

**ADMINISTRATIVE REPORT**

**TO:** Okanagan-Similkameen Regional Hospital Board

**FROM:** J. Zaffino, Chief Administrative Officer

**DATE:** April 17, 2025

**RE:** Okanagan-Similkameen Regional Hospital District 2025 Budget Amendments

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**Administrative Recommendation:**

**THAT** the Board of the Regional Hospital District amend the 2025 – 2029 hospital budget by increasing the 2025 budget by \$143,412; and,

**THAT** the additional funds to the Interior Health Authority be funded from reserves; and,

**THAT** the additional funds received in the amount of \$492,230 be allocated to the capital reserves; and,

**THAT** the Okanagan-Similkameen Regional Hospital District 2025-2029 Five Year Financial Plan Amendment Bylaw No. 172.01, 2025, be read a first, second, and third time and adopted.

**Reference:**

- Bylaw No. 172.01 (including Schedule A)
- Interior Health PRH Project Closure Refund Notification
- Interior Health 2025 Capital Funding Request Letter

**Background:**

During the Okanagan-Similkameen Regional Hospital District (OSRHD) Board meeting on February 20th, 2025, the 2025-2029 Five Year Financial Plan Bylaw No. 172 was read a third time and adopted.

Following the decision, IHA asked if the OSRHD would be willing to consider adding \$143,412 to the approved funding amount. With the current approved reduction of 10%, Interior Health would have to cut two and a half projects. Adding \$143,412, would enable them to cut two projects from the list and move forward with the remainder of their planned capital projects for 2025.

On March 24<sup>th</sup>, 2025, we received communication from Interior Health notifying us that the Penticton Regional Hospital Patient Care Tower Project is now complete. The total project costs ended up being \$297,077,728 and with the required share for the OSRHD coming in at \$110,647,777.

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The total advances made by OSRHD were \$111,140,007 which resulted in an overpayment of \$492,230 which was returned to us by Interior Health via cheque.

**Analysis:**

It is recommended that the Board approves the additional \$143,412 to Interior Health to assist with the planned capital projects for Interior Health for 2025.

The additional funds are to come from the Hospital District's reserves and will have no impact on the tax requisition amounts.

Further, the additional funds of \$492,230 received from Interior Health from the PRH Patient Care Tower Project should be put towards capital reserves to help build up funds for future projects.

**Alternatives:**

That the Board does not adopt Bylaw No. 172.01, 2025.

Will a PowerPoint presentation be presented at the meeting?      No

**Respectfully submitted:**

"Katharina Ernst, CPA, CA"

K. Ernst, Manager of Financial Operations

**Endorsed by:**

"Noelle Evans-MacEwan, CPA, CA"

Noelle Evans-MacEwan, Chief Financial Officer