



## HEALTH ADVISORY COMMITTEE

WEDNESDAY JUNE 27, 2012  
12:30 PM CVRD BOARD ROOM  
175 INGRAM STREET

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7. **ADJOURNMENT:**

NOTE: A COPY OF THE FULL AGENDA PACKAGE IS AVAILABLE AT THE CVRD WEBSITE [www.cvr.bc.ca](http://www.cvr.bc.ca)

**Distribution:**

**Committee:**

Director R. Hartmann, Chairperson  
Director M. Marcotte, Vice-Chairperson  
Director G. Giles  
Director L. Iannidinaro  
Director J. Morrison  
Director R. Hutchins

**CVRD Staff:**

Warren Jones, Chief Administrative Officer  
Mark Kueber, General Manager, Corporate Services

Minutes of the Regular meeting of the Health Advisory Committee held in the Board Room, 175 Ingram Street, Duncan BC on Tuesday, March 13, 2012 at 9:12 am.

**PRESENT:** Chair R. Hartmann  
Directors G. Giles, R. Hutchins <9:14 am>,  
L. Iannidinardo <to 10:01 am>, M. Marcotte  
and I. Morrison <to 11:00 am>

**ALSO**

**PRESENT:** Warren Jones, Chief Administrative Officer  
Director L. Duncan  
Linden Collette, Executive Director,  
Social Planning Cowichan  
Valerie Nicol, Chair, Social Planning Cowichan  
Bridgette Reynolds, Co-Chair, Housing Directorate  
Tara Daly, Recording Secretary

**APPROVAL OF AGENDA**

It was moved and seconded that the agenda be amended with the addition of the following New Business Items:

**NB1 – VIHA Funds;  
NB2 – Goals of Committee; and**

**that the agenda, as amended, be approved.**

**MOTION CARRIED**

**9:14 am**

Director Hutchins arrived at the meeting at 9:14 am.

**ADOPTION OF MINUTES**

**M1**

It was moved and seconded that the minutes of the Regular meeting of the Health Advisory Committee, held April 27, 2011, be amended by:

**removing the words “I. Morrison” under the heading of Present and placing them under the heading of Also Present; and**

**that the minutes, as amended, be adopted.**

**MOTION CARRIED**

**REPORTS**

**R1**

A PowerPoint presentation by Linden Collette, Executive Director, Social Planning Cowichan; and Valerie Nicol, Chair, Social Planning Cowichan, updating the initial findings and recommendations arising from the Homelessness Prevention Initiative was considered.

It was moved and seconded that Social Planning Cowichan be requested to make a presentation to the Cowichan Valley Regional Hospital District Board, and that the Health Advisory Committee, subject to staff review, recommend to the CVRHD that \$37,800 be allocated to Social Planning Cowichan in each of the years 2012 and 2013 from the Homeless Prevention Fund for the establishment of the Cowichan Housing Association, and that the remainder of funds in the Homeless Prevention Fund (approximately \$250,000) be reserved for the establishment of a Housing Trust Fund.

MOTION CARRIED

10:01 am Director Iannidinardo left the meeting at 10:01 am.

**NEW BUSINESS**

**NB1** It was moved and seconded that the Cowichan Valley Regional Hospital District establish a function to enable the expenditure of funds for social and health programs in the region with a zero requisition.

MOTION CARRIED

11:00 am Director Morrison left the meeting at 11:00 am.

**NB2** A short discussion was held concerning the goals and/or direction of the Health Advisory Committee. Continuation of the discussion will be held at the next committee meeting.

**ADJOURNMENT** It was moved and seconded that the Health Advisory Committee meeting be adjourned.

11:25 am MOTION CARRIED

The meeting adjourned at 11:25 am.

Certified Correct:

\_\_\_\_\_  
Chairperson

\_\_\_\_\_  
Recording Secretary

Dated: \_\_\_\_\_



REQUEST TO APPEAR AS A DELEGATION

(Submit completed form to Legislative Services Division – Fax 250.746.2513)

REQUEST TO ADDRESS:  CVRD BOARD
 Health Advisory COMMITTEE

at the meeting of June 27, 2012 at 12:30 pm

APPLICANT NAME Chris Sullivan

REPRESENTING: VHA (name of organization if applicable)

AS: Director, Capital Planning (capacity/office)

NUMBER ATTENDING: 1

Applicant mailing address:

Applicant Telephone: Fax:

Applicant email:

PRESENTATION TOPIC and NATURE OF REQUEST: Cowichan District Hospital Master Plan Site

(If more space is required, please attach an additional page to this form)

Signature

Date

Cowichan Valley Regional District, 175 Ingram Street, Duncan BC V9L 1N8
Please address inquiries to the Legislative Services Division at 250.746.2508.

Note: once the Request for Delegation application has been favorably considered, presentations will be restricted to ten minutes, unless notified otherwise.



STAFF REPORT

HEALTH ADVISORY COMMITTEE MEETING  
OF JUNE 27, 2012

DATE: June 13, 2012 FILE NO:  
 FROM: Mark Kueber, General Manager BYLAW NO:  
 Corporate Services Department  
 SUBJECT: Cowichan District Hospital Reserve Fund

**Recommendation/Action:**

For information only.

**Background:**

In the fall of 2009 the Health Advisory Committee requested staff to investigate options for funding the future new Cowichan District Hospital. At that time analysis showed that the CVRHD, from a taxing perspective, was well below what other local governments were contributing towards their Hospital District.

Tax Rate

- BC Average Hospital tax rate .3425/1000
- CVRHD tax rate .1688/1000

Cost per home:

- BC average \$77.71
- Vancouver Island average \$126.44
- CVRHD \$58.35

Based on the costs that were considered typical for the hospital we would require, the total cost to construct a new hospital would be approximately \$125 million, with the Regional Hospital District's share being \$50 million. With this in mind the committee approved contributions starting in 2010 of \$1 million going into a reserve fund and increasing by \$1 million per year until 2017 which is when the new hospital was thought to be completed. At that time we would have \$31 million in reserves and we would be required to borrow the balance (\$18.95 million). Attached is a spreadsheet that shows the five options that were reviewed at the time, option B was selected.

Also attached are the minutes from the February 11, 2010 Health Advisory Committee meeting and the staff report that discussed the Hospital Reserve Fund.

Submitted by,

Mark Kueber, C.G.A.  
General Manager, Corporate Services Department

MK:tk

Attach.

## Hospital Capital Reserve and Borrowing Options

### Option A:

	Annual Expenditures	Tax Rate	Contrib. to Reserves/Debt Financing	Tax Rate	Combined	Additional cost per \$100,000 household	Increase
2010	2,547,903	0.1717	500,000	0.0337	0.2054	\$ 3.37	5.60%
2011	2,547,903	0.1717	750,000	0.0506	0.2223	\$ 5.06	8.20%
2012	2,547,903	0.1717	1,000,000	0.0674	0.2391	\$ 6.74	7.58%
2013	2,547,903	0.1717	1,250,000	0.0843	0.2560	\$ 8.43	7.05%
2014	2,547,903	0.1717	1,500,000	0.1011	0.2728	\$ 10.11	6.58%
2015	2,547,903	0.1717	1,750,000	0.1180	0.2897	\$ 11.80	6.18%
2016	2,547,903	0.1717	2,000,000	0.1348	0.3065	\$ 13.48	5.82%
2017 on	2,547,903	0.1717	3,367,190	0.2269	0.3986	\$ 22.69	30.06%

Reserve balance 2016	9,810,000
Required borrowing	40,190,000
Annual Debt Financing Costs	3,367,190
Total Loan Payments over 20 years	67,343,800
Contributions to reserves (2010 - 2016)	8,750,000
<b>Total Payments 2010 - 2027</b>	<b>76,093,800</b>
<b>Average annual cost over 27 years</b>	<b>2,818,289</b>

### Option B:

	Annual Expenditures	Tax Rate	Contrib. to Reserves/Debt Financing	Tax Rate	Combined	Additional cost per \$100,000 household	Increase
2010	2,547,903	0.1717	1,000,000	0.0674	0.2391	\$ 6.74	22.93%
2011	2,547,903	0.1717	2,000,000	0.1348	0.3065	\$ 13.48	28.19%
2012	2,547,903	0.1717	3,000,000	0.2022	0.3739	\$ 20.22	21.99%
2013	2,547,903	0.1717	4,000,000	0.2696	0.4413	\$ 26.96	18.03%
2014	2,547,903	0.1717	5,000,000	0.3370	0.5087	\$ 33.70	15.27%
2015	2,547,903	0.1717	6,000,000	0.4044	0.5761	\$ 40.44	13.25%
2016	2,547,903	0.1717	7,000,000	0.4718	0.6435	\$ 47.18	11.70%
2017 on	2,547,903	0.1717	1,587,700	0.1070	0.2787	\$ 10.70	-56.69%

Reserve balance 2016	31,050,000
Required borrowing	18,950,000
Annual Debt Financing Costs	1,587,700
Total Loan Payments over 20 years	31,754,000
Contributions to reserves	28,000,000
<b>Total Payments 2010 - 2027</b>	<b>59,754,000</b>
<b>Average annual cost over 27 years</b>	<b>2,213,111</b>

### Option C:

	Annual Expenditures	Tax Rate	Contrib. to Reserves/Debt Financing	Tax Rate	Combined	Additional cost per \$100,000 household	Increase
2010	2,547,903	0.1717	500,000	0.0337	0.2054	\$ 3.37	5.60%
2011	2,547,903	0.1717	1,000,000	0.0674	0.2391	\$ 6.74	16.41%
2012	2,547,903	0.1717	1,500,000	0.1011	0.2728	\$ 10.11	14.09%
2013	2,547,903	0.1717	2,000,000	0.1348	0.3065	\$ 13.48	12.35%
2014	2,547,903	0.1717	2,500,000	0.1685	0.3402	\$ 16.85	11.00%
2015	2,547,903	0.1717	3,000,000	0.2022	0.3739	\$ 20.22	9.91%
2016	2,547,903	0.1717	3,500,000	0.2359	0.4076	\$ 23.59	9.01%
2017 on	2,547,903	0.1717	2,891,000	0.1949	0.3666	\$ 19.49	-10.07%

Reserve balance 2016	15,500,000
Required borrowing	34,500,000
Total annual debt payments	2,891,000
Total Loan Payments over 20 years	57,820,000
Contributions to reserves	14,000,000
<b>Total Payments 2010 - 2027</b>	<b>71,820,000</b>
<b>Average annual cost over 27 years</b>	<b>2,660,000</b>

**Option D:**

	<b>Annual Expenditures</b>	<b>Tax Rate</b>	<b>Contrib. to Reserves/Debt Financing</b>	<b>Tax Rate</b>	<b>Combined</b>	<b>Additional cost per \$100,000 household</b>	<b>Increase</b>
2010	2,547,903	0.1717	2,000,000	0.1348	0.3065	\$ 13.48	57.58%
2011	2,547,903	0.1717	3,000,000	0.2022	0.3739	\$ 20.22	21.99%
2012	2,547,903	0.1717	4,000,000	0.2696	0.4413	\$ 26.96	18.03%
2013	2,547,903	0.1717	5,000,000	0.3370	0.5087	\$ 33.70	15.27%
2014	2,547,903	0.1717	6,000,000	0.4044	0.5761	\$ 40.44	13.25%
2015	2,547,903	0.1717	7,000,000	0.4718	0.6435	\$ 47.18	11.70%
2016	2,547,903	0.1717	8,000,000	0.5392	0.7109	\$ 53.92	10.47%
2017 on	2,547,903	0.1717	904,850	0.0610	0.2327	\$ 6.10	-67.27%

Reserve balance 2016 39,200,000  
 Required borrowing 10,800,000  
 Total annual debt payments 904,850

Total Loan Payments over 20 years 18,097,000  
 Contribution to reserves 35,000,000  
**Total Payments 2010 - 2027 53,097,000**  
**Average annual cost over 27 years 1,966,556**

**Option E:**

	<b>Annual Expenditures</b>	<b>Tax Rate</b>	<b>Contrib. to Reserves/Debt Financing</b>	<b>Tax Rate</b>	<b>Combined</b>	<b>Additional cost per \$100,000 household</b>	<b>Increase</b>
2010	2,547,903	0.1717	0	0.0000	0.1717	\$ -	0.00%
2011	2,547,903	0.1717	0	0.0000	0.1717	\$ -	0.00%
2012	2,547,903	0.1717	0	0.0000	0.1717	\$ -	0.00%
2013	2,547,903	0.1717	0	0.0000	0.1717	\$ -	0.00%
2014	2,547,903	0.1717	0	0.0000	0.1717	\$ -	0.00%
2015	2,547,903	0.1717	0	0.0000	0.1717	\$ -	0.00%
2016	2,547,903	0.1717	0	0.0000	0.1717	\$ -	0.00%
2017 on	2,547,903	0.1717	4,190,000	0.2824	0.4541	\$ 28.24	133.47%

Required borrowing 50,000,000  
 Total annual debt payments 4,190,000

**Total Loan Payments over 20 years 83,800,000**  
**Average annual cost over 27 years 3,103,704**

Minutes of the Regular meeting of the Health Advisory Committee held in the Board Room, 175 Ingram Street, Dunican, BC on Thursday, February 11, 2010 at 4:04 pm.

**PRESENT:** Chair G. Seymour  
Directors M. Dorey, G. Giles and L. Iannidindardo

**ABSENT:** Directors R. Hutchins, P. Kent and M. Marcotte

**ALSO**

**PRESENT:** Mark Kueber, General Manager, Corporate Services  
Dominique Beesley, Recording Secretary

**STAFF REPORTS**

**4SR1**

A verbal report from the General Manager, Corporate Services, regarding long term capital planning for the replacement/redevelopment of the Cowichan District Hospital was considered.

The General Manager, Corporate Services reminded the Committee that at the last meeting he was directed to come up with some options/strategies to budget for a proposed redevelopment of the Cowichan District Hospital and to provide tax rate comparisons, in this regard, to other local governments.

Mr. Kueber explained that through research he estimates that the replacement cost is approximately \$125,000,000 for which the Regional District's share (or 40% of that amount) would be \$50,000,000. Mr. Kueber provided various options, on this basis and over a 20 year amortization, to the Committee regarding the necessary amounts that would need to be put into a reserve fund each year for the next seven years to secure that funding until the end of 2016 at which time the balance would require borrowing.

Mr. Kueber explained to the Committee in detail five different funding scenarios he felt should be considered if the Board chooses to raise the capital reserve and borrow funds for a replacement/redevelopment of the Hospital.

[These five options detailed as follows:]

The Committee discussed proposed funding for the Hospital and the possible tax impact on an average property assessment noting that the assessment base would most likely broaden over the next seven years.



## STAFF REPORT

### REGIONAL SERVICES COMMITTEE MEETING OF FEBRUARY 24, 2010

**DATE:** February 15, 2010

**FILE NO:**

**FROM:** Mark Kueber, General Manager  
Corporate Services Department

**BYLAW NO:**

**SUBJECT:** Proposed 2010 Hospital Budget

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#### **Recommendation:**

That it be recommended that the Board approve the 2010 Regional Hospital Budget.

#### **Purpose:**

To provide information to the Board on the 2010 request from VIHA, the 2010 Draft Hospital Budget and the proposal to contribute funds to a Hospital reserve fund for future Capital Expenditures.

#### **Background:**

Annually the Regional Hospital District approves their budget which is made up of three items: (1) Debt payments for the Regional Hospital Districts share of major Capital Expenditures that were financed in prior years, (2) the Districts contribution towards VIHAs request for funds for Capital equipment and minor projects, and (3) a small amount for Capital Reserve funds. In 2009 VIHA requested \$1,800,000. from the Regional Hospital District as well as a commitment from the District that the funds would continue for a 3 year period. The Board approved \$1,500,000. with the understanding that it would be increased to \$1,800,000. in 2010 and for the next 3 years.

The proposed 2010 budget currently has \$762,903. for debt payments and \$1,800,000. for Minor Projects and Capital Equipment.

The Boards Health Advisory Committee (HAC) met with VIHA early in 2010 and discussed future Capital Expenditures, as well as the results of the Master Site Plan for Cowichan District Hospital (CDH). As a result of that meeting the Health Advisory Committee requested options for funding a Major Capital Expenditure in the neighborhood of \$125,000,000. for a new hospital, the Regional Hospital Districts share would be \$50,000,000. (40%).

The option that the Health Advisory Committee chose is attached and it has the Regional Hospital District starting with \$1,000,000. going into a reserve fund in 2010 and increasing by \$1,000,000. each year up to 2016, after which the balance required would be borrowed. The amount borrowed would vary depending on the final total cost of the Capital project, the amount put into Reserve funds and the total interest earned by the Reserve fund.

Under the option reviewed the assumption was that the total project would cost \$50,000,000, contributions would continue up to and including 2016 with borrowing starting in 2017. Interest rate for earning purposes as well as for debt payments were taken from MFA data.

Information used to help in deciding which option to select was the amount the average house in the Regional District pays for Hospital taxation compared to the Provincial average, as well as the Island average. Also taken into consideration was the tax rates paid in the CVRHD compared to Island rates and Provincial rates. This information is also attached.

The CVRHD Hospital activity is enclosed and it shows the level of funding since 2004 for total tax requisition, tax rate, cost per \$100,000. of assessed value, minor equipment/projects, major projects and reserve fund contributions.

Respectfully submitted by:

Mark Kueber, C.G.A.  
General Manager, Corporate Services Department

MK:tk

**Mark Kueber**

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**From:** Sullivan, Chris [Chris.Sullivan@viha.ca]  
**Sent:** Thursday, October 13, 2011 11:35 AM  
**To:** 'Debra Oakman (djoakman@comoxvalleyrd.ca)'; Mark Kueber; 'Wendy Thomson'  
**Cc:** Botrakoff, Carol; Daniel, Kevin  
**Subject:** FW: News Release: New Mobile MRI Service to be Established on Vancouver Island

FYI. We will be contacting you shortly to arrange a joint meeting to discuss project scope and cost-sharing.

Please let me know if you have any questions.

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**From:** V Island Health  
**Sent:** Thursday, October 13, 2011 11:32 AM  
**To:** V Island Health  
**Subject:** News Release: New Mobile MRI Service to be Established on Vancouver Island

*The following VIHA news release has been sent to all Vancouver Island media, members of parliament, MLAs, mayors, VIHA directors, foundations and regional hospital district chairs on Vancouver Island.*

View online at [http://www.viha.ca/about\\_viha/news](http://www.viha.ca/about_viha/news)




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## NEWS RELEASE

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FOR IMMEDIATE RELEASE  
 October 13, 2011

### **NEW MOBILE MRI SERVICE TO BE ESTABLISHED ON VANCOUVER ISLAND**

VICTORIA – Patients on Vancouver Island will soon have improved, locally-available access to Mobile Resonance Imaging (MRI) as VIHA announces the establishment of mobile MRI services for Campbell River, the Comox Valley, Port Alberni and Duncan.

“This is great news for patients and families living on the North Island, West Coast and Cowichan Valley,” said Don McRae, MLA for the Comox Valley. “Being closer to home means less travel time which helps reduce stress and that’s a big part of the equation when it comes to your health.”

The new VIHA-operated service is expected to be up and running in late spring or early summer of 2012. The mobile MRI will be located on specially-designed pads in Campbell River, Comox, Port Alberni and the Cowichan Valley. It will operate 50 weeks per year with two weeks designated for service and maintenance.

Over 3,800 MRI scans are planned to be performed by the mobile scanner, amounting to 16.5% of the total 23,000 MRIs that are provided annually in VIHA at this time. The volumes and schedule in each community will be determined based on population size and historical MRI use.

"The importance of MRI in diagnosing and supporting the treatment of disease has grown rapidly in recent years as the technology has improved," said Dr. John Mathieson, Medical Director of Medical Imaging for VIHA. "A mobile MRI service is a significant addition to VIHA's medical imaging services and will support better patient care and outcome as well as ensuring our radiologists throughout Vancouver Island have the opportunity to conduct reads on this increasingly important technology."

Regional Hospital Districts have expressed interest in bringing these services to their communities. Over the coming weeks, VIHA will be discussing funding arrangements with them.

– 30 –

**Media Contacts:**

Shannon Marshall,  
VIHA Communications, South  
250-370-8270

Val Wilson,  
VIHA Communications, North & Central  
250-739-6303

**Note to newsrooms:** For urgent after-hours media inquiries call our emergency pager at (250) 389-7317

## Mark Kueber

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**From:** Daniel, Kevin [Kevin.Daniel@viha.ca]  
**Sent:** Wednesday, March 21, 2012 8:36 AM  
**To:** Mark Kueber  
**Cc:** Sharon Moss; Sullivan, Chris  
**Subject:** RE: VIHA Mobile MRI Project\_\_Update

Hello Mark,

We now have pre-tender cost estimates for the mobile MRI trailer pads at the four hospital sites involved in this project.

In my attached February 2<sup>nd</sup> e-mail, the preliminary CVRHD cost-share amount was.....\$479,694.

The new CVRHD cost-share amount, based on further design and a pre-tender (QS) cost estimate, has decreased to.....\$419,456.

The cost estimate of the MRI and vehicle has not changed, however the cost estimate of the CDH trailer pad construction has decreased.

Based on these latest cost figures, we ask that the CVRHD consider our funding, cost-share request of \$419,456 to help contribute towards this important mobile MRI project.

If you have any questions/comments, don't hesitate to contact Chris or me.

Thanks...

Kevin Daniel  
Manager, Capital Planning  
(250) 740-2696

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**From:** Daniel, Kevin  
**Sent:** Thursday, February 02, 2012 5:17 PM  
**To:** 'mkueber@cprd.bc.ca'  
**Cc:** 'Sharon Moss (smoss@cprd.bc.ca)'; Sullivan, Chris  
**Subject:** VIHA Mobile MRI Project\_\_Update

Hello Mark,

Chris asked that I touch base with you to provide you with an update on the VIHA Mobile MRI project.

The project is just completing the planning and design stage, and Capital Planning is expected to receive soon a more complete and accurate project cost estimate.

To give you a sense right now, of what the total project cost may be, and what the CVRHD's cost portion may be, I've attached some preliminary, order-of-magnitude cost information.

The first table shows the capital cost estimate of the total Mobile MRI project (ie the MRI and vehicle equipment, plus the trailer pads ("docking stations") at each of the four sites).

The second table shows how the 40% of the total project cost has been allocated to the three RHDs.

The 40% cost of the MRI (ie \$760,000) has been allocated to the three RHDs based on historical utilization rates. This is simply a suggested cost allocation methodology at this point. VIHA will be engaging the three RHDs for their comments on this suggested methodology, and as well VIHA will be looking for input on other possible methodologies, to ensure that the methodology chosen is fair and reasonable, and agreeable to all three RHDs.

As noted in the second table, VIHA's total CVRHD cost-share request for this project, based on the preliminary, order-of-magnitude costs, is.....\$479,694.

Once Capital Planning has received the final project costing, and a cost allocation methodology has been agreed to by the three RHDs, we will forward this information to you through a cost-share request letter.

We were hoping to have updated the RHDs sooner on this project, however, the project stages to this point, have taken longer to move along than expected.

I hope the foregoing update is of some value to you.

If you have any questions/comments, don't hesitate to contact Chris or me.

Thanks...

Kevin Daniel  
 Manager, Capital Planning  
 (250) 740-2696

Estimated Capital Cost	
MRI	1,900,000
Trailer Pad - Campbell River	439,234
Trailer Pad - St. Josephs	439,234
Trailer Pad - Cowichan	439,234
Trailer Pad - West Coast General	439,234
Total	3,656,936

**RHD Request is 40% of Total Capital Cost**

	Volume of Current Utilization	Total MRI Cost Based on Utilization	Trailer Pad Costs	Total \$ Requested
Comox Strathcona Regional District	45%	342,000	351,387	693,387
Cowichan Regional Hospital District	40%	304,000	175,694	479,694

Alberni Clayoquot Regional Hospital District	15%	114,000	175,694	289,694
<b>Total RHD</b>		<b>760,000</b>	<b>702,775</b>	<b>1,462,775</b>

**Other Capital Funding Required (VIHA & Foundation)**

MRI				1,140,000
Site Trailer Area				1,054,161
<b>Total Other Funding</b>				<b>2,194,161</b>

**COWICHAN VALLEY REGIONAL HOSPITAL DISTRICT  
SUMMARY OF DEBT**

ISSUED	ISSUE #	BYLAW	TERM	MATURES	ORIGINAL AMOUNT	BALANCE OWING Dec 31/2011	ANNUAL PAYMENTS (2012)			FACILITY	PURPOSE
							Principal	Interest	Total		
Aug 23/1998	613	25	15 Year	2013	1,291,054	214,348	50,725	109,740	160,465	Chemainus	New Construction
Aug 23/1998	621	19	15 Year	2013	62,160	9,519	2,011	5,284	7,295	Chemainus	New Health Care Centre
Aug 23/1998	612	24	15 Year	2013	1,040,179	172,695	40,867	88,415	129,282	Chemainus	New Construction
Aug 23/1998	627	23	15 Year	2013	107,824	107,824	24,377	64,535	88,911	Cowichan District Hospital	Electrical Upgrade
June 9/1998	626	21	16 Year	2014	454,388	102,299	14,846	43,735	58,580	Chemainus	New Health Care Centre
June 21/1998	506	22	16 Year	2014	385,900	66,074	4,968	19,295	24,263	Cowichan District Hospital	New Emergency Room
June 23/1998	505	20	16 Year	2014	263,436	44,904	3,317	13,172	16,489	Ladysmith Hospital	Mechanical Upgrade
Sept 21/1998	511	27	17 Year	2015	243,599	61,763	5,238	17,661	22,899	Cowichan District Hospital	New Emergency Room
Nov 30/1998	624	26	25 Year	2016	659,868	198,500	24,815	51,965	76,781	Chemainus	New Construction
Oct 3/2002	78	125	10 Year	2012	249,741	30,803	19,856	13,411	33,267	Cowichan District Hospital	Radiology Digital Machine, Mammographic Radiology System, Beds
Oct 3/2002	78	116	20 Year	2022	905,013	603,217	27,370	48,599	75,969	Cowichan District Hospital	Laundry, Mobile C Arm, Radiographic Fluoroscopic System
Oct 3/2002	78	120	20 Year	2022	132,315	88,192	4,002	7,105	11,107	Ladysmith Hospital	Generator
April 6/2005	92	121	10 Year	2015	133,223	59,622	11,096	6,062	17,158	Cowichan District Hospital	Radiology Digital Machine, Mammographic Radiology System, Beds
April 6/2005	92	125	10 Year	2015	165,826	74,213	13,812	7,545	21,357	Cowichan District Hospital	Patient Lift Station, Beds, Haematology Analyzer, Physiologic Monitoring System, Nurse Call System, Cystology System, Computerized Radiology, Computerized Radiology with Dry Laser, Diagnostic Ultrasound
April 6/2005	93	120	20 Year	2025	174,209	130,810	7,696	6,470	14,166	Nanaimo Regional Hospital	MRI
<b>Total</b>					<b>6,268,735</b>	<b>1,964,782</b>	<b>254,996</b>	<b>502,993</b>	<b>757,988</b>		

Schedule "A"

**COWICHAN VALLEY REGIONAL HOSPITAL DISTRICT  
2012 ANNUAL BUDGET**

<b><u>REVENUE</u></b>	<b>ANNUAL BUDGET</b>
Tax Requisition	5,573,185
Other Revenue: Interest	<u>45,000</u>
<b>TOTAL REVENUE</b>	<b><u><u>5,618,185</u></u></b>

**EXPENDITURE**

<b>DEBENTURE DEBT</b>	
Debenture Debt	694,534
Short Term: Principal & Interest	<u>63,651</u>
<b>Total Debt</b>	<b>758,185</b>
Administration expense	60,000
Minor Projects	1,170,000
Capital Equipment	630,000
Reserve funds	<u>3,000,000</u>
<b>TOTAL EXPENDITURE</b>	<b><u><u>5,618,185</u></u></b>



C.V.R.H.D

**FINANCIAL STATEMENTS**  
**December 31, 2011**

*Cowichan Valley*  
*Regional Hospital District*

**COWICHAN VALLEY REGIONAL HOSPITAL DISTRICT**

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**FINANCIAL STATEMENTS**

**December 31, 2011**

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C·V·R·H·D

## Management's Responsibility

To the Members of the Board of the Cowichan Valley Regional Hospital District:

This statement is provided to clarify and outline the roles and responsibilities of the management team, elected Board of Directors and independent auditors in relation to the preparation and review of the Cowichan Valley Regional Hospital District's (the "Hospital District") annual financial results.

Management is responsible for the preparation and fair presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of the financial statements.

The Hospital District's Board of Directors is composed of Directors who are neither management nor employees of the Hospital District. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information in the financial statements. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management.

BDO Canada LLP, an independent firm of Chartered Accountants, is appointed by the Regional Hospital District's Board of Directors to audit the financial statements and report to them; their report follows. The external auditors have full and free access to management to discuss their audit findings.

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Warren Jones  
Chief Administrative Officer  
July 11, 2012

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Mark Kueber  
Chief Financial Officer  
July 11, 2012

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## Independent Auditor's Report

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**To the Board of Directors  
Cowichan Valley Regional Hospital District**

We have audited the accompanying financial statements of the Cowichan Valley Regional Hospital District, which comprise the Statement of Financial Position as at December 31, 2011, and the Statements of Operations and Cash Flows for the year then ended, and a summary of significant accounting policies, and other explanatory information.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted the audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Cowichan Valley Regional Hospital District as at December 31, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Other Matter**

The financial statements of the Cowichan Valley Regional Hospital District for the year ended December 31, 2010 were audited by another auditor who expressed an unmodified opinion on those financial statements on August 3, 2011.

Chartered Accountants

Vancouver, British Columbia  
July 11, 2012

**COWICHAN VALLEY REGIONAL HOSPITAL DISTRICT**

**DIRECTORY OF OFFICIALS  
2011**

**CHAIRPERSON**

R. Hutchins – Town of Ladysmith

**VICE-CHAIRPERSON**

L. Iannidinardo – Electoral Area "D" – Cowichan Bay

**DIRECTORS**

P. Kent	City of Duncan
J. Lefebure	District of North Cowichan
R. Hartman	District of North Cowichan
B. Lines	District of North Cowichan
R. Hutchins	Town of Ladysmith
T. McGonigle	Town of Lake Cowichan
M. Walker	Electoral Area "A" – Mill Bay/Malahat
B. Fraser	Electoral Area "B" – Shawnigan Lake
G. Giles	Electoral Area "C" – Cobble Hill
L. Iannidinardo	Electoral Area "D" – Cowichan Bay
L. Duncan	Electoral Area "E" – Cowichan Station/Sahtlam/Glenora
I. Morrison	Electoral Area "F" – Cowichan Lake South/Skutz Falls
M. Dorey	Electoral Area "G" – Saltair/Gulf Island
M. Marcotte	Electoral Area "H" – North Oyster/Diamond
P. Weaver	Electoral Area "I" – Youbou/Meade Creek

**OFFICERS**

Administrator	-	W. Jones
Secretary	-	J. Barry
Treasurer	-	M. Kueber

**AUDITORS**

BDO Canada LLP

**BANKERS**

Bank of Nova Scotia, Duncan, B.C.

# COWICHAN VALLEY REGIONAL HOSPITAL DISTRICT

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## PARTICIPATING AREAS Incorporated September 26, 1967

### MUNICIPALITIES

City of Duncan  
District of North Cowichan

Town of Ladysmith  
Town of Lake Cowichan

### ELECTORAL AREAS

A - Mill Bay/Malahat  
B - Shawnigan Lake  
C - Cobble Hill  
D - Cowichan Bay  
E - Cowichan Station/Sahtlam/Glenora

F - Cowichan Lake South/Skutz Falls  
G - Saltair/Gulf Islands  
H - North Oyster/Diamond  
I - Youbou/Meade Creek

### SCHOOL DISTRICTS

No. 79 - Cowichan District

No. 68 - Nanaimo

### CHAIRPERSONS

1967  
1968  
1969-70  
1971  
1972  
1973  
1974  
1974  
1975  
1976  
1977  
1978  
1979  
1980-81  
1982-84  
1985  
1986-88  
1989-91  
1992-93  
1994-97  
1998-99  
2000-02  
2003-05  
2006-07  
2007-08  
2008-10  
2011

J.K. Bateson  
G.W. Whittaker  
A. Smith  
W.J.B. Devitt  
W. Wyllie  
M.L. Robertson  
T.L. Daniels - Jan-May  
R.D. Keir - June - Dec.  
R.D. Keir  
P. Clements  
K. Paskin  
C. Boas  
L. Kuta  
M. Lukaitis  
G. Giles  
J. Philp  
B. Harrison  
E. Darling  
J. Barker  
J. Allan  
R. Hutchins  
T. Walker  
M. Marcotte  
J. Lefebure  
J. Peake  
G. Giles  
R. Hutchins

## COWICHAN VALLEY REGIONAL HOSPITAL DISTRICT

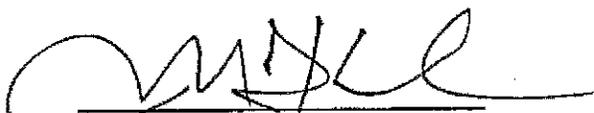
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**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2011**

	2011	2010
<b>Financial Assets</b>		
Cash	\$ 4,623,694	\$ 4,929,658
Cash - Restricted	3,277,340	1,253,757
HST Receivable	<u>2,300</u>	<u>1,324</u>
<b>Total Financial Assets</b>	<u>7,903,334</u>	<u>6,184,739</u>
<b>Liabilities</b>		
Accrued Interest	118,349	118,441
Deferred Revenue (Note 3)	348,240	143,690
Long-Term Debt (Schedule D)	<u>1,964,782</u>	<u>2,428,720</u>
<b>Total Liabilities</b>	<u>2,431,371</u>	<u>2,690,851</u>
<b>Accumulated Surplus (Note 7)</b>	<u>\$ 5,471,963</u>	<u>\$ 3,493,888</u>



Chief Financial Officer

The accompanying notes are an integral part of these financial statements.

## COWICHAN VALLEY REGIONAL HOSPITAL DISTRICT

**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

	Budget (Note 9)	2011	2010
<b>Revenue</b>			
Tax Requisition	\$ 4,568,582	\$ 4,568,582	\$ 3,542,903
Grants	-	63,491	37,290
Donations	-	1,180	-
Interest and Other Revenue	50,000	80,256	45,449
<b>Total Revenue</b>	<u>4,618,582</u>	<u>4,713,509</u>	<u>3,625,642</u>
<b>Expenses</b>			
Debenture Debt Interest	503,778	294,355	315,004
Other Expenses	60,000	121,630	84,310
Grants to Health Care Facilities (Schedule E)	1,800,000	2,319,449	2,054,751
<b>Total Expenses</b>	<u>2,363,778</u>	<u>2,735,434</u>	<u>2,454,065</u>
<b>Annual Surplus</b>	2,254,804	1,978,075	1,171,577
Opening, accumulated surplus	<u>3,493,888</u>	<u>3,493,888</u>	<u>2,322,311</u>
Ending, accumulated surplus	<u>\$ 5,748,692</u>	<u>\$ 5,471,963</u>	<u>\$ 3,493,888</u>

The accompanying notes are an integral part of these financial statements.

## COWICHAN VALLEY REGIONAL HOSPITAL DISTRICT

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**


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	2011	2010
<b>Operating Transactions</b>		
Annual Surplus (Statement 2)	\$ 1,978,075	\$ 1,171,577
Change in HST receivable	(976)	(1,324)
Change in accounts payable	-	(277,758)
Change in accrued interest	(92)	(91)
Debt actuarial adjustments	(208,942)	(188,683)
Deferred Revenue	204,550	143,690
Net increase in cash from operations	<u>1,972,615</u>	<u>847,411</u>
<b>Financing Transactions</b>		
Principal debt repayments (Schedule D)	(254,996)	(254,804)
Net decrease in cash from financing	<u>(254,996)</u>	<u>(254,804)</u>
<b>Increase in Cash</b>	1,717,619	592,607
<b>Cash - Beginning of Year</b>	<u>6,183,415</u>	<u>5,590,808</u>
<b>Cash - End of Year</b>	<u>\$ 7,901,034</u>	<u>\$ 6,183,415</u>
 <b>Breakdown of Cash</b>		
Cash	\$ 4,623,694	\$ 4,929,658
Cash - Restricted	<u>3,277,340</u>	<u>1,253,757</u>
	<u>\$ 7,901,034</u>	<u>\$ 6,183,415</u>

The accompanying notes are an integral part of these financial statements.

**COWICHAN VALLEY REGIONAL HOSPITAL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2011**

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1. **Purpose**

The Cowichan Valley Regional Hospital District is incorporated under the British Columbia Hospital District Act. Its purpose is to secure and administer capital funding for hospitals within the Cowichan Valley Regional Hospital District. These activities are funded through property taxes and debenture debt.

2. **Significant Accounting Policies**

a) **Basis of Presentation**

The financial statements have been prepared in accordance with Canadian public sector accounting standards as prescribed by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB).

b) **Use of Estimates**

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of financial statements, as well as the reported amounts of revenues and expenditures during the reporting period. Significant areas requiring management estimates are determination of accrued liabilities. Actual results may vary from the estimates and adjustments will be reported and reflected in operations as they become known.

c) **Sinking Fund**

The Hospital District records net long-term debt in accordance with amortization schedules issued at the inception of debenture issues. Sinking fund assets are recorded at the cost amount of the contributions made, plus required actuarial amounts. No adjustment for sinking fund surpluses due to market experience is recorded until realized at extinguishment of debenture debt.

d) **Financial Instruments**

The Hospital District's financial instruments consist of cash, accrued interest, HST receivable and long term debt. Unless otherwise noted, it is management's opinion that the Hospital District is not exposed to significant interest, currency or credit risk arising from these financial instruments.

e) **Revenue Recognition**

The Hospital District recognizes tax requisition revenue based on assessments issued to the property owners in its service area. These assessments are issued on an annual basis to meet the expenditures of the Hospital District. Interest revenue is recorded when earned. Grants in lieu of taxes are recorded on an accrual basis when it is possible to reasonably estimate the amounts receivable.

**COWICHAN VALLEY REGIONAL HOSPITAL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2011**

**3. Deferred Revenue**

	2011	2010
Homelessness in the Cowichan Valley	\$ 330,000	\$ 75,000
Cowichan Valley Communities Health Network	<u>18,240</u>	<u>68,690</u>
	<u>\$ 348,240</u>	<u>\$ 143,690</u>

(A) Homelessness in the Cowichan Valley – is grant funding from the Vancouver Island Health Authority. This funding is to support capacity building for homelessness in the Cowichan Valley.

(B) Cowichan Valley Communities Health Network - is grant funding from the Vancouver Island Health Authority. The funding is for public participation with its member communities with the long term outcome of improving their health status and planning for the enhancement of health services in the CVRHD.

**4. Debenture Debt**

All long term debt is issued through the Municipal Finance Authority of British Columbia. The Authority is the borrowing agent for municipalities and regional districts in the Province of British Columbia. All debenture debt issued by the Municipal Finance Authority is sinking fund debt. Long term debt may only be repaid earlier than maturity where the Municipal Finance Authority refinances an issue which includes a particular debenture debt issue by the Regional Hospital District.

Issued and outstanding debt including issue numbers, maturity dates and sinking fund balances are listed on Schedule D to these consolidated financial statements.

Payments of principal on issued debt of the Hospital District for the next five years are approximately as follows:

2012	\$ 255,192
2013	\$ 235,538
2014	\$ 117,764
2015	\$ 94,844
2016	\$ 64,915

**COWICHAN VALLEY REGIONAL HOSPITAL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2011**

**5. Related Party Transactions**

Administrative costs totalling \$60,000 (2010 - \$50,000) were charged to the Cowichan Valley Regional Hospital District from the Cowichan Valley Regional District, a Regional District controlled by the same board of directors.

**6. Debt Reserve Fund**

The Municipal Finance Authority of British Columbia provides capital financing for Regional Hospital Districts. The Authority is required to establish a Debt Reserve Fund which represents 1% of each Debenture Debt issued. When the Cowichan Valley Regional Hospital District borrows from the Authority 1% is kept by the Authority and put into the fund. The Authority must then use this fund if at any time there are insufficient funds to meet payment on debt obligations.

Upon the maturity of the debt issue, the debt reserve fund plus any interest earned less expenditures for that issue will be discharged to the Cowichan Valley Regional Hospital District. These amounts do not appear elsewhere in the financial statements and as at December 31, 2011 amounted to \$ 421,792 (2010 - \$ 418,145).

	2011	2010
Cash Deposits - Cowichan Valley Regional Hospital District	\$ 110,636	\$ 106,989
Demand Notes - Cowichan Valley Regional Hospital District	<u>311,156</u>	<u>311,156</u>
	<u>\$ 421,792</u>	<u>\$ 418,145</u>

**7. Accumulated Surplus**

The Accumulated Surplus of \$5,471,963 (2010- \$3,493,888) is made up of the following individual fund equity amounts.

	2011	2010
Revenue Fund Deficit (Schedule A)	(558,444)	(568,447)
Reserve Fund (Schedule B)	7,995,189	6,491,055
Capital Fund (Schedule C)	<u>(1,964,782)</u>	<u>(2,428,720)</u>
Accumulated Surplus	<u>\$ 5,471,963</u>	<u>\$ 3,493,888</u>

**COWICHAN VALLEY REGIONAL HOSPITAL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2011**

**7. Accumulated Surplus (continued)**

The Revenue Fund includes those transactions which are funded primarily by the annual property tax requisition including debt repayments and capital grant contributions to the Vancouver Island Health Authority.

The Capital Fund includes amounts related to debenture debt raised to finance capital expenditures approved through bylaws adopted by the Regional Hospital District for the purposes of the Vancouver Island Health Authority.

The Reserve Fund includes amounts disbursed or to be disbursed directly to the Vancouver Island Health Authority in accordance with approved capital plans.

**8. Net Debt**

A statement of changes in net debt has not been prepared as the Regional Hospital District does not have any non-financial assets and a reconciliation of Net Debt to Accumulated Surplus (Deficit) does not provide any further meaningful information.

**9. Budget Figures**

Budget figures represent the Financial Plan Bylaw adopted by the Board on March 9, 2011. The financial plan budgeted for transfer to and from the reserve fund. The following reconciliation of the "Surplus for the year" is provided to show which items must be added and removed to reflect the financial plan.

Annual Surplus (Statement 2)	\$ 2,254,804
Add:	
Transfer from Reserves	-
Less:	
Debt Principal Repayments	(254,804)
Transfer to Reserves	<u>(2,000,000)</u>
Surplus, per Cowichan Valley Regional Hospital District Financial Plan Bylaw No. 135	<u>\$ -</u>

## COWICHAN VALLEY REGIONAL HOSPITAL DISTRICT

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**SCHEDULE OF REVENUE FUND ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**


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	Budget	2011	2010
<b>Revenue</b>			
Tax Requisition	\$ 4,568,582	\$ 4,568,582	\$ 3,542,903
Grants	-	63,491	37,290
Donations	-	1,180	-
Interest and Other Revenue	50,000	56,673	45,449
<b>Total Revenue</b>	<u>4,618,582</u>	<u>4,689,926</u>	<u>3,625,642</u>
<b>Expenses</b>			
Debt Interest	503,778	503,297	503,687
Other Expenses	60,000	121,630	84,310
<b>Total Expenses</b>	<u>563,778</u>	<u>624,927</u>	<u>587,997</u>
<b>Operating Surplus</b>	4,054,804	4,064,999	3,037,645
Transfer to Reserve Fund (Schedule B)	1,800,000	1,800,000	1,800,000
Transfer to Restricted Reserve Fund (Schedule B)	2,000,000	2,000,000	1,000,000
Principal Debt Repayments (Schedule D)	254,804	254,996	254,804
	<u>4,054,804</u>	<u>4,054,996</u>	<u>3,054,804</u>
<b>Change in Fund Balance</b>	-	10,003	(17,159)
<b>Beginning Fund Balance</b>	<u>(568,447)</u>	<u>(568,447)</u>	<u>(551,288)</u>
<b>Ending Fund Balance (Note 7)</b>	<u>\$ (568,447)</u>	<u>\$ (568,444)</u>	<u>\$ (568,447)</u>

## COWICHAN VALLEY REGIONAL HOSPITAL DISTRICT

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**SCHEDULE OF RESERVE FUND ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**


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	2011	2010
<b>Fund Balance, Beginning</b>	\$ 6,491,055	\$ 5,745,806
<b>Add:</b>		
Contribution from Revenue Fund (Schedule A)	3,800,000	2,800,000
Interest Earned on Restricted Reserve	23,583	-
<b>Less:</b>		
Grants to District Hospitals (Schedule E)	<u>(2,319,449)</u>	<u>(2,054,751)</u>
<b>Fund Balance, Ending (Note 7)</b>	<u>\$ 7,995,189</u>	<u>\$ 6,491,055</u>
 <b>Fund balance is composed of:</b>		
Section 20 Reserve	\$ 4,717,849	\$ 5,237,298
Restricted Reserve	<u>3,277,340</u>	<u>1,253,757</u>
	<u>\$ 7,995,189</u>	<u>\$ 6,491,055</u>

## COWICHAN VALLEY REGIONAL HOSPITAL DISTRICT

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**SCHEDULE OF CAPITAL FUND ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

	2011	2010
<b>Fund Balance, Beginning</b>	\$ (2,428,720)	\$ (2,872,207)
Principal Debt Repayments (Schedule D)	254,996	254,804
Actuarial Adjustments	<u>208,942</u>	<u>188,683</u>
<b>Fund Balance, Ending (Note 7)</b>	<u>\$ (1,964,782)</u>	<u>\$ (2,428,720)</u>

## COWICHAN VALLEY REGIONAL HOSPITAL DISTRICT

**SCHEDULE OF DEBENTURE DEBT  
AS AT DECEMBER 31, 2011**

<u>Issue No.</u>	<u>Bylaw No.</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Authorized and Issued</u>	<u>Regional Dist. Share</u>	<u>Debt Payments</u>		
						<u>Interest</u>	<u>Principal</u>	
78	121	5.250%	2012	624,352	249,741	13,411	19,856	
621	79	8.500%	2013	155,400	62,160	5,284	2,011	
627	94/97	9.600%	2013	1,680,587	672,235	64,534	24,377	
612	97	8.500%	2013	2,600,446	1,040,178	88,415	40,867	
613	97	8.500%	2013	3,227,635	1,291,054	109,740	50,725	
505	86	5.000%	2014	658,590	263,436	13,172	3,317	
626	79/94/97	9.625%	2014	1,135,969	454,388	43,735	14,846	
506	85/86	5.000%	2014	964,751	385,900	19,295	4,968	
511	85/102	7.250%	2015	608,998	243,599	17,661	5,238	
92	121	4.550%	2015	333,058	133,223	6,062	11,096	
92	125	4.550%	2015	414,565	165,826	7,545	13,812	
624	97	7.875%	2016	1,649,669	659,868	51,965	24,815	
78	116	5.250%	2022	2,262,532	905,013	48,599	27,370	
78	120	5.250%	2022	330,788	132,315	7,105	4,002	
93	120	5.100%	2025	435,523	174,209	6,867	7,696	
					6,833,145			
Less principal repayments and actuarial adjustments					(4,868,363)			
<b>TOTAL</b>				<u>\$ 17,082,863</u>	<u>\$ 1,964,782</u>	<u>\$ 503,390</u>	<u>\$ 254,996</u>	
<b>TOTAL DEBT PAYMENTS</b>							<u>\$ 758,386</u>	

**COWICHAN VALLEY REGIONAL HOSPITAL DISTRICT**  
**SCHEDULE OF GRANTS TO HEALTH CARE FACILITIES**  
**YEAR ENDED DECEMBER 31, 2011**

	Total	2011	Total
	<u>2010</u>	<u>Grants to health care facilities</u>	<u>2011</u>
Cowichan District	\$ 22,234,178	\$ 2,180,724	\$ 24,414,902
Nanaimo District	674,834	-	674,834
Chemainus	4,950,358	30,426	4,980,784
Ladysmith	<u>2,176,747</u>	<u>108,299</u>	<u>2,285,046</u>
	<u>\$ 30,036,117</u>	<u>\$ 2,319,449</u>	<u>\$ 32,355,566</u>

Vancouver Island Health Authority  
And  
Vancouver Island Regional Hospital Districts

Regional Joint Planning Meeting  
Nanaimo Regional General Hospital  
1200 Dufferin Crescent, Nanaimo, BC

Minutes of Meeting

In attendance from VIHA

Dr. Hans van de Sande  
Bill Boomer  
Joe Murphy  
Chris Sullivan

In attendance from the Regional Hospital Districts

Glenn Wong, Alberni-Clayoquot  
Cindy Solda, Alberni-Clayoquot  
Graham Hill, Capital  
Maurice Rachwalski, Capital  
Clair Moglove, Comox-Strathcona  
Debra Oakman, Comox-Strathcona  
Beth Dunlop, Comox-Strathcona  
Rob Hutchins, Cowichan Valley  
Ruth Hartmann, Cowichan Valley  
Mark Keuber, Cowichan Valley  
Greg Fletcher, Mt. Waddington  
Carol Mason, Nanaimo  
Nancy Avery, Nanaimo

1. Call to Order & Introductions

The meeting was called to order at 10 am.

Bill Boomer welcomed everyone to the meeting and roundtable introductions were made.

2. Approval of Agenda

There were no changes to the agenda

3. September 9, 2011 Minutes

The Action Items in the Minutes were discussed. Most items are to be reported in on the meeting with the exception of:

- The Ministry of Health will be invited to the next semi-annual VIHA-RHD meeting.
- VIHA has updated Alberni-Clayoquot RHD on a proposed site for a new homeless shelter and CT scanner hours of operation.

4. Provincial Capital Planning Process

VIHA indicated that a new Provincial capital planning process is to be released. Information is not available yet, but the capital project funding thresholds are expected to change.

Follow-up items are:

- Advise RHDs on suggested change to major capital project threshold (e.g. increase from \$1.5m to \$2.0m). Also include a comprehensive list of capital needs by RHD.
- RHDs to be advised on preferred minor capital funding envelope for three years.

5. First Nations Treaties – Funding for RHDs

VIHA introduced this topic which has been previously discussed. The impact on RHDs may vary as each treaty is different.

Other discussion included:

- Glenn Wong provided an update on the experience of the ACRHD. Questions remain including "With the addition of First Nations at the RHD table, does the funding requirement for each RHD member get smaller, or does the total requisition increase?"
- Nancy Avery also asked whether First Nation health facilities are rolled into VIHA and the RHD, or are they still separate?
- Debra Oakman provided an update on Komoks First Nation treaty discussions.
- More information and discussion is required to provide clarity and a coordinated approach.

The Ministry of Health contact is Kevin Brewster at (250) 952-1102 or [kevin.brewster@gov.bc.ca](mailto:kevin.brewster@gov.bc.ca). Chris Sullivan requests RHDs advise him of any questions to the Ministry to allow for coordination.

Follow-up items are:

- Include First Nation Treaties as a (30 minute) standing agenda item for future VIHA-RHD meetings.
- Chris Sullivan to distribute a fact sheet provided by Glenn Wong.
- Clair Moglove to take to UBCM Committee for discussion.

6. Facility Condition Audit

VIHA provided an update on the Ministry of Health RFP process to hire a firm to provide facility condition audits of VIHA facilities. A preferred proponent has been selected. Further information will be provided to RHDs as they become available to VIHA.

7. VIHA Performance Standards

Graham Hill asked whether the projected benefits of capital spending (and RHD investments) are being achieved? Are there indices that show “our good investment”? This could include increased services or increased number of procedures.

Follow-up items are:

- Joe Murphy is to prepare a couple examples of performance measures and share with Graham Hill in advance.

8. Community Funding Contributions

VIHA reported on foundation and auxiliary funding in 2011/12. The total contributions were \$10 million.

There was a discussion on whether this funding was complementary or supplementary to government funding. Bill Boomer explained the complexities of allocating funding from 42 different sources. If the \$10 million in community funding was not available, there would be \$10 million less spending available to VIHA.

Greg Fletcher discussed the “leakage” of health foundation funding – i.e. BC Cancer Agency and BC Children’s Hospital. is allowing how foundations, auxiliaries and other local contributions are used to fund capital projects and equipment.

There was also a discussion on whether foundation funding should be considered part of the RHD contribution.

Follow-up items are:

- VIHA communications to consider response to foundation funding “leakage” and keeping the contributions on the Island.

9. 2003 VIHA/RHD Memorandum of Understanding

The last MOU was signed in 2003 and includes outdated processes. Debra Oakman suggested the MOU be considered after each municipal election.

Follow-up items are:

- Update MOU for discussion at next VIHA/RHD semi-annual meeting – Debra Oakman, Maurice Rachwalski and Chris Sullivan.

#### 10. Cost Sharing - Portable MRI Update

An update was provided on a portable MRI for four sites. The trailer pad construction is underway at all of the sites. The portable MRI and vehicle have been ordered. Cost-sharing is based on the proportionate share of current MRI utilization.

Follow-up items are:

- VIHA to provide a comprehensive explanation to the RHDs on the costs associated with the trailer pad construction.
- Performance results from the implementation of the mobile MRI can be used as an example of a performance statistic as discussed earlier in the meeting. For example, are scan wait times reduced, etc. (This needs to take into consideration that the number of scans is related to available operating funding.)

#### 11. Cost Sharing – Cumberland Laundry

There was a discussion on RHD cost-sharing for the Cumberland Laundry.

Follow-up items are:

- VIHA to request cost-sharing from Nanaimo RHD who receive 50% of the laundry from the Cumberland facility.

#### 12. Cost Sharing – Non-Acute Care Facilities

There was a discussion on the *Hospital District Act* and the types of facilities eligible for RHD funding. VIHA wants to ensure that any facilities, for which it is requesting RHD cost-sharing, are designated (i.e. eligible) under the *Act*. VIHA will request Ministry approval for designation with RHD concurrence.

CRHD has approved cost-sharing for two residential care facilities.

Follow-up items are:

- When requesting designation of a facility, RHDs would like to know the potential for future capital funding requests.

#### 13. Roundtable

Follow-up items are:

- Graham Hill requested that a “community wellness information session” is included in the next meeting. This would include a discussion on challenges and what we can do collectively.

#### 14. Closing Comments & Adjournment

It was agreed that the next meeting will be scheduled for fall 2012 with an 1100 start time. The meeting should be scheduled for three hours.

Bill Boomer thanked everyone for his or her participation in this meeting.

The VIHA presentation on the various agenda items is attached.

DRAFT