

## OPEN MEETING AGENDA

Tuesday, February 27, 2018

7:00 pm

FVRD Boardroom, 45950 Cheam Avenue, Chilliwack, BC

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Pages

1. CALL TO ORDER

2. APPROVAL OF AGENDA, ADDENDA AND LATE ITEMS

**MOTION FOR CONSIDERATION**

**THAT** the Agenda, Addenda and Late Items for the Fraser Valley Regional Hospital District Board Open Meeting of February 27, 2018 be approved:

**AND THAT** all delegations, correspondence and other information set to the Agenda be received for information.

3. MINUTES / MATTERS ARISING

3.1 Fraser Valley Regional Hospital District Board - January 24, 2018

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*All/Unweighted*

**MOTION FOR CONSIDERATION**

**THAT** the Minutes of the Fraser Valley Regional Hospital District Board Open Meeting of January 24, 2018 be adopted.

4. NEW BUSINESS

4.1 FVRHD 2018 Annual Budget Bylaw No. 0070, 2018

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*Motion No. 1: First Reading - All/Weighted*

*Motion No. 2: Second & Third Reading - All/Weighted*

*Motion No. 3: Adoption - All/Weighted (2/3 Majority)*

- Corporate report dated February 27, 2018 from Mike Veenbaas, Director of Financial Services
- Draft Bylaw No. 0070, 2018

**MOTION FOR CONSIDERATION**

**MOTION NO. 1:** THAT the Fraser Valley Regional Hospital District Board consider giving first reading to the bylaw cited as *Fraser Valley Regional Hospital District 2018 Annual Budget Bylaw No. 0070, 2018*.

**MOTION FOR CONSIDERATION**

**MOTION NO. 2:** THAT the Fraser Valley Regional Hospital District Board consider giving second and third reading to the bylaw cited as *Fraser Valley Regional Hospital District 2018 Annual Budget Bylaw No. 0070, 2018*.

**MOTION FOR CONSIDERATION**

**MOTION NO. 3:** THAT the Fraser Valley Regional Hospital District Board consider adopting the bylaw cited as *Fraser Valley Regional Hospital District 2018 Annual Budget Bylaw No. 0070, 2018*.

**5. ITEMS FOR INFORMATION**

- 5.1 Letter dated January 24, 2018 from Chilliwack Hospital Foundation thanking the FVRHD for its generous donation to purchase medical equipment for the Chilliwack General Hospital.

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**6. REPORTS FROM BOARD DIRECTORS**

**7. ADDENDA ITEMS/LATE ITEMS**

**8. PUBLIC QUESTION PERIOD FOR ITEMS RELEVANT TO AGENDA**

**9. RESOLUTION TO CLOSE MEETING**

*All/Unweighted*

**MOTION FOR CONSIDERATION**

**THAT** the meeting be closed to the public, except for Senior Staff and the Executive Assistant for the purpose of receiving and adopting Closed Meeting Minutes convened in accordance to Section 90 of the *Community Charter*.

R E C E S S

**10. RECONVENE OPEN MEETING**

**11. RISE AND REPORT OUT OF CLOSED MEETING**

**12. ADJOURNMENT**

*All/Unweighted*

**MOTION FOR CONSIDERATION**

**THAT** the Fraser Valley Regional Hospital District Board Open Meeting of February 27, 2018 be adjourned.

**FRASER VALLEY REGIONAL HOSPITAL DISTRICT**  
**BOARD OF DIRECTORS MEETING**  
**OPEN MEETING MINUTES**

Wednesday, January 24, 2018

7:00 pm

FVRD Boardroom, 45950 Cheam Avenue, Chilliwack, BC

Present

- Director Chuck Stam, City of Chilliwack, Acting Chair
- Director Jason Lum, City of Chilliwack
- Director Dennis Adamson, Electoral Area B
- Director Pam Alexis, District of Mission
- Director Kelly Chahal, City of Abbotsford
- Director Bill Dickey, Electoral Area D
- Director Taryn Dixon, Electoral Area H
- Director Orion Engar, Electoral Area E
- Director Leo Facio, Village of Harrison Hot Springs
- Director Sharon Gaetz, City of Chilliwack
- Director Moe Gill, City of Abbotsford
- Director Jim Hinds, District of Mission
- Director David Loewen, City of Abbotsford
- Director Alec Niemi, Electoral Area C
- Director Terry Raymond, Electoral Area A
- Director Patricia Ross, City of Abbotsford
- Director Ross Siemens, City of Abbotsford
- Director Al Stobbart, Electoral Area G
- Director John Van Laerhoven, District of Kent
- Director Wilfried Vicktor, District of Hope
- Director Sam Waddington, City of Chilliwack
- Alternate Director Brenda Falk, City of Abbotsford
- Alternate Director Steve Anderson, Electoral Area F

Regrets

- Director Henry Braun, City of Abbotsford
- Director Ray Boucher, Electoral Area F

Staff Present

Paul Gipps, Chief Administrative Officer  
Mike Veenbaas, Director of Financial Services  
Suzanne Gresham, Director of Corporate Initiatives  
Tareq Islam, Director of Engineering and Community Services  
Margaret Thornton, Director of Planning & Development  
Milly Marshall, Director of EA Special Projects  
Stacey Barker, Deputy Director of Regional Programs  
Graham Daneluz, Deputy Director of Planning & Development  
Jaime Schween, Manager of Corporate Administration  
Cathy Squires, Executive Assistant  
Amanda Molloy, Executive Assistant to CAO and Board (Recording Secretary)

One member of the public in attendance. No media present.

**1. CALL TO ORDER**

The Open Hospital Meeting was called to order at 7:00pm.

**2. APPROVAL OF AGENDA, ADDENDA AND LATE ITEMS**

Moved by FACIO  
Seconded by GAETZ

**THAT** the Agenda, Addenda and Late Items for the Fraser Valley Regional Hospital District Board Open Meeting of January 24, 2018 be approved:

**AND THAT** all delegations, correspondence and other information set to the Agenda be received for information.

**CARRIED  
All/Unweighted**

**3. MINUTES / MATTERS ARISING**

**3.1 Fraser Valley Regional Hospital District Board - December 20, 2017**

Moved by LOEWEN  
Seconded by RAYMOND

**THAT** the Minutes of the Fraser Valley Regional Hospital District Board Open Meeting of December 20, 2017 be adopted.

**CARRIED  
All/Unweighted**

**4. NEW BUSINESS**

None.

**5. REPORTS FROM BOARD DIRECTORS**

None.

**6. ADDENDA ITEMS/LATE ITEMS**

None.

**7. PUBLIC QUESTION PERIOD FOR ITEMS RELEVANT TO AGENDA**

None.

**8. RESOLUTION TO CLOSE MEETING**

Moved by WADDINGTON  
Seconded by ENGAR

**THAT** the meeting be closed to the public, except for Senior Staff and the Executive Assistant for the purpose of receiving and adopting Closed Meeting Minutes convened in accordance to Section 90 of the *Community Charter* and to consider matters pursuant to:

- Section 90(1)(e) of the *Community Charter* - the acquisition, disposition or expropriation of land or improvements, if the Board considers that disclosure could reasonably be expected to harm the interests of the Hospital District.

**CARRIED  
All/Unweighted**

The Open Hospital Meeting recessed at 7:01pm.

## **9. RECONVENE OPEN MEETING**

The Open Hospital Meeting reconvened at 8:27pm

## **10. RISE AND REPORT OUT OF CLOSED MEETING**

None.

## **11. ADJOURNMENT**

Moved by DIXON  
Seconded by VAN LAERHOVEN

**THAT** the Fraser Valley Regional Hospital District Board Open Meeting of January 24, 2018 be adjourned.

**CARRIED  
All/Unweighted**

The Open Hospital Meeting adjourned at 8:27pm

MINUTES CERTIFIED CORRECT

\_\_\_\_\_  
Director Chuck Stam, Acting Chair

\_\_\_\_\_  
Corporate Officer/Deputy

To: Fraser Valley Regional Hospital District Board  
From: Mike Veenbaas, Director of Financial Services  
Subject: **2018-2022 Annual Budget**

Date: February 27, 2018  
File No: HD1700/30

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## RECOMMENDATION

**THAT** the Fraser Valley Regional Hospital District Board consider giving three readings and adoption to Fraser Valley Regional Hospital District 2018 Annual Budget Bylaw No. 0070, 2018.

## BACKGROUND

In December 2017, the Hospital District Board adopted the 2018 Provisional Budget and as per Section 23 of the Hospital District Act, the Board must adopt a 2018 Annual Budget by March 31, 2018.

## DISCUSSION

The 2018 Annual Budget is being presented to the Board for consideration following the adoption of the 2018 Provisional Budget. The 2018 Annual Budget reflects actual financial results realized in 2017 and any new information received since the provisional budget. This includes a slight adjustment to expected non-market change growth from 2.5% down to 2.3% based on the 2018 BC Assessment Completed Roll.

To refresh the Board, the 2018 Annual Budget includes the following changes from the 2017 Annual Budget:

- Annual increases to the funding from tax requisition in keeping with projected non-market change (new construction) assessment growth in the region. The Annual Budget has been prepared using 2.3% which is based on the 2018 BC Assessment Completed Roll.
- Inclusion of revenue and associated operating expenses for the Mary St. parking lot.
- Increase in the Administration Recovery that is allocated back to the Regional District as no direct staffing, building or administrative costs are charged to the Hospital District. The current recovery level has been unchanged since 2013.
- Allocating funds to a new operating reserve called "Early Debt Retirement" to provide options for the Board at the time of debenture refinancing. The funding will come from interest savings on existing debt refinanced and requisition increase from new construction growth.

In addition, the proposed 2018 Annual Budget continues with the following items from the 2017 Annual Budget:

- Continuing to put funds into a Major Capital Projects reserve to be used to fund the Board's financial commitment to Fraser Health Authority (FHA) for regional healthcare projects.



- Continuing to allocate \$1.8 million per annum to fund the Hospital District's share of FHA minor and medium facility/equipment projects.

#### **COST**

The proposed 2018 Annual Budget maintains the base taxation requisition at existing levels while anticipating an additional \$251,300 to be collected from new construction assessment growth.

#### **CONCLUSION**

The Hospital District Act requires the Board to adopt an annual budget by March 31<sup>st</sup> which is then used to set taxation rates. The proposed Annual budget accommodates some changes from the adopted Provisional budget based on updated assessment information.

#### **COMMENT BY:**

**Paul Gipps, Chief Administrative Officer:**

Reviewed and supported

**FRASER VALLEY REGIONAL HOSPITAL DISTRICT**

**BYLAW NO. 0070, 2018**

**A Bylaw to adopt the Hospital District Annual Budget for the Year 2018**

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The Fraser Valley Regional Hospital District Board of Directors enacts as follows:

**1) CITATION**

This bylaw may be cited as *Fraser Valley Regional Hospital District 2018 Annual Budget Bylaw No. 0070, 2018*.

**2) ENACTMENTS**

Schedules A and B attached hereto and an integral part of this bylaw is the Annual Budget for the Fraser Valley Regional Hospital District for the year ending the 31st day of December 2018.

**3) SEVERABILITY**

If a portion of this bylaw is found invalid by a court, it will be severed and the remainder of the bylaw will remain in effect.

**4) READINGS AND ADOPTION**

READ A FIRST TIME THIS \_\_\_\_\_ day of \_\_\_\_\_  
READ A SECOND TIME THIS \_\_\_\_\_ day of \_\_\_\_\_  
READ A THIRD TIME THIS \_\_\_\_\_ day of \_\_\_\_\_  
ADOPTED THIS \_\_\_\_\_ day of \_\_\_\_\_

\_\_\_\_\_  
Chair/Vice-Chair

\_\_\_\_\_  
Corporate Officer/Deputy

**5) CERTIFICATIONS**

I hereby certify this is a true and correct copy of *Fraser Valley Regional Hospital District 2018 Annual Budget Bylaw No. 0070, 2018* as adopted by the Fraser Valley Regional Hospital District Board of Directors on the \_\_\_\_\_  
Dated at Chilliwack, B.C. this \_\_\_\_\_

\_\_\_\_\_  
Corporate Officer/Deputy

**FRASER VALLEY REGIONAL HOSPITAL DISTRICT**  
**2018 ANNUAL BUDGET**

**Schedule A of Bylaw No. 0070, 2018**

	<b>2017 ANNUAL BUDGET</b>	<b>2017 PROJECTED ACTUAL</b>	<b>2018 ANNUAL BUDGET</b>
<b>REVENUE</b>			
Tax Requisition	\$ 10,924,000	\$ 10,905,946	\$ 11,175,300
Grants in Lieu of Taxes	160,000	146,488	160,000
Interest Income	418,100	403,618	476,000
Miscellaneous Revenue	4,000	27,407	39,300
<b>TOTAL REVENUE</b>	<b>\$ 11,506,100</b>	<b>\$ 11,483,459</b>	<b>\$ 11,850,600</b>
<b>EXPENSES</b>			
Administration Recovery	\$ 294,250	\$ 294,000	\$ 350,000
Operating Expenses	-	32,463	14,680
Interest on Long Term Debt			
Abbotsford Hospital/Cancer Centre	1,056,800	413,229	743,100
Chilliwack General Hospital	973,330	731,785	973,330
Contributions to Hospital Foundations	-	643,150	-
Contributions to Fraser Health Authority			
Minor & Medium Equipment	1,800,000	1,800,000	1,800,000
Major Capital Projects	1,200,000	-	300,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 5,324,380</b>	<b>\$ 3,914,627</b>	<b>\$ 4,181,110</b>
<b>NET SURPLUS / (DEFICIT)</b>	<b>\$ 6,181,720</b>	<b>\$ 7,568,832</b>	<b>\$ 7,669,490</b>
<b>FINANCING &amp; RESERVE FUND ACTIVITIES</b>			
Transfer From Reserve Funds			
Capital Reserves	3,300,000	2,098,230	2,100,000
Principal payments on Long Term Debt			
Abbotsford Hospital/Cancer Centre	(1,308,900)	(1,926,645)	(1,308,900)
Chilliwack General Hospital	(755,590)	(997,129)	(755,590)
Capital Acquisitions	(300,000)	(298,230)	-
Transfers To Reserve Funds			
Interest Earnings	-	-	(476,000)
Early Debt Retirement	-	-	(565,000)
Minor & Medium Equipment	(1,800,000)	(1,800,000)	(1,800,000)
Major Capital Projects	(5,317,230)	(5,317,230)	(4,864,000)
	<b>\$ (6,181,720)</b>	<b>\$ (8,241,004)</b>	<b>\$ (7,669,490)</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>\$ -</b>	<b>\$ (672,172)</b>	<b>\$ -</b>

## FRASER VALLEY REGIONAL HOSPITAL DISTRICT

## 2018 ANNUAL BUDGET

## Schedule B of Bylaw No. 0070, 2018

	2017 Financial Plan	2018 Financial Plan	2019 Financial Plan	2020 Financial Plan	2021 Financial Plan	2022 Financial Plan
<b>REVENUES:</b>						
Tax Rate Increase	0.00%	0.00%	0.00%	0.08%	0.08%	0.08%
<b>Annual Revenue</b>						
Tax Requisition	\$ 10,924,000	\$ 10,924,000	\$ 11,175,300	\$ 11,403,300	\$ 11,636,300	\$ 11,873,800
Tax Requisition - Growth	-	251,300	218,500	223,500	228,100	232,700
Grants in Lieu of Taxes	160,000	160,000	160,000	160,000	160,000	160,000
Interest Income	418,100	476,000	463,900	321,100	222,300	311,600
Miscellaneous Revenue	4,000	39,300	51,300	52,300	53,300	54,400
	<u>11,506,100</u>	<u>11,850,600</u>	<u>12,069,000</u>	<u>12,160,200</u>	<u>12,300,000</u>	<u>12,632,500</u>
<b>Financing &amp; Reserve Fund Activities:</b>						
Reserve - Minor/Medium Equipment	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
Reserve - Major Capital Projects	1,500,000	300,000	6,500,000	16,000,000	13,100,000	-
	<u>3,300,000</u>	<u>2,100,000</u>	<u>8,300,000</u>	<u>17,800,000</u>	<u>14,900,000</u>	<u>1,800,000</u>
<b>Total Revenue</b>	<u>\$ 14,806,100</u>	<u>\$ 13,950,600</u>	<u>\$ 20,369,000</u>	<u>\$ 29,960,200</u>	<u>\$ 27,200,000</u>	<u>\$ 14,432,500</u>
<b>EXPENSES:</b>						
<b>Services &amp; Supplies</b>						
Administration Recovery - Regional District	\$ 294,250	\$ 350,000	\$ 360,000	\$ 370,000	\$ 380,000	\$ 390,000
Operating Expenses	-	14,680	16,680	17,180	17,680	18,180
Long Term Debt						
- Interest - AHCC	1,056,800	743,100	743,100	743,100	743,100	743,100
- Interest - CGH	973,330	973,330	973,330	973,330	973,330	973,330
Contribution to FHA Minor/Medium Equipment	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
Contributions to Abbotsford Campus of Care	1,200,000	300,000	4,500,000	8,000,000	5,500,000	-
Contributions to Chilliwack Campus of Care	-	-	2,000,000	8,000,000	7,600,000	-
	<u>5,324,380</u>	<u>4,181,110</u>	<u>10,393,110</u>	<u>19,903,610</u>	<u>17,014,110</u>	<u>3,924,610</u>
<b>Financing &amp; Reserve Fund Activities:</b>						
Long Term Debt						
- Principal - AHCC	1,308,900	1,308,900	1,308,900	1,308,900	1,308,900	1,308,900
- Principal - CGH	755,590	755,590	755,590	755,590	755,590	755,590
Capital Acquisitions	300,000	-	-	-	-	-
Transfer to Reserve - Interest Earnings	-	476,000	463,900	321,100	222,300	311,600
Transfer to Reserve - Early Debt Retirement	-	565,000	783,500	1,007,000	1,235,100	1,467,800
Transfer to Reserve - Minor/Medium Equip.	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
Transfer to Reserve - Capital Projects	5,317,230	4,864,000	4,864,000	4,864,000	4,864,000	4,864,000
	<u>9,481,720</u>	<u>9,769,490</u>	<u>9,975,890</u>	<u>10,056,590</u>	<u>10,185,890</u>	<u>10,507,890</u>
<b>Total Expenditure</b>	<u>\$ 14,806,100</u>	<u>\$ 13,950,600</u>	<u>\$ 20,369,000</u>	<u>\$ 29,960,200</u>	<u>\$ 27,200,000</u>	<u>\$ 14,432,500</u>
<b>NET SURPLUS (DEFICIT)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reserve - Early Debt Retirement	\$ -	\$ 565,000	\$ 1,348,500	\$ 2,355,500	\$ 3,590,600	\$ 5,058,400
Reserve - Minor/Medium Equipment	2,246,994	2,246,994	2,246,994	2,246,994	2,246,994	2,246,994
Reserve - Major Capital Projects	26,370,241	30,934,241	29,298,241	18,162,241	9,926,241	14,790,241
	<u>\$ 28,617,235</u>	<u>\$ 33,746,235</u>	<u>\$ 32,893,735</u>	<u>\$ 22,764,735</u>	<u>\$ 15,763,835</u>	<u>\$ 22,095,635</u>



Board of Directors

**John Jansen**  
*President*

**Allan Andrews**  
*Treasurer*

**Katrina Beppe**  
*Chilliwack Division of Family  
Practice*

**Mel Folkman**  
*Director*

**Jeff Fortin**  
*Fortin's Supply Ltd.*

**Harry Geddes**  
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**Dave Harder**  
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**Jean Hincks**  
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**Casey Langbroek**  
*Langbroek, Louwse & Thiessen  
LLP*

**John Les**  
*Director*

**Ana Macedo**  
*Tourism Chilliwack  
Chilliwack Heritage Park*

**Larry Stinson**  
*Baker Newby LLP*

**Eldon Unger**  
*Brodel Group of Companies*

January 24, 2018

**RECEIVED**

JAN 29 2018

FRASER VALLEY REGIONAL DISTRICT  
DEPARTMENT \_\_\_\_\_

Jason Lum, Chair  
Fraser Valley Regional District  
45950 Cheam Avenue  
Chilliwack, BC V2P 1N6

Dear Jason,

On behalf of the Board of Directors of the Chilliwack Hospital Foundation, I would sincerely like to thank the Fraser Valley Regional District for its generous donation to purchase medical equipment for the Chilliwack General Hospital.

The Chilliwack Hospital Foundation, led by a local volunteer Board of Directors, is an independent charitable organization whose primary goal is improving the health of residents from Chilliwack to Boston Bar by raising funds for new and improved equipment for the Chilliwack General Hospital.

Our website at [www.chilliwackhospitalfoundation.org](http://www.chilliwackhospitalfoundation.org) provides more information about the Foundation and its work, and accepts online donations. If you would like to meet with me or any of our Board Members to learn more, or would like to be actively involved as a volunteer, please feel free to call me 604-316-3629.

Thank you again for your generous gift.

Sincerely,

John Jansen, FCPA, FCGA  
President

Enclosure