

December 10, 2020

Nanaimo Regional Hospital District Approves 2021 Provisional Budget

On December 8, the Nanaimo Regional Hospital District (NRHD) Board approved the 2021 provisional NRHD budget in support of capital improvements for local healthcare facilities. A draft, long-term capital plan from Island Health identifies a potential of \$2.6 billion of capital funding through to 2035 for several projects over the next 15 years including a possible new patient tower at Nanaimo Regional General Hospital.

At the time of this news release, official funding requests have not been received from Island Health. Specific project approvals are subject to an annual prioritization process and funding availability from Ministry of Health, NRHD and other funding sources. As a result, the long-term capital plan is preliminary and may change. As projects are formally approved, the NRHD receives a written notification and request for funding from Island Health.

The funding for new capital projects is shared between the NRHD (40 percent) and the Government of British Columbia (60 percent), through Island Health. The NRHD funds its portion, in part, through tax requisition. The NRHD Board voted to increase the tax requisition rate from \$16.13 to \$21.15 per \$100,000 assessed home value, equal to \$113.52 per average home for 2021 to help meet its funding commitment.

“An increase to the 2020 tax requisition rate enables the NRHD to start putting funds in reserve for the proposed capital projects,” said NRHD Board Chair Ian Thorpe. “We understand this is a challenging time for residents and the decision to increase the tax rate was not made lightly. The increase will help ensure our healthcare facilities can better meet the growing demands of our region.”

The NRHD’s tax requisition rate continues to remain one of the lowest of the hospital districts on Vancouver Island. The rate is reviewed annually by the NRHD Board and adjusted to respond to healthcare needs in the region through capital project funding.

The draft plan also includes capital projects for 2021. The four proposed projects are long-term care beds (\$122,000,000), a replacement SPECT CT for medical imaging (\$2,680,000), Electronic Health Records expansion (\$3,000,000) and a chemotherapy/pharmacy expansion (\$3,000,000).

The NRHD Select Committee will review the provisional budget on February 23, 2021. The provisional budget will also include details of how Island Health will be spending the annual Small Capital Grant for projects under \$1.5 million. The provisional budget will then be presented to the NRHD Board for adoption at the March 9, 2021 meeting.

About the Nanaimo Regional Hospital District

The NRHD is an independent entity and its sole purpose is to provide capital funding for designated facilities, which includes equipment, land and physical structures. The NRHD has its own budget and is

governed by a Board of Directors. The NRHD provides annual capital funding to Island Health in support of local health care facilities under the [Hospital District Act](#). Hospital Districts are required to approve a provisional budget on or before December 31 each year. More information about the NRHD can be found online at: rdn.bc.ca/hospital-district.

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