

THE KOOTENAY EAST REGIONAL HOSPITAL DISTRICT (KERHD) MEETING OF THE BOARD OF DIRECTORS WILL BE HELD AT THE REGIONAL DISTRICT OFFICE IN CRANBROOK BC AT 11:30 AM ON AUGUST 7, 2020

AMENDED AGENDA

Voting: Unless otherwise indicated on this agenda, all Directors have one vote and a simple majority is required for a motion to pass.

		Who Votes	Count
1.	Call to Order		
2.	Addition of Late Items	All Directors	2/3
3.	Adoption of the Agenda		
4.	Adoption of the Minutes		
	4.1 May 1, 2020 Meeting		
5.	Delegations		
	5.1 Todd Mastel, Interim Corporate Director, Financial Services, Interior Health re: Project Update Summary		
6.	Correspondence		
7.	Unfinished Business		
8.	New Business		
	8.1 Akisqnuq Agreement Amendment		
<i>Revised</i>	8.2 Interior Health – Additional Capital Funding Requests for the 2020/2021 Fiscal Year	All Directors	Weighted
<i>Addendum</i>	8.3 2021 Board Meeting Schedule		
9.	Bylaws		
	9.1 Bylaw No. 121 – Capital Expenditure Bylaw – <i>Three Readings and Adoption</i>	All Directors	Weighted
10.	Late Agenda Items		
11.	Reports from Directors		
12.	Adjournment		

NEXT KERHD BOARD MEETING

TBA Friday, November 6, 2020

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE KOOTENAY EAST REGIONAL HOSPITAL DISTRICT HELD ELECTRONICALLY AT THE REGIONAL DISTRICT OFFICE IN CRANBROOK BC ON MAY 1, 2020

PRESENT

Chair Dean McKerracher District of Elkford

REGIONAL DISTRICT OF EAST KOOTENAY

Director Mike Sosnowski RDEK Electoral Area A
 Director Stan Doehle RDEK Electoral Area B
 Director Rob Gay RDEK Electoral Area C
 Director Jane Walter RDEK Electoral Area E
 Director Susan Clovechok RDEK Electoral Area F
 Director Gerry Wilkie RDEK Electoral Area G

REGIONAL DISTRICT OF CENTRAL KOOTENAY

Director Garry Jackman RDCK Electoral Area A
 Director Tanya Wall RDCK Electoral Area B
 Director Adam Casemore RDCK Electoral Area C

REGIONAL DISTRICT OF COLUMBIA SHUSWAP

Director Karen Cathcart CSRD Electoral Area A

MUNICIPALITIES

Director Lee Pratt City of Cranbrook
 Director Wesly Graham City of Cranbrook
 Director Ange Qualizza City of Fernie
 Director Don McCormick City of Kimberley
 Director Allen Miller District of Invermere
 Director David Wilks District of Sparwood
 Director Karen Unruh Town of Creston
 Director Chris Hambruch Town of Golden
 Director Karl Sterzer Village of Canal Flats
 Director Clara Reinhardt Village of Radium Hot Springs

STAFF

Shawn Tomlin Chief Administrative Officer
 Shannon Moskal Corporate Officer
 Holly Ronnquist Chief Financial Officer
 Connie Thom Executive Assistant (Recording Secretary)

The meeting was called to order at 11:39 am.

ADOPTION OF THE AGENDA

1340
Agenda

MOVED by Director Gay
 SECONDED by Director Doehle

THAT the agenda for the KERHD Board of Directors meeting be adopted.
 CARRIED

ADOPTION OF THE MINUTES

1341
Minutes

MOVED by Director Reinhardt
 SECONDED by Director Doehle

THAT the Minutes of the KERHD Board of Directors meeting held on February 14, 2020 be adopted as circulated.
 CARRIED

DELEGATIONS

Michael Murphy, BDO Canada LLP, presented the 2019 audited financial statement for the Kootenay East Regional Hospital District.

DELEGATIONS (continued)

Todd Mastel, Director Business Support, Interior Health, provided an update on Interior Health's Project Status Report.

NEW BUSINESS

1342
Financial
Statements

MOVED by Director Miller
SECONDED by Director Reinhardt

THAT the Kootenay East Regional Hospital District audited financial statements for the year ended December 31, 2019 be approved.

CARRIED

ADJOURNMENT

The meeting adjourned at 12:21 pm.

CERTIFIED CORRECT

Chair Dean McKerracher

Shannon Moskal, Corporate Officer

DRAFT

KOOTENAY EAST REGIONAL HOSPITAL DISTRICT

File: H 066 001

TO: KERHD Board of Directors
FROM: Holly Ronnquist, CFO
DATE: July 28, 2020
SUBJECT: Akisqnuq Agreement Amendment

REQUEST

To authorize the Chair and CAO to sign an amendment to the agreement with the Akisqnuq First Nation.

OPTIONS

1. THAT the Chair and CAO be authorized to sign an amendment to the agreement with the Akisqnuq First Nation for the provision of RDEK and KERHD services to Non-First Nation Leased Land Interests in the Reserve to include RDEK dog control services.
2. THAT an amendment to the agreement with the Akisqnuq First Nation for the provision of RDEK and KERHD services to Non-First Nation Leased Land Interests in the Reserve to include RDEK dog control services not be supported.

RECOMMENDATION

Option 1

BACKGROUND/ANALYSIS

The Akisqnuq First Nation and the RDEK have authorized the addition of dog control services for Indian Beach Estates, which is lease land on the Reserve.

KERHD is a party to the 2018 – 2022 agreement along with the Akisqnuq First Nation and the RDEK. The addition of dog control services to the agreement does not affect KERHD but signature on the amended agreement is required.

SPECIFIC CONSIDERATIONS

Previous Board Action

The Board approved the Akisqnuq Agreement for Akisqnuq First Nation funding of KERHD capital projects on August 3, 2018.

Financial – Budget

Approval of the amendment agreement with the Akisqnuq will not change the 2020 – 2024 Financial Plan.

Attachment

AGREEMENT AMENDMENT

THIS AGREEMENT AMENDMENT dated for reference the 7th day of MAY, 2020.

BETWEEN:

REGIONAL DISTRICT OF EAST KOOTENAY
19 – 24th Avenue South, Cranbrook BC V1C 3H8

AND:

AKISQNUK FIRST NATION
3050 Highway 93/95
Windermere BC V0B 2L2

AND:

KOOTENAY EAST REGIONAL HOSPITAL DISTRICT
19 – 24th Avenue South, Cranbrook BC V1C 3H8

BACKGROUND:

- A. The parties entered into an Agreement dated June 8, 2018 for the provision of RDEK and KERHD services to the Non First Nation Leased Lands Interest in the Reserve for the term January 1, 2018 to December 31, 2022.
- B. The Regional District of East Kootenay, Akisqnuq First Nation and Kootenay East Regional Hospital District have agreed to amend the Agreement.

AGREEMENT:

The Agreement is hereby amended by adding the following to Section 2.2 (Services Provided):

"(o) **Dog Control;**"

SIGNED, SEALED AND DELIVERED in the presence of:

REGIONAL DISTRICT OF EAST KOOTENAY



Rob C. Gay, Chair



Shawn Tomlin, Chief Administrative Officer

AKISQNUK FIRST NATION



Chief

DocuSigned by:


Councillor

DocuSigned by:


Councillor

KOOTENAY EAST REGIONAL HOSPITAL DISTRICT

Dean McKerracher, Chair

Shawn Tomlin, Chief Administrative Officer

KOOTENAY EAST REGIONAL HOSPITAL DISTRICT

Request for Decision

H 220 001

Date July 30, 2020
Author Holly Ronnquist, CFO
Subject Capital Expenditure Bylaw for Long-Term Care Business Plan and Energy Conservation Projects - Revised

REQUEST

To approve funding of \$1,544,239 for additional capital projects.

OPTIONS

1. THAT the following additional 2020/2021 Interior Health capital funding requests be approved with funds allocated as outlined in Option A of the July 30, 2020 report from the Chief Financial Officer:

Facility	Description	KERHD Share
Cranbrook TBD	Long-term Care Business Plan	\$ 100,000
East Kootenay Regional Hospital	Energy Conservation Measures	800,000
Invermere & District Hospital	Biomass Boiler	644,239
		<hr/>
		\$ 1,544,239

2. THAT the following additional 2020/2021 Interior Health capital funding requests be approved with funds allocated as outlined in Option B of the July 30, 2020 report from the Chief Financial Officer:

Facility	Description	KERHD Share
Cranbrook TBD	Long-term Care Business Plan	\$ 100,000
East Kootenay Regional Hospital	Energy Conservation Measures	800,000
Invermere & District Hospital	Biomass Boiler	644,239
		<hr/>
		\$ 1,544,239

3. THAT the following additional 2020/2021 Interior Health capital funding requests be approved with funds allocated as outlined in Option C of the July 30, 2020 report from the Chief Financial Officer:

Facility	Description	KERHD Share
Cranbrook TBD	Long-term Care Business Plan	\$ 67,713
East Kootenay Regional Hospital	Energy Conservation Measures	541,702
Invermere & District Hospital	Biomass Boiler	436,232
		<hr/>
		\$ 1,045,647

4. THAT the following additional 2020/2021 Interior Health capital funding requests be approved with funds allocated as outlined in Option _____ (option A or B), in the July 30, 2020 report from the Chief Financial Officer.

Facility	Description	KERHD Share
Cranbrook TBD	Long-term Care Business Plan	\$ _____
East Kootenay Regional Hospital	Energy Conservation Measures	_____
Invermere & District Hospital	Biomass Boiler	_____

5. THAT the Interior Health request for additional 2020/2021 capital funding be denied.

RECOMMENDATION

Option 1

BACKGROUND/ANALYSIS

On July 28, 2020 Interior Health submitted a letter requesting three additional capital projects for the 2020/21 fiscal year. Interior Health has requested that a capital expenditures bylaw for the additional items be included on the RDEK August 7, 2020 agenda.

The total cost of the additional projects is \$3,860,598 with a confirmed Provincial share of \$2,316,359 and KERHD’s 40% share of \$1,544,239. The 40% KERHD Share is listed below:

Long Term Care (LTC) Business Plan	\$ 100,000
Energy Conservation Measures – EK Regional Hospital	\$ 800,000
Biomass Boiler – Invermere & District Hospital	<u>\$ 644,239</u>
Total	\$1,544,239

The Board previously approved \$2,062,300 in 2020 to fully fund Interior Health’s 2020/21 capital request in the 2020 – 2024 Financial Plan adopted February 14, 2020. This plan also included \$2,300,000 for Interior Health (IH) capital requests in 2021.

The 2020 budget increased taxation by \$2,381,195 of which \$2,342,195 was to be put into a reserve for future major projects. The 2020 budget also included \$715,805 to be transferred to the capital reserve (this amount was funded out of the regular taxation). KERHD also had a balance of \$329,842 in the capital reserve at December 31, 2019.

Options to Fund Additional Capital Request

Option A

Assuming that IH would experience a delay in spending on the additional capital projects, KERHD could fund the \$1,544,239 by utilizing \$715,805 that was to be transferred to the capital reserve in 2020, \$329,842 currently available in the capital reserve and \$498,592 from the \$2,300,000 million in the Financial Plan for capital projects in 2021. This would reduce the amount of funding available in the Financial Plan for the 2021/22 IH capital request to \$1,801,408.

Option B

Assuming that IH would experience a delay in spending on the additional capital projects, KERHD could fund the \$1,544,239 by utilizing \$715,805 that was to be transferred to the capital reserve in 2020, \$329,842 currently available in the capital reserve and the remaining \$498,592 by reducing the amount of funds transferred to the major projects reserve in 2020.

Option C

Provide a reduced level of funding of \$1,045,647 for the additional capital projects by utilizing \$715,805 that was to be transferred to the capital reserve in 2020 and \$329,842 currently available in the capital reserve.

SPECIFIC CONSIDERATIONS

Financial

Funding for the additional capital request is currently available within the 2020 – 2024 Financial Plan. The decision of the Board on the additional capital funding, will be included in the Provisional 2021 – 2025 Financial Plan in November.

There will be no increase in taxation for property owners within the Health Region to fund Interior Health's 2020 additional capital requests.

Attachments – additional capital funding request letter from Interior Health; 2020 KERHD Financial Statement



Mr. Shawn Tomlin, Chief Administrative Officer
Kootenay East Regional Hospital District
19 24th Avenue South
Cranbrook, BC V1C 3H8

July 28, 2020

Dear Mr. Tomlin:

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

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.

1. Long-term Care (LTC) Business Plan in Cranbrook

The Ministry of Health (MoH) advised IH to proceed with planning for several LTC projects across our health region. One of the locations is Cranbrook. This planning project will complete a business plan for submission to the MoH to build 70 new LTC beds and replace the existing 58 bed facility of FW Green Home, constructing a total of 128 beds. The business plan will confirm the program requirements for the LTC project preparing an indicative design and including a class 'C' cost estimate.

2. Construction Projects over \$100,000

IH received notice this spring of additional MoH Carbon Neutral Capital Program funding availability for this year. We are pleased to have received these additional funds, as they enable us to implement further improvements in our facilities to reduce IH's overall carbon footprint.

a) Energy Conservation Measures at East Kootenay Regional Hospital, Cranbrook

The project will improve energy efficiency and decrease greenhouse emissions to the mechanical systems both of which were identified in an energy study report produced in March 2020. Eight energy conservation measures will be implemented under this project and include LED lighting upgrades, control upgrades, building envelope improvements, and mechanical retrofits.

b) Biomass Boiler at Invermere & District Hospital, Invermere

This project will install a containerized biomass boiler plant to provide heating for hot water and domestic hot water to this site. Biomass is considered carbon neutral fuel and the plant will reduce the site's greenhouse emissions by 90%. Fuel type will alternate between wood pellets and wood chips, dependant on available supply. Having both fuel types protects IH from supply chain interruptions.

A financial summary of our funding requests is provided in Appendix 1. We would appreciate it if you could submit these requests to your Board for approval at your August 7th meeting. Upon 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 Todd Mastel or me directly.

Sincerely,

A handwritten signature in black ink, appearing to read 'Sylvia Weir', with a stylized flourish at the end.

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

/at

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

cc: Dean McKerracher, Chair, KERHD
Holly Ronnquist, Chief Financial Officer, KERHD
Terri Domin, Executive Director, Clinical Operations – East Kootenay
Todd Mastel, Corporate Director, Business Operations
Scott McGeachy, Chief Project Officer
Birgit Koster, Director Business Support, Capital Planning

Interior Health
Kootenay East
Summary of Regional Hospital District Additional Funding Request
for 2020/21

Facility	Location	Equipment/Project Description	Total Budget	RHD Share	2020/21 Additional Funding Request
TBD	Cranbrook	Planning Long-term Care Business Plan	\$ 250,000	\$ 100,000	\$ 100,000
		Construction Projects over \$100,000			
East Kootenay Regional Hospital	Cranbrook	Energy Conservation Measures	2,000,000	800,000	800,000
Invermere & District Hospital	Invermere	Biomass Boiler	1,610,598	644,239	644,239
TOTAL			\$ 3,860,598	\$ 1,544,239	\$ 1,544,239

Kootenay East Regional Hospital District
Five Year Financial Plan
With Revenues and Expenditures
For the Seven Months Ending Friday, July 31, 2020

	2020 <u>BUDGET</u>	2020 <u>ACTUAL</u>	2021 <u>BUDGET</u>	2022 <u>BUDGET</u>	2023 <u>BUDGET</u>	2024 <u>BUDGET</u>	<u>BUDGET</u>
Revenue							
Requisition	\$5,695,622	\$5,695,622	\$8,018,817	\$10,361,012	\$10,427,301	\$10,494,915	
Payments in Lieu of Taxes	8,000	2,811	8,000	8,000	8,000	8,000	
First Nations Contribution	30,000	49,570	30,000	30,000	30,000	30,000	
IH Funding - Health Transit	366,133	92,247	366,133	366,133	366,143	366,143	
Interest	30,000		30,000	30,000	30,000	30,000	
Actuarial Adjustments	29,930		20,000				
Total Revenue	6,159,685	5,840,250	8,472,950	10,795,145	10,861,444	10,929,058	
Expenditures							
Legislative	21,040	6,210	21,800	22,565	22,565	22,565	
Salaries & Benefits	22,719	5,844	30,812	30,409	31,637	32,176	
Administration & Overhead	21,585	(3,080)	21,850	22,100	22,100	22,100	
Health Transit Contracts	362,759	125,667	362,759	362,759	362,759	362,759	
Grants	20,283						
Global Grant	424,240		390,000	390,000	390,000	390,000	
Capital Grant - Current Year Projects	2,062,300	133,057	2,300,000	2,300,000	2,300,000	2,300,000	
Capital Grant - Previously Committed	3,399,458	355,260					
Telephone & Utilities	100		100	100	100	100	
Interest on Long-term Debt	52,846		52,846				
Shared Overhead	3,208	865	4,143	4,212	4,283	4,358	
Total Expenditures	6,390,538	623,823	3,184,310	3,132,145	3,133,444	3,134,058	
Revenue less Expenditures	(230,853)	5,216,427	5,288,640	7,663,000	7,728,000	7,795,000	
Debt Principal Repayment	(111,135)		(766,640)				
Transfers to Reserves	(3,223,000)		(5,173,060)	(7,663,000)	(7,728,000)	(7,795,000)	
Transfers from Reserves	1,781,832		651,060				
Prior Period Surplus	1,783,156	1,384,043					
End of Year Surplus		6,600,470					
Reserve Fund Balance		2,431,674					

KOOTENAY EAST REGIONAL HOSPITAL DISTRICT

Request for Decision

H 400 002

Date August 4, 2020
Author Shannon Moskal, Corporate Officer
Subject 2021 Board Meeting Schedule

REQUEST

To approve the KERHD Board Meeting Schedule for 2021.

OPTIONS

1. THAT the following KERHD Board meeting schedule for 2021 be approved:

February	5
May	7
August	6
November	5

2. THAT the following KERHD Board meeting schedule for 2021 be approved:

Month	Day
_____	_____
_____	_____
_____	_____
_____	_____

RECOMMENDATION

Option 1

BACKGROUND/ANALYSIS

Board meetings are usually held in February, May, August and November following a regular meeting of the RDEK Board, which are normally held on the first Friday of each month. The meetings proposed in Option 1 have been recommended to the RDEK Board and follow this practice.

At this time, it is unknown when the 2021 Electoral Area Directors Forum and LGLA Leadership Forum will be held. In the past, they have usually been held the first week of February.

SPECIFIC CONSIDERATIONS

Bylaw No. 92 – Procedure Bylaw

Section 3.1 – Unless the Board determines otherwise, Regular Meetings of the Board shall be held, as required, immediately following a regular meeting of the RDEK Board. Unless the Board determines otherwise, Regular Meetings of standing Committees shall be held on the day immediately preceding the Regular Meeting of the Board.

Process

The RDEK Board will be setting their 2021 meeting schedule on August 7, 2020. If the meetings dates change from those shown above, the KERHD Board will be advised.

**KOOTENAY EAST REGIONAL HOSPITAL DISTRICT
CAPITAL EXPENDITURE BYLAW NO. 121**

WHEREAS the Board of the Kootenay East Regional Hospital District proposes to expend money for the capital expenditures described in Schedule A attached hereto and forming an integral part of this Bylaw;

AND WHEREAS those capital expenditures will be included in the 2020 budget;

NOW THEREFORE the Board of the Kootenay East Regional Hospital District enacts the following capital expenditure bylaw:

1. The Board hereby authorizes and approves the expenditure of money necessary to complete the capital expenditures as described in Schedule A attached to and forming part of this Bylaw.

2. This Bylaw may be cited for all intents and purposes as the "Kootenay East Regional Hospital District - Capital Expenditure Bylaw No. 121, 2020."

READ A FIRST TIME the day of

READ A SECOND TIME the day of

READ A THIRD TIME the day of

ADOPTED the day of

CHAIR

CORPORATE OFFICER

SCHEDULE A

KOOTENAY EAST REGIONAL HOSPITAL DISTRICT

CAPITAL EXPENDITURE BYLAW NO. 121

Name of Facility	Project or Equipment Description	Year	RHD Share (40%)	Province Share (60%)	Total Project
Cranbrook TBD	Long-term Care Business Plan	2020	100,000	150,000	250,000
East Kootenay Regional Hospital	Energy Conservation Measures	2020	800,000	1,200,000	2,000,000
Invermere & District Hospital	Biomass Boiler	2020	644,239	966,359	1,610,598
TOTAL:			<u>1,544,239</u>	<u>2,316,359</u>	<u>3,860,598</u>

This is Schedule A referred to in Bylaw No. 121 cited as "Kootenay East Regional Hospital District – Capital Expenditure Bylaw No. 121, 2020."

Chair

Corporate Officer

Date