



## CORPORATE REPORT

To: CAO for the Fraser Valley Regional Hospital District Board

Date: December 19, 2018

From: Mike Veenbaas, Director of Financial Services

File No: HD3920-20

**Subject: 2019 Hospital District Provisional Budget**

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### RECOMMENDATION

**THAT** the Fraser Valley Regional Hospital District give three readings and adoption to *Fraser Valley Regional Hospital District Provisional Budget Bylaw No. 0072, 2018*.

### BACKGROUND

Attached is the Regional Hospital District 2019 Provisional Budget bylaw for consideration. Section 23 of the Hospital District Act states the Board must adopt for 2019 a Provisional Budget by December 31, 2018 and an Annual Budget by March 31, 2019.

### DISCUSSION

With the legislative deadline approaching to adopt a 2019 Provisional Budget and the understanding that the Annual Budget (to be adopted prior to March 31<sup>st</sup>, 2019) is the budget for which the 2019 property tax requisition is based on, Staff are proposing a 2019 Provisional Budget much aligned with the 2018 Annual Budget.

Specifically, the proposed Provisional Budget follows the plan set for 2019 in the 2018 five year plan:

- continuing to put funds into a Major Capital Projects reserve to be used to fund the Board's financial commitment to Fraser Health Authority (FHA) for the Abbotsford and Chilliwack Residential healthcare projects,
- continuing to allocate \$1.8 million per annum to fund FVRHD's share of Fraser Health's minor and medium facility/equipment projects,
- setting the annual administration fee recovery from the Regional District for operating the Hospital District at \$400,000, and
- adjusting investment income revenues based on projected capital reserves levels.

The provisional budget authorizes payments for expenses related to the Hospital District prior to the annual budget being passed by the Board.

The Board will have the opportunity to further discuss and provide direction regarding the 2019 Annual Budget in February and March 2019.

**COST**

As authorized within the 2019 Provisional Budget.

**CONCLUSION**

The Hospital District must pass a 2019 Provision Budget prior to December 31, 2018, even though the 2019 Annual Budget is what the 2019 Property Tax Requisition will be based on. With the approaching deadline, the Board has the opportunity to adopt a roll over budget from 2018 which provides time to further review Hospital District operations and direction prior to adopting the 2019 Annual Budget.

**COMMENT BY:**

**Paul Gipps, Chief Administrative Officer**

Reviewed and supported.