

FRASER VALLEY REGIONAL HOSPITAL DISTRICT BOARD

OPEN MEETING AGENDA

Thursday, February 27, 2025, 6:00 pm

In person at FVRD Boardroom, 4th Floor, or by Zoom Conference Call

45950 Cheam Avenue, Chilliwack, BC V2P 1N6

Pages

1. LAND ACKNOWLEDGEMENT

2. CALL TO ORDER

3. APPROVAL OF AGENDA, ADDENDA AND LATE ITEMS

All/Unweighted

MOTION FOR CONSIDERATION

THAT the Agenda, Addenda and Late Items for the Fraser Valley Regional Hospital District Board Open Meeting of February 27, 2025 be approved:

AND THAT all delegations, reports, correspondence, minutes, and other information set to the Agenda be received for information.

4. MINUTES / MATTERS ARISING

4.1 Draft Fraser Valley Regional Hospital District Board Meeting Minutes - December 12, 2024

3 - 7

All/Unweighted

MOTION FOR CONSIDERATION

THAT the Minutes of the Fraser Valley Regional Hospital District Board Open Meeting held December 12, 2024 be adopted.

5. NEW BUSINESS

5.1 2025 Hospital District Annual Budget – Key Assumptions

8 - 11

All/Unweighted

- Staff report dated February 27, 2025 by Kelly Lownsborough, Director of Corporate Services & CFO
- 2025 Hospital District Budget Assumptions

MOTION FOR CONSIDERATION

THAT the Fraser Valley Regional Hospital District Board direct staff to prepare the 2025 Annual Budget to include one of the following options:

Option 1 – An increase to taxation revenue of 10.3% higher than 2024.

Option 2 – An increase to taxation revenue of 15% higher than 2024.

6. REPORTS FROM BOARD DIRECTORS

7. ADDENDA ITEMS/LATE ITEMS

8. PUBLIC QUESTION PERIOD FOR ITEMS RELEVANT TO AGENDA

IN PERSON PARTICIPATION

FVRD Board Room

ONLINE PARTICIPATION

Questions can be emailed to info@fvrd.ca before 1 pm, February 26, 2025. Alternatively, you may participate in public question period live on Zoom, by phone or computer using the Zoom information provided on the FVRD website.

9. ADJOURNMENT

All/Unweighted

MOTION FOR CONSIDERATION

THAT the Fraser Valley Regional Hospital District Board Open Meeting of February 27, 2025 be adjourned.



FRASER VALLEY REGIONAL HOSPITAL DISTRICT
BOARD MEETING
OPEN MEETING MINUTES

Thursday, December 12, 2024

6:00 pm

In person at FVRD Boardroom, 4th Floor, or by Zoom Conference Call
45950 Cheam Avenue, Chilliwack, BC V2P 1N6

Members Present: Director Sylvia Pranger, District of Kent, Chair
Director Paul Horn, City of Mission, Acting Chair
Director Peter Adamo, Electoral Area B
Director Les Barkman, City of Abbotsford
Director Cory Cassel, Electoral Area G
Director Kelly Chahal, City of Abbotsford
Director Hugh Davidson, Electoral Area F (Zoom)
Director Bill Dickey, Electoral Area D
Director Taryn Dixon, Electoral Area H
Director Patricia Driessen, City of Abbotsford
Director Leo Facio, Village of Harrison Hot Springs
Director Simon Gibson, City of Abbotsford
Director Jag Gill, City of Mission
Director Diane Johnson, Electoral Area A
Director Chris Kloot, City of Chilliwack
Director Dave Loewen, City of Abbotsford
Director Jason Lum, City of Chilliwack
Director Patti MacAhonic, Electoral Area E
Director Ken Popove, City of Chilliwack
Director Nicole Read, City of Chilliwack
Director Patricia Ross, City of Abbotsford
Director Ross Siemens, City of Abbotsford
Director Victor Smith, District of Hope
Director Mel Waardenburg, Electoral Area C

Staff Present: Jennifer Kinneman, Chief Administrative Officer
Kelly Lownsborough, Director of Corporate Services & CFO
Jaime Van Nes, Director of Legislative Services/Corporate Officer
Stacey Barker, Deputy CAO/Director of Regional Services
Graham Daneluz, Director of Planning & Development
Tareq Islam, Director of Engineering Services
Lauren Olynick, Deputy Corporate Officer
Beth Klein, Controller/Deputy CFO

David Urban, Deputy Director of Regional Services
Christina Vugteveen, Manager of Parks
Katelyn Hipwell, Manager of Planning
Lance Lilley, Manager of Environmental Services
Joel Niezen, Support Technician
Amanda Molloy, Administrative Manager (*recording secretary*)

Also Present: Clayton Buckingham, Sharat Chandra, and Laurie Leith of Fraser Health Authority. No members of the public were present in person or virtually.

1. LAND ACKNOWLEDGEMENT

Chair Pranger recognized the homeland of the 31 First Nation communities of the area now called the Fraser Valley Regional District.

2. CALL TO ORDER

The Chair called the open meeting to order at 6:00pm.

3. APPROVAL OF AGENDA, ADDENDA AND LATE ITEMS

Moved By FACIO
Seconded By MACAHONIC

THAT the Agenda, Addenda and Late Items for the Fraser Valley Regional Hospital District Board Open Meeting of December 12, 2024 be approved:

AND THAT all delegations, reports, correspondence and other information set to the Agenda be received for information.

CARRIED
All/Unweighted

4. RESOLUTION TO CLOSE MEETING

Moved By HORN
Seconded By GIBSON

THAT the Meeting be closed to the public, except for Senior Staff and the Executive Assistant, for the purpose of receiving and adopting Closed Meeting Minutes convened in accordance to Section 90 of the *Community Charter* and to consider matters pursuant to: Section 90(1)(K) of the *Community Charter* - negotiations and related discussions respecting the proposed provision of a regional service that are at their preliminary stages and that, in the view of the board, could reasonably be expected to harm the interests of the regional district if they were held in public;

Section 90(2)(b) of the *Community Charter* - the consideration of information received and held in confidence relating to negotiations between the regional district and a provincial government or the federal government or both, or between a provincial government or the federal government or both and a third party;

CARRIED
All/Unweighted

The open meeting recessed at 6:02pm.

5. RECONVENE OPEN MEETING

The open meeting reconvened at 6:49pm.

6. RISE AND REPORT

No items.

7. MINUTES / MATTERS ARISING

7.1 Draft Fraser Valley Regional Hospital District Board Meeting Minutes - November 28, 2024

Moved By CHAHAL
Seconded By KLOOT

THAT the Minutes of the Fraser Valley Regional Hospital District Board Open Meeting held November 28, 2024 be adopted.

CARRIED
All/Unweighted

8. NEW BUSINESS

8.1 Fraser Health Authority Annual Funding Request

Comments were offered reflecting on the need for continued consistent communication between the Fraser Health Authority and FVRD to gain traction going forward into future discussions. Discussion ensued regarding the provisional budget amount and future opportunities to consider the final amount.

Moved By HORN
Seconded By SIEMENS

THAT the Fraser Valley Regional Hospital District Board direct staff to prepare the 2025 Annual Budget to include capital funding for Fraser Health Authority in the amount of \$5 million.

CARRIED
All/Unweighted

8.2 Fraser Valley Regional Hospital District Provisional Budget Bylaw No. 0086, 2024

Moved By POPOVE
Seconded By SIEMENS

THAT the Fraser Valley Regional Hospital District Board give first reading to the bylaw cited *Fraser Valley Regional Hospital District Provisional Bylaw No. 0086, 2024*;

CARRIED
All/Weighted

Moved By READ
Seconded By LUM

THAT the Fraser Valley Regional Hospital District Board give second and third readings to the bylaw cited *Fraser Valley Regional Hospital District Provisional Bylaw No. 0086, 2024*;

CARRIED
All/Weighted

Moved By LOEWEN
Seconded By JOHNSON

THAT the Fraser Valley Regional Hospital District Board adopt the bylaw cited *Fraser Valley Regional Hospital District Provisional Bylaw No. 0086, 2024*.

CARRIED
All/Weighted (2/3 Votes Cast)

9. REPORTS FROM BOARD DIRECTORS

No items.

10. ADDENDA ITEMS/LATE ITEMS

No items.

11. PUBLIC QUESTION PERIOD FOR ITEMS RELEVANT TO AGENDA

No members of the public were present at the meeting and no written correspondence was received.

12. ADJOURNMENT

Moved By MACAHONIC
Seconded By READ

THAT the Fraser Valley Regional Hospital District Board Open Meeting of December 12, 2024 be adjourned.

CARRIED
All/Unweighted

The Fraser Valley Regional Hospital District Board Open Meeting of December 12, 2024 adjourned at 6:55pm.

MINUTES CERTIFIED CORRECT:

.....
Director Sylvia Pranger, Chair

.....
Corporate Officer/Deputy

To: Fraser Valley Regional District Board

Date: 2025-02-27

From: Kelly Lownsborough, Director of Corporate Services & CFO

Subject: 2025 Hospital District Annual Budget – Key Assumptions

Reviewed by: Jennifer Kinneman, Chief Administrative Officer

RECOMMENDATION

THAT the Fraser Valley Regional Hospital District Board direct staff to prepare the 2025 Annual Budget to include one of the following options:

Option 1 – An increase to taxation revenue of 10.3% higher than 2024.

Option 2 – An increase to taxation revenue of 15% higher than 2024.

BACKGROUND

As part of the *Hospital District Act*, the Board adopted a Provisional Budget in December 2024 and must adopt the Annual Budget by March 31st. In advance of bringing forward the annual budget for adoption, this report is seeking direction on the key assumptions supporting tax revenue levels required to support the level of funding previously committed to **provide to Fraser Health Authority (“FHA”) for their annual Capital Funding Request for minor/medium capital projects.**

DISCUSSION

Staff continue to work with FHA staff to improve the capital planning process in order for FVRHD to have early insight into the capital planning requirements such that taxation funding requirements can be evaluated in advance and planned for in a fiscally responsible manner that is supported by the Board. In its late November 2024 funding request letter, FHA outlined a total capital budget of \$52.45 million for projects within the Fraser East region, funded by \$29.3m from Fraser Health (56%), Foundation / other \$5.4m (10%) and FVRHD at \$17.75m (34%), yet requested \$5m. In December 2024, the Hospital District Board approved provisional capital funding to Fraser Health Authority in the amount of \$5 million.

Staff committed to providing an analysis of overall funding requirements and taxation impacts for the Board to consider. Since the December Board meeting, there has been no further insight into the capital planning requirements from FHA to inform the longer-term financial planning.

Other than the level of taxation, the financial assumptions (attached as Appendix A) presented with the Provisional Budget remain unchanged. The Board has approved provisional capital funding to FHA of \$5million. There are two options to consider in terms of taxation levels.

- Option 1 – an increase to taxation revenue 10.3% higher than the total 2024 taxation revenue.
- Option 2 – an increase to taxation revenue 15% higher than the total 2024 taxation revenue.

The Provisional Budget approved in December 2024 had assumed an increase in tax revenue of 10.3% as compared to 2024 tax revenue in order to support the FHA request of \$5m. To save for future capital projects, another option to consider would be to increase taxation revenues by 15% as compared to 2024. This would yield an approximate \$650K which would be placed in reserves for future capital needs. Table 1 highlights the taxation impact each option would have on an average property in the Fraser Valley Regional Hospital District compared to the prior year (2024).

Table 1: Taxation Impacts of 2025 Options compared to 2024

	2024	2025	
		Option 1	Option 2
Average residential property value	\$ 846,646		
Tax Requisition	\$13,698,300	\$15,112,887	\$15,753,045
Tax Revenue % Increase		10.3%	15.0%
Tax dollars for an average property	\$75.56	\$83.73	\$87.28
\$ Increase for an average property		\$8.17	\$11.72

COST

There are no direct costs associated with this report.

CONCLUSION

The assumptions in this report will be used in the development of the Annual Budget that will be brought forward in March 2025, in accordance with the Hospital District Act.

APPENDIX A
2025 HOSPITAL DISTRICT BUDGET ASSUMPTIONS (FROM PROVISIONAL BUDGET)

REVENUES

Tax Requisition

- The Provisional Budget has been prepared using 10.3% growth to ensure the Hospital District has sufficient reserves for upcoming capital projects. For context, in 2024, the average residential taxpayer paid approximately \$80.00, and the proposed increase would amount to an approximate increase of \$10.

Interest Income

- Interest income has increased due to changes in timing for long-term care funding disbursements. The provisional budget has been updated to reflect the expected rate of return of the Hospital District's investment portfolio on the forecasted reserve balances.

Miscellaneous Revenue

- Miscellaneous Revenue includes Mary Street parking lot user fees. This amount has slightly increased to closer align to user fees observed in 2024.

EXPENSES

Administration Recovery

- Administration Recovery expense is based on FVRD resources allocated to support hospital district business. This line item also includes a full-time planner position as a pilot project for three years, which was budgeted for in 2023 and 2024 but is forecasted to start in 2025.

Operating Expenses

- Additional consulting fees of \$325K have been added to operating expenses to account for potential work that would occur in 2025. The total increase has been funded through prior year surplus. Further consideration of the scope of this work will be undertaken in 2025.

Contributions to Fraser Health Authority

- The Hospital District received Fraser Health Authority's ("FHA") annual Capital Funding Request on November 27, 2024, while preparing the Provisional Budget. FHA has requested \$5 million from the Hospital District.

APPENDIX A
2025 HOSPITAL DISTRICT BUDGET ASSUMPTIONS (FROM PROVISIONAL BUDGET)

Major Capital Projects

- The budget includes disbursements based upon the Board’s financial commitments to Fraser Health for long-term healthcare projects.
 - For the Abbotsford long-term care project, this represents a total commitment of \$31.6 million (\$20.1 million from reserves and \$11.5 million in new borrowing in 2025).
 - For the Chilliwack long-term care project, this represents a total commitment of \$28 million (\$14.9 million from reserve funds and \$13.1 million in new borrowing in 2026). In addition to the capital contribution, the Board committed to the contribution of land valued at \$6.6 million, which FHA no longer requires. The property will continue to be owned by the FVRHD as an asset at this time.