



MOUNT WADDINGTON REGIONAL HOSPITAL DISTRICT

AGENDA

January 19, 2016 at the Regional District Office, 2044 McNeill Road.
Port McNeill

- CALL TO ORDER:** The meeting shall be called to order at the conclusion of the regular Board of Director's meeting.
- Adoption of Agenda:** 1. Adopt the Agenda as circulated.
- Minutes:** 2. Minutes of the regular Hospital meeting held December 15, 2015
Page 1
- Reports:** 3. Approve 2011 Mount Waddington Regional Hospital District Audit
Pages 2-13
- Health Network Business:** NONE
- Adjourn:** Motion to adjourn the meeting.



MOUNT WADDINGTON REGIONAL HOSPITAL DISTRICT

MINUTES

MINUTES of the regular Board meeting of the Mount Waddington Regional Hospital District held Tuesday, December 15, 2015 at the Regional District Office, 2044 McNeill Road, Port McNeill.

Present: Chair: D. Rushton
Directors: H. Soltau, P. Wainwright, A. Hory, M. Berry, D. Buchanan-Alternate,
J. Allen, D. Dugas, H. Bood, S. Ackland
Staff: G. Fletcher-Administrator; L. Patterson-Recording Secretary

CALL TO ORDER: The meeting was called to order at 3:22 pm

Adoption of Agenda: 1. Adopt the Agenda

047/15 It was moved and seconded that the agenda be adopted with the following addition

- *Mount Waddington Collaborative Working Group Press Release issued Dec 10, 2015*

CARRIED

Minutes: 2. Minutes of the regular Hospital meeting held November 17, 2015.

048/15 It was moved and seconded that the minutes of the regular Mount Waddington Regional Hospital District meeting held November 17, 2015 be adopted.

CARRIED

Correspondence: 3. Mount Waddington Collaborative Working Group Press Release issued December 10, 2015

- *Joint Standing Committee has awarded \$475,000 to the Collaborative Working Group for several projects including pilots of Adult Day Program, Local Renal and Cancer care; Pain Management program; Pregnancy Outreach, etc.*
- *Will develop a report that will clearly illustrate the costs of delivering health care services in rural-remote areas-travel, accommodation, etc.*

Other Business:

- *Port Hardy received a letter from BC Emergency Health Services regarding the funding they provide for 25 Ambulance spots per year*
 - *Training was recently provided locally and of the 25 participants, 11 left the area immediately after receiving training*
 - *Need to implement policies requiring people receiving training to commit to staying in the area for a specified length of time*
 - *This issue should be forwarded to AVICC for discussion at UBCM*

Adjourn:
049/15 It was moved and seconded to adjourn the meeting at 3:28 pm.

CARRIED

CERTIFIED CORRECT:

SECRETARY

CHAIR



Mount Waddington Regional Hospital District

Annual Financial Report

December 31, 2011

Mount Waddington Regional Hospital District

DIRECTORS

December 31, 2011

Chair	Al Huddleston	District of Port Hardy
Director	Bev Parnham	District of Port Hardy
Director	Doug Aberley	Village of Alert Bay
Director	Gail Neely	Village of Port Alice
Director	Gerry Furney	Town of Port McNeill
Director	Heidi Soltau	Electoral Area A
Director	Phil Wainwright	Electoral Area B
Director	Norm Prince	Electoral Area C
Director	Dave Rushton	Electoral Area D

REGIONAL DISTRICT OFFICERS

Administrator	Greg Fletcher
Treasurer	Joe Mackenzie
Manager of Operations	Patrick Donaghy
Manager of Economic Development	Neil Smith
Manager of Planning	Jeff Long
External Auditors	MNP, LLP

**Mount Waddington
Regional Hospital District
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December 31, 2011**

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Management's Responsibility for Financial Reporting

The accompanying Consolidated Financial Statements have been prepared by management in accordance with Canadian Public Sector accounting standards as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. The integrity and objectivity of these statements are management's responsibility.

These statements include certain amounts based on management's estimates and judgments in order to ensure that the consolidated financial statements are presented in all material aspects in accordance with Canadian Public Sector Accounting Standards. Management is also responsible for the notes to the consolidated financial statements and schedules, and for ensuring that this information is consistent with the information contained in the consolidated financial statements.

Management maintains accounting systems and related internal controls to provide reasonable assurance that assets are safeguarded and that transactions are properly authorized, recorded, and reported; that the provisions of the relevant legislation are being observed, and that best practices in the conduct of the financial affairs of the Mount Waddington Regional Hospital District are being implemented. Such practices include formal written policies and procedures; careful selection of qualified staff; segregation of responsibilities within the organization to the extent possible; and appropriate delegation of authority.

To assist in these objectives the Board is committed to ensuring that the performance of management is maintained at acceptable levels through ongoing professional training and development, mainly under the auspices of the Government Finance Officers Association of BC (GFOABC).

The Board is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control, and to this end conducts monthly reviews of internal financial information and an annual review of externally audited consolidated financial statements.

The Board's external auditors, MNP, LLP conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the consolidated financial statements. Their examination includes appropriate tests and procedures to provide reasonable assurance that the financial position of the Regional Hospital District is presented fairly. The external auditors have full and free access to all levels of management and to the Board and meet when required.

On behalf of the Mount Waddington Regional Hospital District

Joseph Mackenzie B.Com
Treasurer
05 November, 2012

**MOUNT WADDINGTON REGIONAL HOSPITAL DISTRICT
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER, 2011**

	2011	2010
FINANCIAL ASSETS	1,886,485	1,390,630
Due From Regional District (Note 4) 1,886,485		1,390,630
LIABILITIES	2,977,474	2,863,646
Accounts Payable 7,683		24,153
Other Liabilities (Note 7) 314,857		80,768
MFA Capital Debt (Note 5) (Schedule A) 2,654,935		2,758,725
NET DEBT	(1,090,989)	(1,473,016)
ACCUMULATED DEFICIT (Schedule A)	(1,090,989)	(1,473,016)

Joe Mackenzie
Treasurer

Dave Rushton
Chair

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

**MOUNT WADDINGTON REGIONAL HOSPITAL DISTRICT
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED 31 DECEMBER, 2011**

**2011
ACTUAL**

BUDGET	2010 ACTUAL
(Note 8)	

REVENUES:		635,983
Taxation	560,003	
Grants	180	
Interest Earned	41,836	
Actuarial Income	33,964	
Other Revenue	-	
EXPENDITURES:		253,957
Administration	66,840	
Grants to Health Authority	67,326	
Interest paid on Capital Debt	119,791	
SURPLUS (DEFICIT) FOR YEAR		382,026
Accum deficit, beginning of year		(1,473,016)
Accum deficit, end of year		(1,090,990)

560,000	565,328
560,000	492,939
	4,378
	8,380
	34,394
	25,237
488,888	1,607,680
66,840	66,840
178,300	1,382,056
243,748	158,784
71,112	(1,042,352)
(1,473,016)	(430,664)
(1,401,904)	(1,473,016)

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

CONSOLIDATED STATEMENT OF CASH FLOW
Mount Waddington Regional Hospital District
FOR THE YEAR ENDED 31 DECEMBER, 2011

Cash Provided By (Used for)		2011	2010
OPERATING:		69,827	(1,057,792)
Operating Surplus for year	382,026		(1,042,351)
Non-Cash changes to Operations	(33,964)		(34,394)
Actuarial Income	(33,964)		(34,394)
Decrease(Increase) in Financial Assets	(495,855)		74,417
Due from Regional District	(495,855)		74,417
Increase(Decrease) in Liabilities	217,619		(55,464)
Accounts Payable	(16,470)		9,030
Other Liabilities	234,089		(64,494)
FINANCING ACTIVITIES		(69,827)	1,057,792
Capital Debt Issued	-		1,132,000
Debt Repayment	(69,827)		(74,208)
INCREASE (DECREASE) IN CASH & INVESTMENTS		0	-

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

**MOUNT WADDINGTON REGIONAL HOSPITAL DISTRICT
DEBENTURE DEBT POSITION
AS AT 31 DECEMBER 2011**

Schedule A

ISSUE #	ISSUE DATE	BYLAW #	MATURITY DATE	INTEREST RATE	ORIGINAL AUTHORIZED	OUTSTANDING 31DEC010	PRINCIPAL REDUCTION 2011	ACTUARIAL REDUCTION 2011	OUTSTANDING 31-Dec-11
537	08-May-92	2	08-May-12	9.41%	24,000	3,743	813	1,013	1,917
77	09-Apr-02	80	01-Jun-22	*6.06%	2,282,000	1,622,982	69,014	32,951	1,521,018
TOTAL REGIONAL HOSPITAL DEBENTUREL DEBT					2,306,000	1,626,725	69,827	33,964	1,522,935
*3.05% w.e.f 1June 2011									
MFA Interim Finance Program					(Note 3)	1,132,000	-	-	1,132,000
TOTAL REGIONAL HOSPITAL DISTRICT CAPITAL DEBT					(Note 3)	2,758,725	69,827	33,964	2,654,935

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

Mount Waddington Regional Hospital District

Notes to the Consolidated Financial Statements

Year Ended December 31, 2011

1. Purpose and Operations

The Mount Waddington Regional Hospital District (MWRHD) is incorporated under the Hospital District Act. Its principal activity is to contribute funding towards construction projects and capital equipment purchases made by the Vancouver Island Health Authority for healthcare facilities owned by the Vancouver Island Health Authority. These operating activities are funded through property taxes and long term debenture debt. The Mount Waddington Regional Hospital District owns no non financial tangible capital assets and accordingly the financial statements will reflect a negative net worth (accumulated deficit) position wherever outstanding long term debt results in total liabilities exceeding total assets.

The financial position of the Mount Waddington Regional Hospital District reflects an accumulated deficit of \$1,090,990 as at 31 December 2011 (2010 deficit \$1,473,016).

However, management records the concurrence of the Municipal Finance Authority (MFA) that the quantum of tax revenue raised annually under agreements with the MFA as authorized by annual budget bylaws is sufficient to meet the ongoing debt obligations to the MFA and that accordingly there is no risk of default.

2. Significant Accounting Policies

i) Financial Instruments

Financial instruments consist of Due from Regional District, Accounts payable, Other liabilities, and MFA Capital debt. It is management's opinion the MWRHD is not exposed to significant interest, currency or credit risk arising from these financial instruments.

ii) Revenue Recognition

Property tax revenues are recognized in the period in which they are levied. Grants in lieu of property taxes and Other Revenue are recognized when received. Interest revenue is recognized when earned.

iii) Accrued Liabilities

Accrued liabilities arise from accrued interest on outstanding debt and will be funded on a cash basis through future years' taxation.

3. Basis of Presentation

The Mount Waddington Regional Hospital District is required to follow accounting principles generally accepted for British Columbia local governments and to apply such principles consistently. In accordance with this policy, the consolidated financial statements are prepared by management in accordance with Canadian Public Sector Accounting Standards.

4. Due from Regional District of Mount Waddington

The board members of the Regional District of Mount Waddington sit on the board of the Mount Waddington Regional Hospital District. The Regional District and the Regional Hospital District are separate legal entities as defined by separate letters patent and authorized by separate legislation.

During the year, administrative support services provided to the Regional Hospital District by the Regional District of Mount Waddington totaled \$66,840 (2010 \$66,840).

On behalf of the Regional Hospital District, Regional Hospital District revenues and expenses are received into and expended from the Regional District's single bank account held with the C.I.B.C.

Cash & Temporary Investment balances held on behalf of the Regional Hospital District at yearend are included in the consolidated bank balance of the Regional District.

The asset account "Due from Regional District" reflects this balance as \$1,886,485 as at 31 December 2011 (2010 \$1,465,047).

5. Capital Debt (See Schedule A)

Long term debt is obtained through the MFA whose policy is to issue debt denominated in Canadian dollars.

The reported capital debt liability of the Regional Hospital District of \$2,654,935 (2010 \$2,758,725) consists of Regional District own debenture debt of \$1,522,935 (2010 \$1,626,725), reported net of actuarial balances, and \$1,132,000 (2010 \$1,132,000) borrowed under the MFA's Interim Finance program. This short term debt does not require payments of principal, loans are unsecured with a variable interest rate of 1.70% as at 31 December 2011, payable in interest only on a monthly basis with no specified repayment terms.

Interest on this debt recorded in the Consolidated Statement of Operations in 2010 is \$19,233 (2010 \$15,884).

Payments of principal on issued debt of the MWRHD for the next five years are:

2012	69,827
2013	69,014
2014	69,014
2015	69,014
2016	69,014

6. Municipal Finance Authority Reserve Deposits

The Regional Hospital District secures its long term borrowing through the Municipal Finance Authority (MFA). As a condition of these borrowings the MFA requires the Regional Hospital District to establish a fund equal to one half the annual installment of principal and interest of long term debt issued. The cash portion of the fund is equal to one percent of the total principal borrowed with the remainder made up of a non interest bearing promissory

note. The MFA adds interest earned by the cash reserves and deducts expenses. Due to their contingent nature neither the asset nor the liability is recorded in the consolidated financial statements. The balance of the MFA debt reserve fund as at 31 December 2010 is as follows:

	2011	2010
Cash Deposits	34,385	33,252

7. Other Liabilities

Other Liabilities represent unspent flow-through balances of grant funding from the Vancouver Island Health Authority to the Mount Waddington Health Network. The funding is for public participation with its member communities with the long term outcome of improving the determinants of health and planning for the enhancement of health services in the MWRHD. Management of these funds is the direct responsibility of the Health Network.

8. Budget Reconciliation

The budget amounts presented in these financial statements represent the five year financial plan bylaw approved by the MWRHD Board on March 15, 2011.

Note:

- (i) the budget bylaw is net of transfers to reserves whereas under PSAS the financial statements exclude such transfers.
- (ii) the budget bylaw includes debt principal as an expense which under PSAS is not recognized in the financial statements.

As the scope of financial activity reported in the fiscal plan is not the same as that reported in the financial statements the following reconciliation will assist a comparison of actual and reported results:

	2011
Budgeted net revenue per financial statements	71,112
Adjustment for Transfer to Reserves	(1,285)
Adjustment for Debt Principal	(69,287)
<u>Budgeted net revenue per budget bylaw</u>	<u>---nil---</u>

9. Statement of Changes in Net Debt

A Statement of Changes in Net Debt has not been presented as the information is available in other statements.