



Mr. Jim Zaffino, Finance Manager  
Okanagan Similkameen Regional Hospital District  
101 Martin Street  
Penticton, BC V2A 5J9

VIA E-MAIL

July 28, 2022

Dear Jim:

**RE: Penticton Regional Hospital Patient Care Tower Project Financial Update**

We would like to provide you with an adjusted payment schedule for the current year, which is calculated based on the actual costs that have been incurred to date in this project, as well as on the projected timing of the future expenditures.

All major portions of the emergency renovation are now complete and operational. Some minor remaining work associated with the renovation continues with total completion scheduled for March 2023.

The revised payment schedule reflects the timing of the planned expenditures. It commences in April 2022 per the table below and outlines the payments required from Okanagan Similkameen Regional Hospital District for the following 12 months, until March 2023.

**Cash Flow by Month:**

(\$000s)	Pre-2017	2017	2018	2019	2020	2021	2022	2023	Total
January	\$ -	\$ 2,081	\$ 3,916	\$ 1,584	\$ 398	\$ 31	\$ 408	\$ 205	
February	\$ -	\$ 2,081	\$ 3,916	\$ 1,584	\$ 398	\$ 31	\$ 408	\$ 205	
March	\$ -	\$ 2,081	\$ 3,916	\$ 1,584	\$ 398	\$ 31	\$ 408	\$ 205	
April	\$ -	\$ 3,916	\$ 1,580	\$ 398	\$ 31	\$ 408	\$ 205	\$ 1,808	
May	\$ -	\$ 3,916	\$ 1,583	\$ 398	\$ 31	\$ 408	\$ 205	\$ -	
June	\$ -	\$ 3,916	\$ 1,583	\$ 398	\$ 31	\$ 408	\$ 205	\$ -	
July	\$ -	\$ 3,916	\$ 1,583	\$ 398	\$ 31	\$ 408	\$ 205	\$ -	
August	\$ -	\$ 3,916	\$ 1,583	\$ 398	\$ 31	\$ 408	\$ 205	\$ -	
September	\$ -	\$ 3,916	\$ 1,583	\$ 398	\$ 31	\$ 408	\$ 205	\$ -	
October	\$ -	\$ 3,916	\$ 1,583	\$ 398	\$ 31	\$ 408	\$ 205	\$ -	
November	\$ -	\$ 3,916	\$ 1,583	\$ 398	\$ 31	\$ 408	\$ 205	\$ -	
December	\$ -	\$ 3,916	\$ 1,583	\$ 398	\$ 31	\$ 408	\$ 205	\$ -	
Base OSRHD Funding	\$ 26,405	\$ 41,487	\$ 25,992	\$ 8,334	\$ 1,473	\$ 3,765	\$ 3,069	\$ 2,423	\$ 112,948
Project Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,035	\$ 4,035
Total OSRHD portion	\$ 26,405	\$ 41,487	\$ 25,992	\$ 8,334	\$ 1,473	\$ 3,765	\$ 3,069	\$ 6,458	\$ 116,983

The project team is currently forecasting a surplus on the project. To assist with your financial planning the 2022 payment schedule is reflecting the forecasted surplus in April 2023, as well we don't anticipate requiring the Project Reserve. This is a forecasted OSRHD savings of \$5.8M. We propose in spring 2023 a final reconciliation of expenditures and OSRHD contributions be completed and final payment adjustment be made.

Please arrange payments per Electronic Fund Transfer on the first day of every month. As we were delayed in getting the updated payment schedule to you, a catch-up payment from April would be appreciated with your first payment.

If you have any questions in regards to these payments or the progress of this project, please do not hesitate to contact me or Cindy Rephin, as I will be retiring July 29. Cindy's phone number is 250-469-7070 (12617).

Sincerely,



**Laura Dalton CPA, CGA**  
Director Capital Finance

cc: Bill Newell, CAO, OSRHD  
Scott McGeachy, Chief Project Officer  
Dan Goughnour, Corporate Director Business Operations, South  
Cindy Rephin, Corporate Director Capital Finance & Controller