valued at \$741,000 would have paid \$183.35 at a tax rate of \$0.2481/\$1000 of assessment.

f. Includes IHSC Project: In 2017 IHA advised that construction uncertainties had been removed and contingencies were reduced. Projected reduction was \$9.187 million. This amount was removed from the budget estimates for future project costs and debt financing. The approved project bylaw was not reduced. The remaining costs in 2020 are expected to be less than \$100k as the project wraps up.

g. The Public Sector Accounting Standards require reporting of Accumulated Deficit/Surplus, which will be available in the Year End CORHD Financial Statements. One of the primary purposes of the budget is to calculate required requisitions and ensure adequate cash flow. For example, CORHD must have enough cash to pay both principal and interest on debt, but PSAS only allows for the expensing of interest. A comparison of budget to actual for 2019 is provided during budget discussions to reflect differences in funding and expenditures. Revenues and Financing balance to Expenses and Debt Payments. As a result, there is no prior year surplus or deficit shown for budget purposes.

h. October 2020 Mid - Cycle Request Amendment: Three projects added for 2020 and cash flow requirements for five approved projects with capital bylaws have been moved to 2021. Affects how reserves are used.

CENTRAL OKANAGAN REGIONAL HOSPITAL DISTRICT

Approved and Planned Capital Expenditures for 2020-2024

REVISED ROLL Mar 23

Oct 8, 2020 Amendment

		<i>Outstanding Projects</i>						
		<i>40 % RHD Share</i>	<i>Funding in Prior Years</i>	<i>2020 Funding</i>	<i>2021 Funding</i>	<i>2022 Funding</i>	<i>2023 Funding</i>	<i>2024 Funding</i>
Approved Capital Projects Bylaw								
a	113 Heart and Surgical Centre (2010 - 2019) Bylaw is \$91.347m, plus 100% funding of IHSC 4th Floor Perinatal	84,690,000	73,780,729	100,000				
	150 KGH - Automated Auto-Immune Analyzer	128,000	64,501	63,499				
	195 Regional - IMIT Corporate Projects over \$100,000	430,500	371,040	59,460				
	197 Regional - IMIT Corporate Projects under \$100,000	217,900	211,490	6,410				
	200 KGH - Medstations, IH-Wide Pyxis Replacement, Ph.2	1,688,400	1,576,109	112,291				
	204 Three Links Manor - Generator Replacement	224,400	140,812	83,588				
	207 David Lloyd Jones Home - Air Conditioning, Bernard Wing	36,000		36,000				
	208 Cottonwoods - Patio Replacement for Douglas Fir Unit	34,800	31,537	3,263				
	209 May Bennett WC - Wireless Infrastructure Expansion	22,000	21,527	473				
	211 KGH - Surface Parking	540,000	15,782	524,218				
	212 Kelowna Community Health Services Centre - Central Okanagan Wellness Centre	360,000	332,250	27,750				
e	213 West Kelowna Health Centre - Leasehold Improvements	300,000		300,000				
	214 KGH - 3 West Medical Inpatient Nursing Unit Renovation	100,000		100,000				
	216 KGH - Access Control System Upgrade	24,000	23,203	797				
	217 Regional IMIT - Various	2,039,600	1,072,494	967,106				
	218 Cottonwoods - Vocera Expansion and Integration	72,000	49,579	22,421				
	219 Wireless Infrastructure Refresh	39,600	30,520	9,080				
	220 KGH - Vocera Expansion and Integration	20,000	9,070	10,930				
	221 Rutland Health Centre - Wireless Infrastructure Expansion	10,000	3,815	6,185				
	225 KGH - Surgical Optimization Clinic - Various	1,812,000	1,011,087	800,913				
d	226 KGH - Boiler Room Upgrade	252,000		-	252,000			
	227 KGH - Access Control System Upgrade	31,620		31,620				
	228 Regional - IH-Wide IMIT	991,600	407,368	584,232				
	229 Various - Wireless Infrastructure Refresh	38,000		38,000				
	230 KGH - SPECT CT	729,200		729,200				
d	231 KGH - Monitoring System Physiological	312,200		-	312,200			
	232 KGH - Chemistry Analyzer (x2)	180,000		180,000				
	233 KGH - Hematology Analyzer (x2)	148,000	142,964	5,036				
	234 KGH - Laboratory Middleware	127,000		127,000				
	235 KGH - MRI Compatible Monitoring System	51,000	50,905	95				
b	237 Kelowna Urgent Primary Care Centre Capital Tenant Imprvmnts.	789,600	473,603	315,997				
Annual Capital Costs for Current Year Projects		96,439,420	79,820,385	5,245,564	564,200	0	0	0
New Projects Planned for 2020								
	238 Cottonwoods - Septic Drain - Planning & Phase 1	200,000		200,000				
	239 Regional - IH - Wide IMIT - Various	1,004,800		1,004,800				
	240 KGH - Unified Communications - Telephony	582,400		582,400				
	241 KGH - Emergency Department Module (EDM) Implement/Plan	60,000		60,000				
d	242 KGH - Cath Lab	621,600		-	621,600			
d	243 KGH - Meal Delivery System	598,400		-	598,400			
	244 KGH - Integrated Chemistry / Immunochemistry Analyzer	180,000		180,000				
	245 KGH - Digital Video Cameras	130,000		130,000				
	246 KGH - Blood Culture System	119,000		119,000				
	247 KGH - Remote Patient Observation System	123,600		123,600				
	248 Minor Equipment Grant Estimate Future Years			1,030,300	1,045,755	1,061,441	1,082,670	1,104,323
	249 KGH Parkade (approved in advance)				4,600,000			
d	250 Long-term Care Business Plan (Replacement of Cottonwoods)			100,000				
d	251 Kelowna Community Health & Services Centre 5th Floor Completion			120,000				
d	- West Kelowna Urgent Primary Care Centre			1,200,000				
c	Future Projects estimated				11,254,246	3,938,559	3,997,638	4,057,602
Annual Capital Costs for New Planned Projects		3,619,800	0	4,850,100	18,120,000	5,000,000	5,080,307	5,161,925
TOTAL ANNUAL CAPITAL COSTS		100,059,220	79,820,385	10,095,664	18,684,200	5,000,000	5,080,307	5,161,925

a. Includes IHA's Project Reserve. Bylaw is for \$91.347m and with reduced contingencies, total estimated funding requirement is \$73.88m.

b. 2019 Mid-cycle request received from IHA to fund Urgent Primary Care Centre. Actual project funding provision subject to the facility being named a Designated Hospital Facility as is required under the Regional Hospital District Act.

c. 2021 includes staff estimates for possible \$6m MRI purchase.

d. October 2020 Mid - Cycle Request Amendment: Three projects added for 2020 and cash flow requirements for five approved projects with capital bylaws have been moved to 2021.

e. Previously approved \$300k for West Kelowna Health Centre Leasehold Improvements. Awaiting clarification from IHA if this is still required in light of WKUPCC Project.

CENTRAL OKANAGAN REGIONAL HOSPITAL DISTRICT

BYLAW NO. 250

Being a bylaw to adopt a capital expenditure

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

NOW THEREFORE the Board of the Central Okanagan 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 expenditures of money necessary to complete the capital expenditures as described in Schedule "A" attached hereto and totalling \$100,000.
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, plus issuance of debentures through the Municipal Finance Authority.
3. The Board hereby delegates the necessary authority to the Treasurer to settle the terms and conditions of the expenditure.
4. This bylaw may be cited for all intents and purposes as the "Central Okanagan Regional Hospital District Capital Expenditure Bylaw No. 250".

Read a first time this	8 th day of	October	2020
Read a second time this	8 th day of	October	2020
Read a third time this	8 th day of	October	2020
Adopted this	8 th day of	October	2020

Chair

Director of Corporate Services

I hereby certify this to be a true copy of the original bylaw.

Director of Corporate Services

Schedule "A"

CENTRAL OKANAGAN REGIONAL HOSPITAL DISTRICT

CAPITAL EXPENDITURE BYLAW NO. 250

Facility	Project	RHD Share (40%)	Interior Health Share (60%)	Total Cost
Cottonwoods Replacement (TBD)	Long-Term Care Business Plan	\$ 100,000	\$ 150,000	\$ 250,000

CENTRAL OKANAGAN REGIONAL HOSPITAL DISTRICT

BYLAW NO. 251

Being a bylaw to adopt a capital expenditure

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

NOW THEREFORE the Board of the Central Okanagan 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 expenditures of money necessary to complete the capital expenditures as described in Schedule "A" attached hereto and totalling \$120,000.
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, plus issuance of debentures through the Municipal Finance Authority.
3. The Board hereby delegates the necessary authority to the Treasurer to settle the terms and conditions of the expenditure.
4. This bylaw may be cited for all intents and purposes as the "Central Okanagan Regional Hospital District Capital Expenditure Bylaw No. 251".

Read a first time this	8 th day of	October	2020
Read a second time this	8 th day of	October	2020
Read a third time this	8 th day of	October	2020
Adopted this	8 th day of	October	2020

Chair

Director of Corporate Services

I hereby certify this to be a true copy of the original bylaw.

Director of Corporate Services

Schedule “A”

CENTRAL OKANAGAN REGIONAL HOSPITAL DISTRICT

CAPITAL EXPENDITURE BYLAW NO. 251

Facility	Project	RHD Share (40%)	Interior Health Share (60%)	Total Cost
Kelowna Community Health & Services Centre	Fifth Floor Completion	\$ 120,000	\$ 180,000	\$ 300,000