



Regional Hospital District Board Report

TO: Regional Hospital District Board

FROM: Marilyn Rilkoff
Director of Financial Services

DATE: March 15, 2021

SUBJECT: 2021 – 2025 CORHD Financial Plan Bylaw Approval

Voting Entitlement: *(All Directors - Weighted Vote - LGA 210.1) [Section 228 2/3 Vote for Adoption]*

Purpose: To provide three readings and adopt the Central Okanagan Regional Hospital District 2021 – 2025 Financial Plan Bylaw No. 1 – 2021.

Executive Summary:

The draft budgets and 5-Year Financial Plans were presented and discussed at the February 25th Board meeting. The financial plan bylaw is now being brought forward for final Board consideration and approval.

Once the Revised Roll is available from BC Assessment at the end of March, the requisition shares of the partners will be recalculated and the numbers in the budget bylaw will be adjusted slightly in accordance with the Roll and submitted to all parties by April 10th. The totals will not change, just the requisition allocations.

A separate report is on the agenda to approve the capital expenditure bylaws for the hospital facility projects listed in the Financial Plan. Three of the projects are for facilities that do not yet have Designated Facility Status by the Minister under the *Hospital Act*. IHA does not anticipate that this will be a problem. The bylaws for these projects will follow once the status has been obtained. No expenditures for these projects may be made until these bylaws are approved.

RECOMMENDATION #1:

THAT the Regional Hospital Board approves funding subject to the following projects and/or facilities qualifying for and obtaining status as designated facilities pursuant to the *Hospital District Act*.

- Kelowna/Rutland Primary Care Network
- Outreach Urban Health
- Regional Warehouse – Inventory Carousel Upgrade

RECOMMENDATION #2:

THAT Central Okanagan Regional Hospital District 2021 – 2025 Financial Plan Bylaw No. 1-2021 be given first, second and third readings and adopted.

Respectfully Submitted:



Marilyn Rilkoff
Director of Financial Services

Approved for Board's Consideration



Brian Reardon, CAO

Implications of Recommendation:

Financial: 4% increase per average household. The average homeowner will pay \$196.49 for Hospital Taxes (vs. \$188.93 in 2020). This is an increase of \$7.56. Results in future reduced taxpayer costs due to less debt financing.

Legal/Statutory Authority: *Hospital District Act* – Part 1 – Definitions 1 and Part 3 – Functioning of Board Division 1, Purposes Section 20 (1)

Financial Considerations:

As directed by the Board at the February 25th CORHD Meeting, the 2021 – 2025 CORHD Financial Plan Bylaw includes annual increases of 4% due to a long-term financial planning strategy to set aside reserves.

The average homeowner will pay \$196.49 for Hospital Taxes (vs. \$188.93 in 2020). This is an increase of \$7.56. Results in future reduced taxpayer costs due to less debt financing.

Three projects do not yet have designated facility status by the Minister under the *Hospital Act*.

- Kelowna/Rutland Primary Care Network
- Outreach Urban Health
- Regional Warehouse – Inventory Carousel Upgrade

This is a requirement for Regional Hospital District funding under the *Hospital District Act*. The Interior Health Authority does not anticipate that it will be a problem to receive the designation. The designations will be applied for. Funding will not be provided by CORHD until such time as the designations are confirmed in writing, and then the capital bylaws will be brought forward to the Board for approval.

External Implications:

Improved health care infrastructure.

Alternative Recommendation:

None.

Attachment(s):

- Bylaw No. 1-2021 Central Okanagan Regional Hospital District 2021-2025 Financial Plan Budget