



Date: 08/02/2019

MEMORANDUM

To: Chair and Directors, CCRHD Committee of the Whole

And To: John MacLean, Chief Administrative Officer

From: Scott Reid, Chief Financial Officer

Date of Meeting: Committee of the Whole_Feb28_2019

File: Hospital

Subject: CCRHD Taxation

Item for Discussion:

Assessed Values, Taxation Rates, and Capital Expenditure Funding Requirements for CCRHD

Background:

A ten-year capital financing plan, developed in the year 2000, set the residential tax rate for the Cariboo Chilcotin Regional Hospital District at \$75 per \$100,000 of net taxable assessed values for land and property to be maintained for ten years. Due to significant growth in assessed values, the residential tax rate was reduced to \$68 for the 2009 fiscal year prior to a formal review to be carried out the following year. A new taxation policy, established in 2010, called for the residential tax rate to drop by \$2 per year each year until it reaches \$50 per \$100,000. In November of 2013, the CCRHD Board reviewed the taxation policy and set the residential rate at \$70 per \$100,000 of net taxable assessed value to be maintained indefinitely. The current budgeted residential rate in the Provisional 2019-2023 Five Year Financial Plan remains at \$70 for each of the five years.

Based on 2019 Completed Roll assessed values and current tax rates, the total tax requisition amount for 2019 is approximately \$8.3 million. The CCRHD has total Reserves/Surplus of \$59.1 million as at December 31, 2018.

Major capital projects at both Cariboo Memorial and GR Baker Hospitals requiring substantial CCRHD funding are being contemplated for the short to mid term. The total cost and timing of these projects is not currently finalized.

The current 2019-2023 Five Year Financial Plan, which does not yet reflect the cost of the major works contemplated at CMH and GR Baker, projects a CCRHD Reserves/Surplus balance of \$72.9 million at the end of 2023. A copy of the Financial Plan is attached for review.

Attachments:

Cariboo Chilcotin Regional Hospital District **2019-2023 Five Year Financial Plan**
