



Alberni-Clayoquot Regional Hospital District

SPECIAL BOARD OF DIRECTORS MEETING

WEDNESDAY, MARCH 27, 2019

Regional District Board Room, 3008 Fifth Avenue, Port Alberni, BC

AGENDA

PAGE #

1. **CALL TO ORDER**

(immediately following the ACRD Board Meeting)

Recognition of Territories.

2. **APPROVAL OF AGENDA**

(motion to approve, including late items requires 2/3 majority vote)

3. **REQUEST FOR DECISIONS & BYLAWS**

- a. **Request for Decision**
2019 Annual Budget

2-6

THAT the Alberni-Clayoquot Regional Hospital District Board of Directors give third reading to bylaw, cited as "Alberni-Clayoquot Regional Hospital District 2019 Annual Budget Bylaw No. 126

THAT the Board of Directors amend 2019 Annual Budget Bylaw No. 126 as follows:

Line 2 – Tax Requisition – Years 2019 to 2023 reduce to \$1,800,000

Line 11 – Major equipment/project contributions – Year 2019 reduce to \$500,735 and Year 2020 increase to \$285,265.

Line 12 – Reserve fund contribution – Year 2020 reduce to \$272,735, Year 2021 reduce to \$916,000, Year 2022 reduce to \$1,145,000 and Year 2023 reduce to \$1,235,000.

2. THAT the Alberni-Clayoquot Regional Hospital District Board of Directors adopt bylaw, cited as "Alberni-Clayoquot Regional Hospital District 2019 Annual Budget Bylaw No. 126".

4. **LATE BUSINESS**

5. **QUESTION PERIOD**

6. **ADJOURN**



REQUEST FOR DECISION

To: Hospital District Board of Directors
From: Teri Fong, CPA, CGA, Manager of Finance
Meeting Date: March 27, 2019
Subject: 2019 Annual Budget

Recommendation:

1. **THAT the Alberni-Clayoquot Regional Hospital District Board of Directors give third reading to bylaw, cited as "Alberni-Clayoquot Regional Hospital District 2019 Annual Budget Bylaw No. 126".** (Prior to voting on third reading staff recommend the following amending motion and then the directors will vote on third reading as amended.)

- a. **THAT the Board of Directors amend 2019 Annual Budget Bylaw No. 126 as follows:**

Line 2 – Tax Requisition – Years 2019 to 2023 reduce to \$1,800,000

Line 11 – Major equipment/project contributions – Year 2019 reduce to \$500,735 and Year 2020 increase to \$285,265.

Line 12 – Reserve fund contribution – Year 2020 reduce to \$272,735, Year 2021 reduce to \$916,000, Year 2022 reduce to \$1,145,000 and Year 2023 reduce to \$1,235,000.

** (Any other amendments must be done at this time. The Directors are to now vote on third reading as amended.) **

2. **THAT the Alberni-Clayoquot Regional Hospital District Board of Directors adopt bylaw, cited as "Alberni-Clayoquot Regional Hospital District 2019 Annual Budget Bylaw No. 126".**

Summary:

The Alberni-Clayoquot Regional Hospital District Board of Directors gave second reading to the 2019 Annual Budget Bylaw No. 126 on March 13, 2019. The debenture debt related to the West Coast General Hospital (WCGH) is beginning to retire and that is providing the Board some flexibility with the level of taxation included in the budget moving forward. Prior to the adoption of the 2019 budget, the Hospital District Board wanted further discussions relating to the ACRD Financial Plan as a significant increase in taxation is proposed. With the flexibility in the Hospital District budget there is an opportunity to offset some of the ACRD budget increase. Both the Regional District and Hospital District budgets were discussed at the Special Public Consultation Session on March 13, 2019. At that meeting the Regional District Board of Directors passed the following motion:

THAT the Alberni-Clayoquot Regional District Board of Directors recommend that the Regional Hospital District Board of Directors reduce the hospital requisition in 2019 to \$1.8 million.

The above recommended amending motion for third reading reflects the direction recommended by the Regional District Board.

Financial:

Based on the above recommendation, the 2019 tax requisition is \$1.8 million which is \$198,982 lower than the prior year. This reduction is a 9.95% decrease from 2018. This reduced amount still provides adequate funding to service the debt of the Hospital District, and meets the 2019 cash flow requirements of the WCGH Emergency Department renovation. In 2020 the Hospital District will need to fund the remaining \$285,265 required for the ACRHD's share of the WCGH Emergency Department renovation and this can be included without increasing the 2020 requisition.

The next large capital project in the Hospital District boundaries is anticipated to be the replacement of the Tofino General Hospital. The Hospital District Board plans to begin funding a reserve to assist in paying for their share of the project when it is realized. This reserve approach will reduce the amount of debt that will be required to fund the ACRHD's 40% share of the project but is not expected to fully fund the provide and avoid borrowing all together. The impact of the new \$1.8 million dollar requisition level affects the rate at which the Tofino General Hospital reserve fund will grow. Instead of the \$4.6 million that was estimated in the originally proposed budget the reserve fund is estimated to be \$3.6 million at the end of 2023. At this point in time the Hospital District has not been provided any cost estimates for the replacement of the Tofino General Hospital as it many years before it will be the top priority of Island Health.

The requisition impacts by area from the prior year are as follows:

Area	2019 Requisition	2018 Requisition	\$\$ Difference
<i>Port Alberni</i>	\$690,502	\$766,805	-\$76,303
<i>Tofino</i>	314,424	349,169	-34,745
<i>Ucluelet</i>	157,160	174,527	-17,367
<i>Yuułu?if?ath</i>	1,460	1,683	-223
<i>Huu-ay-aht</i>	312	359	-47
<i>Uchucklesaht</i>	-	-	-
<i>Toquaht</i>	-	-	-
<i>Bamfield</i>	54,370	60,379	-6,009
<i>Beaufort</i>	31,974	35,508	-3,534
<i>Long Beach</i>	66,693	74,062	-7,369
<i>Sproat Lake</i>	265,452	294,785	-29,333
<i>Beaver Creek</i>	102,931	114,305	-11,374
<i>Cherry Creek</i>	114,722	127,399	-12,677
Totals	\$1,800,000	\$1,998,982	-\$198,982

Policy or Legislation:

The Alberni-Clayoquot Regional Hospital District is required by Section 23 of the Hospital District Act to adopt an annual budget by March 31 of each year.



Submitted by: _____
Teri Fong, CPA, CGA, Manager of Finance



Approved by: for: _____
Douglas Holmes, BBA, CPA, CA, Chief Administrative Officer



Alberni-Clayoquot Regional Hospital District

Bylaw No. 126

A bylaw to adopt the 2019 Annual Budget

The Board of Directors for the Alberni-Clayoquot Regional Hospital District in open meeting assembled enacts as follows:

1. This Bylaw may be cited as the ***“Alberni-Clayoquot Regional Hospital District 2019 Annual Budget Bylaw No. 126”***.
2. Schedule “A” attached hereto and forming part of this Bylaw is the Annual Budget for the Alberni-Clayoquot Regional Hospital District for the year ending December 31, 2019.

Read a first time this 13th day of February, 2019.

Read a second time this 13th day of March, 2019.

Read a third time this day of , 2019.

Adopted this day of , 2019.

Chairperson

Chief Administrative Officer



**ALBERNI-CLAYOQUOT REGIONAL HOSPITAL DISTRICT
2019-2023 ANNUAL BUDGET - AT SECOND READING
SCHEDULE A - BYLAW NO. 126**

Line	History			Budget					Line
	2018 ACTUAL	2018 PLAN		2019	2020	2021	2022	2023	
REVENUE									
1	\$ 11,472	\$ 11,470	Surplus (deficit) from prior years	41,735	-	-	-	-	1
2	1,998,981	1,998,982	Tax requisition	1,999,265	2,000,000	2,000,000	2,000,000	2,000,000	2
3	13,090	8,000	Grants in lieu of taxes	8,000	8,000	8,000	8,000	8,000	3
4	50,770	20,000	Investment income & refunds	20,000	20,000	20,000	20,000	20,000	4
5	\$ 2,074,313	\$ 2,038,452	TOTAL REVENUE	\$ 2,069,000	\$ 2,028,000	\$ 2,028,000	\$ 2,028,000	\$ 2,028,000	5
EXPENDITURES									
6	\$ 18,000	\$ 18,000	Administration costs	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000	6
7	303,348	304,000	Debenture - interest	304,000	246,000	126,000	33,000	5,000	7
8	492,778	493,000	Debenture - principal	493,000	452,000	214,000	78,000	16,000	8
9	-	5,000	Temporary borrowing interest	-	-	-	-	-	9
10	916,452	916,452	Annual equipment grant	550,000	550,000	550,000	550,000	550,000	10
11	302,000	302,000	Major equipment/project contributions	700,000	86,000	-	-	-	11
12	-	-	Reserve fund contribution	-	672,000	1,116,000	1,345,000	1,435,000	12
13	\$ 2,032,578	\$ 2,038,452	TOTAL EXPENDITURES	\$ 2,069,000	\$ 2,028,000	\$ 2,028,000	\$ 2,028,000	\$ 2,028,000	13
TOFINO GENERAL HOSPITAL RESERVE									
14	\$ -	\$ -	Balance, beginning of year	\$ -	\$ -	\$ 674,500	\$ 1,799,700	\$ 3,163,200	14
15	-	-	Contribution from operating fund	-	672,000	1,116,000	1,345,000	1,435,000	15
16	-	-	Grants and other contributions	-	-	-	-	-	16
17	-	-	Interest earnings	-	2,500	9,200	18,500	29,100	17
18			<i>Less - capital expenditures</i>						18
19	-	-	Tofino General Hospital	-	-	-	-	-	19
20	-	-	Total capital expenditures	-	-	-	-	-	20
21	\$ -	\$ -	BALANCE, END OF YEAR	\$ -	\$ 674,500	\$ 1,799,700	\$ 3,163,200	\$ 4,627,300	21



**ALBERNI CLAYOQUOT REGIONAL HOSPITAL DISTRICT
DEBENTURE DEBT BALANCE DECEMBER 31, 2018**

Issue	LA/CB	SI	Balance Dec 31, 2017	Payments & Actuarial Adj	Balance Dec 31, 2018	Maturity Date	2019 Debt Principal	2019 Interest
71	75	1999F	182,564.31	89,262.41	93,301.90	01 Dec 2019	41,233.30	26,161.28
72	75	2000S	654,876.11	208,757.04	446,119.07	01 Jun 2020	101,050.54	64,015.44
73	75/82	2000F	888,836.30	283,337.32	605,498.98	01 Jun 2020	137,151.73	86,885.50
75	83/75/82	2001F	1,284,974.50	298,129.28	986,845.22	01 Jun 2022	136,576.46	79,030.56
77	75/82	2002S	559,792.73	101,308.37	458,484.36	01 Jun 2020	48,731.06	28,198.44
78	75	2002F	152,500.41	27,598.75	124,901.66	01 Jun 2020	13,275.47	9,876.74
79	75	2003S	136,588.15	20,080.82	116,507.33	03 Jun 2023	10,142.18	7,545.62
93	75/82	2005S	40,406.51	4,617.04	35,789.47	04 Jun 2025	4,734.77	1,704.53
			<u>\$ 3,900,539.02</u>	<u>\$ 1,033,091.03</u>	<u>\$ 2,867,447.99</u>		<u>\$ 492,895.51</u>	<u>\$ 303,418.11</u>