



REPORT

To: Peace River Regional Hospital District Board

Report Number: FN-RHD-009

From: Teri Vetter, Chief Financial Officer

Date: March 11, 2021

Subject: Peace River Regional Hospital District Annual Budget Bylaw No. 202, 2021

RECOMMENDATION #1: [Corporate Weighted]

That the Peace River Regional Hospital District Board give Peace River Regional Hospital District Annual Budget Bylaw No. 202, 2021 first, second and third reading.

RECOMMENDATION #2: [Corporate Weighted]

That the Peace River Regional Hospital District Board adopt Peace River Regional Hospital District Annual Budget Bylaw No. 202, 2021.

BACKGROUND/RATIONALE:

Section 23 of the Hospital District Act states 'on or before March 31st in each year, the Board must adopt, by bylaw, the annual budget of the board'.

ALTERNATIVE OPTIONS:

1. That the Peace River Regional Hospital District Board provide further direction in regards to amendments to the PRRHD Annual budget, and that the amended bylaw be brought forward for consideration of three readings and adoption at the March 25th, 2021 Regional Hospital District Board meeting.

STRATEGIC PLAN RELEVANCE:

☒ Not Applicable to Strategic Plan.

FINANCIAL CONSIDERATION(S):

The 2021 tax rate is budgeted to increase 14.1% from 2020 resulting in an increase of \$7.70 per \$100,000 of residential assessment from \$48.26 to \$55.99 for 2021. This increase is mainly attributed to a 1.66% decrease in assessed value and a reduction in use of Unappropriated and Appropriated surplus (\$5,496,921 was used to offset requisition in 2020). This \$2,238,163 increase in requisition will allow the PRRHD to maintain its transfer of \$13,000,000 to the Future Hospital Reserve and ultimately will lead to borrowing less in future years.

Due to the surplus being used in 2020, \$2,500,512 is being utilized from Unappropriated and Appropriated surplus in 2021. \$10,924,000 is brought in from Future Hospital Reserve to cover Northern Health's expected expenditures for the build of the new hospital in Dawson Creek.

The balance of the Future Hospital Reserve as at December 31, 2020 was \$89,090,520. If all monies are required from Northern Health as budgeted (\$10.9M) and \$13M is transferred to the reserve, the balance will be \$91,166,520.

COMMUNICATIONS CONSIDERATION(S):

The Annual Budget Bylaw will be sent to the Province and posted to the PRRD's website.

OTHER CONSIDERATION(S):

History of Tax rates:

	Requisition	Assessed Value	Tax Rate
2017	\$17,375,703	\$2,939,047,648	\$0.5910
2018	\$17,658,703	\$2,987,939,992	\$0.5910
2019	\$18,261,469	\$3,102,794,033	\$0.5885
2020	\$15,870,707	\$3,288,759,282	\$0.4826
2021	\$18,108,870	\$3,234,086,173	\$0.5599

Attachments:

1. Peace River Regional Hospital District Annual Budget Bylaw No. 202, 2021