CENTRAL OKANAGAN REGIONAL HOSPITAL DISTRICT

2019-2023 FINANCIAL PLAN

Completed Roll - Draft #1

	2019	2020	2021	2022	2023
REVENUE & FINANCING:	\$	\$	\$	\$	\$
Tax Requisition					
City of Kelowna	12,113,312	12,234,445	12,356,789	12,480,357	12,605,161
District of Peachland	452,587	457,113	461,684	466,301	470,964
District of Lake Country	1,150,795	1,162,303	1,173,926	1,185,665	1,197,521
City of West Kelowna	2,659,363	2,685,957	2,712,816	2,739,945	2,767,344
Electoral Area Central Okanagan West	321,779	324,997	328,247	331,529	334,845
Electoral Area Central Okanagan East	292,164	295,086	298,036	301,017	304,027
Total Tax Requisition	16,990,000	17,159,900	17,331,499	17,504,814	17,679,862
Net Cash from New Financing	0 a	0	0	0	0
MFA Actuarial Addition	1,216,643 c	1,426,374 c	1,644,555 c	1,871,129 c	2,107,011 c
Use of Surplus Cash	6,145,057	, , 0	, , 0	0	0
TOTAL REVENUE	24,351,700	18,586,274	18,976,054	19,375,943	19,786,873
	1,001,700	10/000/17	20/07 0/00 !	25/01/0/510	23/1/00/01/0
EXPENSES & DEBT PAYMENTS:					
Expenses:					
Administration	38,500	39,000	39,500	40,000	40,500
Audit & Contract Services	9,000	9,250	9,500	9,775	10,050
Principal Debt Reduction re: MFA Actuarial Addition	1,216,643 c	1,426,374 c	1,644,555 c	1,871,129 c	2,107,011 c
MFA Debt Repayments Existing	8,553,615	8,553,615	8,553,615	8,553,615	8,553,615
MFA Debt Repayments New Projects	0 a	0 a	0 a	. 0 a	0 a
Temporary Borrowing Interest	50,000	25,000	25,000	25,000	25,000
Total Expenses & Debt Payments	9,867,758	10,053,239	10,272,170	10,499,519	10,736,176
Expenditure Funding Under Section 20(2)	and the second s	***************************************			
IHA Minor Capital Improvements and					
Equipment Funding:	965,300	979,780	994,476	1,014,366	1,034,653
IHA Capital Projects (Pd with Current Budget Funds)	10,420,608 f	3,220,000 f	3,268,300 f	3,317,325	3,367,084
IHA Capital Projects (Pd with New Financing)	, , O a	0	, , 0	, , 0	, , 0
Transfer to Reserves	3,098,034 d	4,333,255 d	4,441,108 d	4,544,734 d	4,648,960 d
Total Capital Projects Section 20(2)	14,483,942	8,533,035	8,703,884	8,876,424	9,050,697
TOTAL EXPENDITURE	24,351,700	18,586,274	18,976,054	19,375,943	19,786,873
Year End Reserve Balance (Unrestricted)	(5,550,387) d	(10,161,161) d	(15,110,327) d	(19,957,268) d	(25,005,373) d
Impact on residential home average assessment \$739,0	000 in 2019:				
% Increase per house	0.00%	0.00%	0.00%	0.00%	0.00%
Annual Tax	183.02	183.02	183.02	183.02	183.02
Residential Tax Rate (cents)	0.2477	0.2477	0.2477	0.2477	0.2477
	b	b	b	b	b,d

a. No additional debt required.

b. Assumes assessment growth of 1.0%

and Debt Payments. As a result, there is no prior year surplus or deficit shown for budget purposes.

c. MFA Actuarial Amounts: Actuarial Interest Revenue is offset by an equal reduction to debt.

d. IHA has indicated that they have ongoing equipment and infrastructure replacement needs. Any additional funds are placed in reserves to assist in avoiding additional debt in the future, or to pay down debt on refinancing. First financing renewal/paydown opportunities begin in 2020.

e. In 2018, the average equivalent house valued at \$693,000 would have paid \$183.02 at a tax rate of \$0.2641/\$1000 of assessment.

f IHSC Project: In 2017 IHA advised that construction uncertainties have been removed and contingencies have been reduced. Projected reduction was \$9.187 million. This amount was removed from the budget estimates for future project costs and debt financing. The approved project bylaw has not been reduced. Should there be future adjustments due to unforeseen circumstances, the budget would be amended at that time.

The Public Sector Accounting Standards require reporting of Accumulated Deficit/Surplus, which will be available in the Year End CORHD Financial Statements.

One of the primary purposes of the budget is to calculate required requistions and ensure adequate cash flow. For example, CORHD must have enough cash to pay both principal and interst on debt, but PSAS only allows for the expensing of interest.

A comparison of budget to actual for 2018 is provided to reflect differences in funding and expenditures. Revenues and Financing balance to Expenses

CENTRAL OKANAGAN REGIONAL HOSPITAL DISTRICT

Approved and Planned Capital Expenditures for 2019-2023

Outstanding Projects

			Projects					
		40 % RHD Share	Funding in Prior Years	2019 Funding	2020 Funding	2021 Funding	2022 Funding	2023 Funding
Approve	ed Capital Projects		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	1 unung	1 anding	runung	runung	randing
Byla	W							
a 113	Heart and Surgical Centre (2010 - 2019) Bylaw is \$91.347m,							
	plus 100% funding of IHSC 4th Floor Perinatal	84,690,000	73,210,000	2,293,000	0	0	0	0
150	KGH - Automated Auto-Immune Analyzer	128,000	64,501	63,499				
b 172	KGH - Laboratory Equipment \$1.5m - Cancelled	-		-				
175	Cottonwoods - Building Mngt System Replacement	240,000	163,256	76,744				
184	KGH - Image Processing System, Cellavision	61,600	E4.006	61,600				
185	KGH - Medstations, IH-Wide Infrastructure	55,600	54,906	694				
188 190	CHSC Kelowna - Digital Wayfinding & Room Signage KGH - MRI/DI Sprinkler Piping Replacement	90,000	81,329	8,671				
195	Regional - IMIT Corporate Projects over \$100,000	72,000 430,500	68,580 284,771	3,420 145,729				
196	KGH - IMIT - Vocera	80,000	74,083	5,917				
197	Regional - IMIT Corporate Projects under \$100,000	217,900	187,924	29,976				
198	KGH - Wireless Infrastructure Refresh	12,000	6,835	5,165				
199	KGH - Telehealth Infrastructure Refresh	11,000	6,576	4,424				
200	KGH - Medstations, IH-Wide Pyxis Replacement, Ph.2	1,688,400	1,565,143	123,257				
201	KGH - Multi Purpose System	717,600	674,044	43,556				
202	KGH - General Radiographic system - Digital	387,600	314,594	73,006				
204	Three Links Manor - Generator Replacement	224,400	58,001	166,399				
205	Cottonwoods - Dining Room Renovations	182,000	107,002	74,998				
207	David Lloyd Jones Home - Air Conditioning, Bernard Wing	36,000	20.044	36,000				
208 209	Cottonwoods - Patio Replacement for Douglas Fir Unit May Bennett WC - Wireless Infrastructure Expansion	34,800	20,841	13,959				
211	KGH - Surface Parking	22,000 540,000		22,000 540,000				
212	Kelowna Community Health Services Centre - Central	340,000		340,000				
	Okanagan Wellness Centre	360,000	321,340	38,660				
213	West Kelowna Health Centre - Leasehold Improvements	300,000	522,515	300,000				
214	KGH - 3 West Medical Inpatient Nursing Unit Renovation	100,000		100,000				
215	KGH - Increase Pathologist Office Space	39,600	31,242	8,358				
216	KGH - Access Control System Upgrade	24,000		24,000				
217	Regional IMIT - Various	2,039,600	682,628	1,356,972				
218	Cottonwoods - Vocera Expansion and Integration	72,000	49,579	22,421				
220	KGH - Vocera Expansion and Integration	20,000		20,000				
221 222	Rutland Health Centre - Wireless Infrastructure Expansion KGH - Ultrasound, Cardiac	10,000	06 227	10,000				
223	KGH - Ultrasound	92,800 69,200	86,237	6,563 69,200				
223	North Oldasouth	05,200		09,200				
	Annual Capital Costs for Current Year Projects	93,048,600	78,113,412	5,748,188	0	0	0	0
New	Projects Planned for 2019							
	•	1 012 000		1 012 000				
	KGH - Surgical Optimization Clinic - Various KGH - Boiler Room Upgrade	1,812,000 252,000		1,812,000 252,000				
	KGH - Access Control System Upgrade	31,620		31,620				
	Regional - IH-Wide IMIT	991,600		991,600				
	Various - Wireless Infrastructure Refresh	38,000		38,000				
	KGH - SPECT CT	729,200		729,200				
	KGH - Monitoring System Physiological	312,000		312,000				
	KGH - Chemistry Analyzer (x2)	180,000		180,000				
	KGH - Hematology Analyzer (x2)	148,000		148,000				
	KGH - Laaboratory Middleware	127,000		127,000				
	KGH - MRI Compatible Monitoring System	51,000		51,000				
	Minor Equipment Grant Estimate Future Years			965,300	979,780	994,476	1,014,366	1,034,653
L	Future Projects estimated by RDCO staff	4 (72 420	-	E 607 761	3,220,000	3,268,300	3,317,325	3,367,084
b	Annual Capital Costs for Planned Projects	4,672,420	0	5,637,720	4,199,780	4,262,776	4,331,690	4,401,737
<i>TO</i> :	TAL ANNUAL CAPITAL COSTS	97,721,020	78,113,412	11,385,908	4,199,780	4,262,776	4,331,690	4,401,737

Includes IHA's Project Reserve. Bylaw is for \$91.347m and IHA revised project total to \$84.69 million. Currently with reduced contingencies, total estimated funding requirement is \$75.503 million vs \$76.265 million in 2016 (Revised variance from \$8.425 million to \$9.187 million in 2017). Budget reflects \$75.503m.

For 2019, IHA has cancelled previously approved project request for \$1.5m for Laboratory Automation System, Bylaw 172. Other projects added. Net new project

ask in 2019 is \$4.14m.