

CENTRAL OKANAGAN REGIONAL HOSPITAL DISTRICT

2016-2020 FINANCIAL PLAN

Revised Roll

	2016	2017	2018	2019	2020
REVENUE	\$	\$	\$	\$	\$
Tax Requisition					
City of Kelowna	11,451,937	11,566,123	11,681,728	11,798,041	11,915,774
District of Peachland	451,217	455,716	460,271	464,854	469,492
District of Lake Country	1,060,654	1,071,230	1,081,937	1,092,710	1,103,614
City of West Kelowna	2,578,948	2,604,663	2,630,696	2,656,890	2,683,403
Electoral Areas	604,244	610,269	616,368	622,505	628,717
Total Tax Requisition	16,147,000	16,308,000	16,471,000	16,635,000	16,801,000
Net Cash from New Financing	3,847,132	362,323	0	0	0
Cash Surplus from previous year	2,070,216	0	0	0	0
TOTAL REVENUE	22,064,348	16,670,323	16,471,000	16,635,000	16,801,000
EXPENDITURES					
Expenses:					
Administration	37,000	38,000	39,000	40,000	50,000
Audit & Contract Services	10,000	10,000	10,000	10,000	10,000
MFA Debt Repayments Existing	8,553,615	8,553,615	8,553,615	8,553,615	8,553,615
MFA Debt Repayments New Projects	97,742 a,e	335,984 a,e	357,554 a	357,554 a	357,554 a
Temporary Borrowing Interest	50,000	107,500	150,000	150,000	150,000
Total Expenses & Debt Payments	8,748,357	9,045,099	9,110,169	9,111,169	9,121,169
Expenditures Under Section 20(2)					
Minor Capital Improvements and Equipment Purchases:	928,300	942,225	956,358	975,485	994,995
Capital Projects (Pd with Cash from Current Budget)	8,540,559	6,320,677	2,000,000	2,000,000	2,000,000
Capital Projects (Pd with New Financing)	3,847,132	362,323	0	0	0
Transfer to Reserves	0	0	4,404,473	4,548,345	4,684,836
Total Capital Projects Section 20(2)	13,315,991	7,625,225	7,360,831	7,523,830	7,679,831
TOTAL EXPENDITURE	22,064,348	16,670,323	16,471,000	16,635,000	16,801,000
Year End Reserve Balance		0	(4,404,473)	(9,040,907) c	(13,906,562) c

Impact on residential home average assessment \$533,000 in 2016:

% Increase per house	0.48%	0.00%	0.00%	0.00%	0.00%
Annual Tax	178.30	178.30	178.30	178.29	178.29
Residential Tax Rate (cents)	0.3345	0.3345	0.3345	0.3345	0.3345
	b	b	b	b	b,c

- a. Assumes 20 year financing @ 5%. Depending on interest rate, financing could be done over a shorter period of 15 or 10 years.
- b. Assumes assessment growth of 1.0%
- c. IHA have 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.
- d. In 2015, the average equivalent house valued at \$499,000 would have paid \$177.44
- e. IHSC Project: IHA has advised that construction uncertainties have been removed and contingencies have been reduced. Projected reduction is \$8.425 million. This amount has been removed from the budget estimates for future project costs in 2016 & 2017 and debt financing. The approved project bylaw has not been reduced, and should there be future adjustments due to unforeseen circumstances, the budget would be amended at that time.

CENTRAL OKANAGAN REGIONAL HOSPITAL DISTRICT

Approved and Planned Capital Expenditures for 2016-2020

	<i>40 % RHD Share</i>	<i>Outstanding Projects Prior year Funding</i>	2016 Funding	2017 Funding	2018 Funding	2019 Funding	2020 Funding
Approved Capital Projects							
Bylaw							
a 79 Westside Health Centre	2,000,000		2,000,000				
b 113 Heart and Surgical Centre (2010 - 2017) Bylaw is \$91.347m, plus 100% funding of IHSC 4th Floor Perinatal	84,690,000	67,716,000	3,930,000	4,619,000	0	0	0
134 KGH - Automated Specimen Planting System	165,800		165,800				
143 Three Links Manor - Tub Room Renovations	44,000	33,717	10,283				
147 Cottonwoods - Countertops & Cupboards Replacement	44,000	34,702	9,298				
150 KGH - Automated Auto-Immune Analyzer	128,000		128,000				
154 KGH - Unit Dose Packaging Machine	100,000	80,240	19,760				
158 KGH - Royal Avenue Parking Lot	400,000	389,185	10,815				
160 Cottonwoods - Domestic Water Supply	38,000	37,252	748				
163 David Lloyd Jones - Storm Water Management	72,000	54,338	17,662				
164 Cottonwoods - Generator Replacement	32,000		32,000				
165 David Lloyd Jones - Bernard Wing Sewer Replacement	28,000	27475	525				
166 Kelowna Community Health - Technology Infrastructure	500,000		436,000	64,000			
167 Three Links Manor - Vocera & Wireless Infrastructure	48,000		48,000				
168 KGH - Vocera	38,000		38,000				
169 KGH - Gamma Camera	547,200		547,200				
171 KGH - Endobronchial Guided Ultrasound System	98,400		98,400				
172 KGH - Laboratory Equipment	1,500,000		1,500,000				
174 KGH - Integration Management System	64,000		64,000				
Annual Capital Costs for 2016 Projects	90,537,400	68,372,909	9,056,491	4,683,000	0	0	0
Projects Planned for 2016							
Community Health Services Centre Leasehold Improvements	2,003,200		2,003,200				
Cottonwoods - Building Mngt System Replacement	240,000		240,000				
KGH - Centralize Rehab Clerical Staff & Patient Waiting Area	38,000		38,000				
KGH - Forms on Demand & Patient ID System	207,200		207,200				
CHSC Kelowna - Digital Wayfinding & Room Signage	90,000		90,000				
KGH - Vocera	60,000		60,000				
KGH - Radiologist Diagnostic Monitor Replacement	60,000		60,000				
KGH - Microscope	183,200		183,200				
KGH - Tissue Processor (x2)	138,400		138,400				
KGH - C-Arm	106,000		106,000				
KGH - Microscope	88,000		88,000				
KGH - Image Processing System, Cellavision	61,600		61,600				
KGH - Medstations, IH-Wide Infrastructure	55,600		55,600				
Minor Equipment Grant	4,797,362		928,300	942,225	956,358	975,485	994,995
Future Projects estimated by RDCO staff				2,000,000	2,000,000	2,000,000	2,000,000
Annual Capital Costs for Planned Projects	8,128,562	0	4,259,500	2,942,225	2,956,358	2,975,485	2,994,995
TOTAL ANNUAL CAPITAL COSTS	98,665,962	68,372,909	13,315,991	7,625,225	2,956,358	2,975,485	2,994,995

a. Maximum estimate only. Bylaw 79 will be rescinded and a new bylaw issued upon receiving additional information from IHA and the Ministry of Health.

b. Includes 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 \$76.265 million (additional \$8.425 million variance). Budget has been reduced accordingly.