

**CENTRAL OKANAGAN REGIONAL HOSPITAL DISTRICT**  
**Reconciling 2020 Budget vs Actual**  
**Cash and Debt Changes**

|   | <u>2020</u><br><u>Budget</u> | <u>2020</u><br><u>Revised Roll</u>                         | <u>2019</u><br><u>Final Roll Adj.</u> | <u>2020</u><br><u>Actual</u> | <u>Budget</u><br><u>Variance</u> |
|---|------------------------------|--|---------------------------------------|------------------------------|----------------------------------|
| <b>REVENUE &amp; FINANCING FOR BUDGET</b>   | \$                           |  |                                       | \$                           |                                  |
| <b>Tax Requisition</b>  |                              |  |                                       |                              |                                  |
| City of Kelowna   | 13,118,976                   | 13,118,976   | (2,197)                               | 13,116,779 a                 | (2,197)                          |
| District of Peachland   | 474,515                      | 474,515  | (370)                                 | 474,145 a                    | (370)                            |
| District of Lake Country  | 1,246,397                    | 1,246,397  | (1,157)                               | 1,245,240 a                  | (1,157)                          |
| City of West Kelowna  | 2,814,496                    | 2,814,496  | 3,258                                 | 2,817,754 a                  | 3,258                            |
| EA CO West  | 340,966                      | 340,966  | 173                                   | 341,139 a                    | 173                              |
| EA CO East  | 313,650                      | 313,650  | 291                                   | 313,941 a                    | 291                              |
| <b>Total Tax Requisition</b>  | <b>18,309,000</b>            |  |                                       | <b>18,308,998</b>            | (2)                              |
| <b>Other</b>  |                              |  |                                       |                              |                                  |
| Grants in Lieu of Taxes   | 0                            |  |                                       | 59                           | 59                               |
| MFA Actuarial Addition  | 1,426,374                    |  |                                       | 1,426,374                    | 0                                |
| Interest  | 0                            |  |                                       | 212,103 b                    | 212,103                          |
| <b>Subtotal</b>   | <b>19,735,374</b>            | <b>18,309,000</b>  | <b>(2)</b>                            | <b>19,947,534</b>            | 212,160                          |
| Net Cash from New Financing   | 0                            |  |                                       | 0                            | 0                                |
| Proceeds of Sale  | 0                            |  |                                       | 0                            | 0                                |
| Change in MFA Cash Reserves   | 0                            |  |                                       | 28,745                       | 28,745                           |
| Cash Used from Bank Account (Prior Surplus Requisitions) to fund Projects             | 7,000,000                    |  |                                       | 0 c                          | (7,000,000)                      |
| <b>TOTAL REVENUE</b>  | <b>26,735,374</b>            |  |                                       | <b>19,976,279</b>            | (6,759,095)                      |
| <b>EXPENSES &amp; DEBT PAYMENTS</b>   |                              |  |                                       |                              |                                  |
| <b>Expenses:</b>  |                              |  |                                       |                              |                                  |
| Administration  | 39,500                       |  |                                       | 39,500                       | 0                                |
| Audit & Contract Services   | 9,250                        |  |                                       | 8,950                        | 300                              |
| MFA Debt Repayments Existing  | 8,553,615                    |  |                                       | 7,850,060 d,e                | 703,555                          |
| MFA Actuarial Debt Reduction  | 1,426,374                    |  |                                       | 1,426,374                    | 0                                |
| MFA Debt Repayments New Projects  | 0                            |  |                                       | 0                            | 0                                |
| Temporary Borrowing Interest  | 25,000                       |  |                                       | 0                            | 25,000                           |
| <b>Total Expenses &amp; Debt Payments</b>   | <b>10,053,739</b>            |  |                                       | <b>9,324,884</b>             | 728,855                          |
| <b>Expenditures Under Section 20(2)</b>   |                              |  |                                       |                              |                                  |
| Minor Capital Improvements and Equipment Purchases (Pd with Cash from Current Budget) | 1,030,300                    |  |                                       | 1,030,000 c                  | 300                              |
| Capital Projects (Pd with Cash from Current Budget)                                   | 9,065,364                    |  |                                       | 1,909,279 c                  | 7,156,085                        |
| Capital Projects (Pd with New Financing)  | 0                            |  |                                       | 0                            | 0                                |
| Transfer to Reserves  | 6,585,971                    |  |                                       | 6,585,971                    | 0                                |
| <b>Total Capital Projects Section 20(2)</b>   | <b>16,681,635</b>            |  |                                       | <b>9,525,250</b>             | 7,156,385                        |
| <b>TOTAL EXPENDITURE</b>  | <b>26,735,374</b>            |  |                                       | <b>18,850,134</b>            | 7,885,240                        |
| Additional Surplus Cash   | 0                            |  |                                       | 1,126,145                    | (1,126,145)                      |
| Transfer to Reserved Funds (Unrestricted)   | 0                            |  |                                       | 6,585,971                    | (6,585,971)                      |
| Add'l Funds Moved to Bank Account (see below) Difference                              | 0                            |  |                                       | (7,712,116) c                | 0                                |
| <b>Financing Account Balances:</b>  |                              |  |                                       |                              |                                  |
|   | <u>Jan 1, 2020</u>           | <u>Cash Used to fund Accrued or Outstanding 2019 Items</u> | <u>Increase</u>                       | <u>Dec 31, 2020</u>          |                                  |
| <b>Cash Balance</b>   | 15,809,207                   | (147,092)  | (7,712,116)                           | 23,668,415 c                 | 7,859,208                        |
| Note: Dec. 31, balance includes Unrestricted Reserved Funds Dec. 31                   |                              |  |                                       | 11,638,751                   |                                  |
| Cash available for general use  |                              |  |                                       | 12,029,664                   |                                  |
|   | <u>Jan 1, 2020</u>           | <u>MFA Actuarial Adj.</u>                                  | <u>Principal Payments</u>             | <u>Dec 31, 2020</u>          |                                  |
| <b>Debt Outstanding (o/s) Balance</b>   | 84,669,463                   | (1,426,374)  | (4,054,561)                           | 79,188,528 d                 | (5,480,935)                      |

**Notes:**  
**Summary:** Because IHA did not yet require funding for \$7.3 million of budgeted projects, the budgeted use of \$7m of on hand cash was not required. With additional surplus cash of \$1.24m and the \$6.5m reserve transfer, and additional \$7.9m of cash was added to the bank balance. The bank balance currently includes Total Reserves of \$11,638,751.

- a Includes adjustment for 2019 Final Roll Adjustments. The final roll is issued almost a year after the budget, and adjustments must be made under legislation in the following year if there is a tax shift of more than \$1000 for any jurisdiction.
- b Interest earned on deposits, reserves, and tax requisitions received in August.
- c Since many projects have not been completed or invoiced by IHA, they will be carried forward to 2021. As a result, cash was not required in 2020. Surplus cash is in the bank. Surplus, non-reserved cash available in the bank account will be re-budgeted for use in 2021.
- d Principal payments of \$4,054,561 are included and reduced the outstanding debt balance in 2020.
- e MFA Issue 110 was refinanced at a lower interest rate part way through 2020 (1.28% vs 4.5%) and reduced interest debt payments by over \$703k for the year. 2021-2020 the total reduction to the annual debt payment will be \$1.268m.