



Fraser-Fort George
**REGIONAL HOSPITAL
DISTRICT**

Fraser-Fort George Regional Hospital District

Financial Plan 2017 – 2031

February 2017



Fraser-Fort George Regional Hospital District Financial Plan 2017 – 2031 February 2017

Introduction

The purpose of this paper is to provide an overview of the future financial impacts that the Northern Health Authority (NHA) funding requests will have on the Fraser-Fort George Regional Hospital District (FFGRHD) budget and provides a proposed financial plan for meeting these funding requests over the next fifteen years. The largest anticipated project includes development to the UHNBC campus. Early estimates have this project at \$600 million. A 40% FFGRHD contribution would be in the order of \$240 million with expenditures starting as early as 2027. The FFGRHD's current budget structure is insufficient to support these projects.

Background

Purpose

The primary purpose of regional hospital districts (RHD(s)) is to raise revenue from the local property tax base to assist with the funding of capital investment in health care facilities. This can include: acquisition of property, renovations, new construction and medical equipment. RHDs provide grants for these purposes and apply for and distribute grants provided by the Federal Government. The *Hospital District Act* also has provisions for RHDs to operate and maintain hospitals and hospital facilities, but there would be a need to satisfy other Provincial regulatory requirements to undertake such activities.

RHD funding commitments can be either direct contributions from a RHD's annual operating budget, reserves, or it can be by way of borrowing through the Municipal Finance Authority. Typically, the contribution from RHDs is in the order of 40% of the capital expenditure. Unlike local governments, RHDs are able to borrow without requiring elector's approval.

Financial Planning and Budgeting

Planning for capital investment is undertaken by the regional health authorities. Typically, RHDs provide up to 40% of the capital cost of a project. The other 60% is provided by the health authorities either through funds provided by the Province for specific capital projects, health authority operation budgets, or third parties such as health care foundations or community service clubs.

There is no legislative requirement for health authorities to include RHDs in capital planning. However, the NHA and the northern RHDs have a Memorandum of Understanding that commits the NHA to consult with, and update, its RHD partners in the preparation of capital plans which typically occurs at the fall and spring NHA and RHDs joint meetings.

RHD provisional budgets for the next budget year must be prepared and adopted prior to the end of a calendar year. The provisional budget provides the ability for a regional hospital district to continue to meet its financial expenditure commitments. Annual budgets must be prepared and adopted by the RHD's Board by March 31st of each year. RHDs are not required to prepare five year financial plans.

Current Financial Position

In November 2015, the FFGRHD Board was informed of the future capital funding projections from the NHA, and at that time, the Board approved a ten cent increase to the tax requisition mill rate for 2016. The additional funds raised were allocated to the Capital Reserve Fund as an initial step to work towards being able to fund the NHA’s proposed capital program.

In 2015, the average tax requisition mill rate per \$100,000 was \$35.13 and in 2016 with the \$0.10 increase to the mill rate the cost increased to \$45.24 per \$100,000.

In 2016, the FFGRHD committed to funding the following projects:

Table 1 – 2016 Approved Projects

2016 Funding Request	NHA	FFGRHD	
MCK (Ambulance Space) Reno (Mackenzie)	\$ 700,000	\$ 280,000	40%
Sterile Chemistry Analyzer (UHNBC)	205,000	82,000	40%
Sani-Pak – Add costs due to US \$ Impact (UHNBC)	130,825	52,330	40%
Peds/PAR/NEO Patient Monitoring (UHNBC)	1,435,000	574,000	40%
IT – ICCIS (Regional) – Community Health Records	606,751	207,509	34%
MRI Machine (UHNBC) (special request)	422,500	169,000	40%
Energy Efficiency Project (UHNBC)	627,023	250,809	40%
General & Echo Ultrasound (UHNBC)	114,000	45,600	40%
Total:	\$ 4,241,099	\$ 1,661,248	39%

As of December 31, 2016, the FFGRHD has \$2.4 million in committed unexpended funds that have been previously approved by the FFGRHD for the NHA’s capital projects.

With the ten cent increase to the 2016 tax requisition mill rate, more funds were transferred into the Capital Reserve Fund for future funding requests. The projected balance of the Capital Reserve Fund as of December 2016, after deducting amounts already committed, is \$14.7 million. In December 2015, the uncommitted balance was \$10.8 million. The extra \$2 million raised through the increase to the 2016 requisition was transferred to the Capital Reserve Fund doubling the typical contribution from \$2 million to \$4 million.

Future Funding Needs:

The NHA has identified their potential funding needs for the next three years and has projected, with information available today, their future funding needs for outlying years. Please note that these projects have not been approved by the NHA Board nor the Province and are still subject to change. Projects of note are \$1,520,000 for the UHN Electrical Supply Upgrade in 2017, \$3.2 million for UHNBC Interim Bed Solutions, and \$6.4 million for NI Residential Care Beds in 2018, \$17.6 million in 2019 for the continuation of the NI Residential Care Beds, and potentially \$240 million for UHNBC development in 2027. The following tables identify the proposed funding requests by the NHA for the next few years based on their best estimates.

The NHA has identified a 40% FFGRHD contribution for each project listed. The exceptions are Information Technology (IT) projects. IT projects are a benefit to the whole NHA region and RHD contributions are split among all RHDs on a per capita formula. The FFGRHD contribution is calculated at 14%.

Table 2 – 2017 Draft Funding Request

2017 Draft Funding Request	NHA	FFGRHD	
Electrical Supply Upgrade (UHN)	\$ 3,800,000	\$ 1,520,000	40%
Security Camera System (UHN)	443,000	177,200	40%
CNCP Project (UHN)	982,000	392,800	40%
Ventilation System (MCB)	901,000	360,400	40%
IT - ICCIS (Regional)-Community Health Record (Public Health, Regional Chronic Disease, InterProfessional Teams)	1,645,000	225,317	14%
IT - Community Health Record - Mental Health/HCC/Clinical Data Repository/ Reporting	623,000	92,737	15%
IT - HLN Cerner Upgrade (Regional)	405,000	56,000	14%
IT - PACS and Cardiology System Upgrade	3,271,000	370,688	11%
Total:	\$ 12,070,000	\$ 3,195,142	26%

Table 3 – 2018 Draft Funding Request

2018 Draft Funding Request	NHA	FFGRHD	
Maternity OR (UHN)	\$ 577,000	\$ 230,800	40%
Phoenix Outpatient Lab Renovation (UHN)	317,000	126,800	40%
Interim Bed Solutions (UHN)	8,000,000	3,200,000	40%
NI Residential Care Beds	16,000,000	6,400,000	40%
IT - Community Health Record - Mental Health/HCC/Clinical Data Repository/ Reporting	1,941,000	265,811	14%
IT - HLN Cerner Upgrade (Regional)	4,116,000	565,000	14%
Rehab Nurse Call System	300,000	120,000	40%
GTW Vocera	123,000	49,200	40%
Total:	\$ 31,374,000	\$ 10,957,611	35%

Table 4 – 2019 Draft Funding Request

2019 Draft Funding Request	NHA	FFGRHD	
Medical Imaging Unit (Vic Med Building)	\$ 311,000	\$ 124,400	40%
Electrical Panel Retrofit (UHNBC)	379,000	151,600	40%
NI Residential Care Beds	44,000,000	17,600,000	40%
IT - Community Health Record - Mental Health/HCC/Clinical Data Repository/ Reporting	1,736,000	237,737	14%
Emergency Dept Information System	1,500,000	205,200	14%
Clinical Media Management	900,000	123,120	14%
Pharmacy Automated Medication Dispensing Cabinet	403,000	161,200	40%
Microbiology Blood Culture Analyzer (UHN)	130,000	52,000	40%
Medical Imaging - X-Ray Room (UHN)	600,000	240,000	40%
Medical Imaging - BMD Replacement (UHN)	122,000	48,800	40%
Pharmacy Fastpak Verifier (UHN)	150,000	60,000	40%
Microbiology Vitek 2XL (UHN)	132,000	52,800	40%
Sterile Processing Low Temp Sterilizer (UHN)	140,000	56,000	40%
Interventional Radiology Room (UHN)	1,000,000	400,000	40%
General Fluoroscopy Room (UHN)	700,000	280,000	40%
Hematology Autoimmune Testing (UHN)	260,000	104,000	40%
OR Video Towers Orthopedic (UHN)	220,000	88,000	40%
OR Video Towers General Surgery (UHN)	565,000	226,000	40%
Histology Tissue Processor (UHN)	163,000	65,200	40%
Hawkeye Replacement (UHN)	885,000	354,000	40%
Total:	\$ 54,296,000	\$ 20,630,057	38%

Table 5 – Outlying Years Draft Funding Request

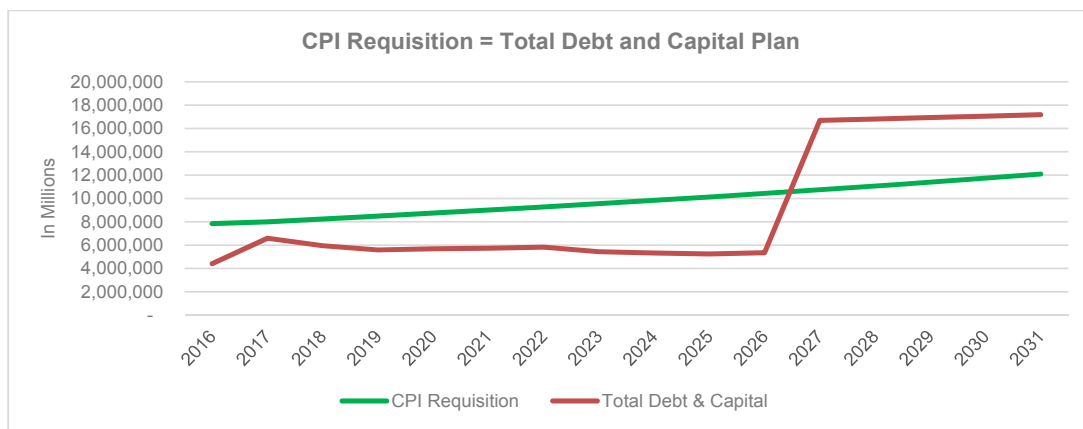
Outlying Years Draft Funding Request	NHA	FFGRHD	
Rehab Unit Oxygen (UHN)	\$ 166,000	\$ 66,400	40%
UHNBC Development Stage 2 - 2027	600,000,000	240,000,000	40%
Mental Health Redevelopment (UHN)	25,000,000	10,000,000	40%
Geriatric Unit (UHN)	25,000,000	10,000,000	40%
IT - EDIS (Regional)	1,760,000	240,768	14%
Workforce Timekeeper	1,860,000	254,448	14%
C-Arm Replacement (UHN)	135,000	54,000	40%
Food Services Cell System (UHN)	206,000	82,400	40%
CO2 Laser (UHNBC)	265,000	106,000	40%
Valemount Automated Medication Dispensing Cabinet	151,000	60,400	40%
Phone System (UHN)	902,000	360,800	40%
Total:	\$ 655,445,000	\$ 261,225,216	40%

Strategic Issues

Even with the ten cent increase to the tax requisition mill rate in 2016, if the FFGRHD was to return to the previous funding method of only increasing the requisition by CPI the FFGRHD would not be able to fund the proposed capital over the next fifteen years. As an example, the proposed 2027 \$600 million project would result in a thirty year debenture payment of \$11.2 million which is higher than the current requisition of \$7.8 million.

The graph below shows the shortfall of the requisition over debt and capital expenditures for the period 2027 – 2031 based on a CPI adjustment model.

Graph 1 – Previous Funding Method Using CPI Only



The table below shows the cash flow for the period 2017 – 2031 based only on increasing the total requisition by CPI. Current reserves could be used, but the FFGRHD would experience a deficit by 2031 demonstrating that increasing total requisition by CPI is not sustainable.

Table 6 – Cash flow 2017 – 2031 – only increasing requisition by CPI

Table 6: Cash Flow Forecast 2017 – 2031 (assumes borrowing for 2018/19 projects) Only CPI Increases of 3% 2018 forward

	Revenues			Expenses						Reserve Balance
	Requisition	Grants in Lieu & Interest	From Reserves	Debt Service	Major Projects	Minor Equipment Grant	Building Integrity	Administration	Tsf to Reserve	
2016	\$ 7,839,230	\$ 25,000	\$ 1,816,870	\$ 1,110,029	\$ 3,298,310	\$ 1,100,000	\$ 90,670	\$ 280,160	\$ 3,801,941	\$ 17,144,598
2017	\$ 7,996,015	\$ 55,000	\$ 2,407,260	\$ 993,660	\$ 5,602,400	\$ 1,123,100	\$ 90,670	\$ 285,830	\$ 2,362,615	\$ 17,099,953
2018	\$ 8,235,895	\$ 55,000	\$ -	\$ 1,393,650	\$ 4,557,610	\$ 1,145,562	\$ 90,670	\$ 294,105	\$ 809,298	\$ 17,909,251
2019	\$ 8,482,972	\$ 55,000	\$ -	\$ 2,561,650	\$ 3,030,050	\$ 1,168,473	\$ 90,670	\$ 302,628	\$ 1,384,501	\$ 19,293,751
2020	\$ 8,737,461	\$ 55,000	\$ -	\$ 2,561,650	\$ 3,120,952	\$ 1,191,843	\$ 90,670	\$ 311,407	\$ 1,515,940	\$ 20,809,691
2021	\$ 8,999,585	\$ 55,000	\$ -	\$ 2,517,560	\$ 3,214,580	\$ 1,215,680	\$ 90,670	\$ 320,449	\$ 1,695,646	\$ 22,505,337
2022	\$ 9,269,572	\$ 55,000	\$ -	\$ 2,517,560	\$ 3,311,017	\$ 1,239,993	\$ 90,670	\$ 329,763	\$ 1,835,569	\$ 24,340,907
2023	\$ 9,547,660	\$ 55,000	\$ -	\$ 2,032,520	\$ 3,410,348	\$ 1,264,793	\$ 90,670	\$ 339,355	\$ 2,464,973	\$ 26,805,880
2024	\$ 9,834,089	\$ 55,000	\$ -	\$ 1,811,690	\$ 3,512,658	\$ 1,290,089	\$ 90,670	\$ 349,236	\$ 2,834,746	\$ 29,640,626
2025	\$ 10,129,112	\$ 55,000	\$ -	\$ 1,622,530	\$ 3,618,038	\$ 1,315,891	\$ 90,670	\$ 359,413	\$ 3,177,570	\$ 32,818,196
2026	\$ 10,432,985	\$ 55,000	\$ -	\$ 1,622,530	\$ 3,726,579	\$ 1,342,208	\$ 90,670	\$ 369,896	\$ 3,336,102	\$ 36,154,298
2027	\$ 10,745,975	\$ 55,000	\$ 7,730,439	\$ 12,852,622	\$ 3,838,377	\$ 1,369,053	\$ 90,670	\$ 380,692	\$ -	\$ 28,423,859
2028	\$ 11,068,354	\$ 55,000	\$ 7,561,713	\$ 12,852,622	\$ 3,953,528	\$ 1,396,434	\$ 90,670	\$ 391,813	\$ -	\$ 20,862,147
2029	\$ 11,400,405	\$ 55,000	\$ 7,387,651	\$ 12,852,622	\$ 4,072,134	\$ 1,424,362	\$ 90,670	\$ 403,268	\$ -	\$ 13,474,496
2030	\$ 11,742,417	\$ 55,000	\$ 7,208,088	\$ 12,852,622	\$ 4,194,298	\$ 1,452,850	\$ 90,670	\$ 415,066	\$ -	\$ 6,266,408
2031	\$ 12,094,690	\$ 55,000	\$ 7,022,853	\$ 12,852,622	\$ 4,320,127	\$ 1,481,907	\$ 90,670	\$ 427,218	\$ -	\$ (756,446)

Proposed Financial Plan

In order for the FFGRHD to maintain a capital reserve fund for future unidentified projects while funding the current proposed project plan, it is recommended that the FFGRHD increase the tax requisition mill rate by five cents in each of the next four years (2017, 2018, 2019 and 2020) and commencing in 2021 that the total requisition would be increased by 3% on an annual basis.

The proposed plan is based on the following assumptions:

- funding requests by the NHA will be maintained between \$3 – \$4 million each year;
- 3% increase per year has been included for capital funding requests starting 2020; and
- a 3% inflation rate has been used for increases in FFGRHD overhead burden which includes administration and Chair and Acting Chair remuneration.

Table 7 – Cash flow 2017 – 2031 – utilizing the proposed plan

	Revenues			Expenses						Reserve Balance
	Requisition	Grants in Lieu & Interest	From Reserves	Debt Service	Major Projects	Minor Equipment Grant	Bulding Integrity	Administration	Tsf to Reserve	
2016	\$ 7,839,230	\$ 25,000	\$ 1,816,870	\$ 1,110,029	\$ 3,298,310	\$ 1,100,000	\$ 90,670	\$ 280,160	\$ 3,801,941	\$ 17,144,598
2017	\$ 8,706,230	\$ 55,000	\$ 2,407,260	\$ 993,660	\$ 5,602,400	\$ 1,123,100	\$ 90,670	\$ 285,830	\$ 3,072,830	\$ 17,810,168
2018	\$ 9,573,230	\$ 55,000	\$ -	\$ 1,393,650*	\$ 4,557,610	\$ 1,156,793	\$ 90,670	\$ 294,105	\$ 2,135,402	\$ 19,945,570
2019	\$ 10,440,230	\$ 55,000	\$ -	\$ 2,561,650*	\$ 3,030,050	\$ 1,191,497	\$ 90,670	\$ 302,628	\$ 3,318,735	\$ 23,284,305
2020	\$ 11,307,230	\$ 55,000	\$ -	\$ 2,561,650	\$ 3,120,952	\$ 1,227,242	\$ 90,670	\$ 311,407	\$ 4,050,310	\$ 27,314,615
2021	\$ 11,646,447	\$ 55,000	\$ -	\$ 2,517,560	\$ 3,214,580	\$ 1,264,059	\$ 90,670	\$ 320,449	\$ 4,294,129	\$ 31,608,744
2022	\$ 11,995,840	\$ 55,000	\$ -	\$ 2,517,560	\$ 3,311,017	\$ 1,301,981	\$ 90,670	\$ 329,763	\$ 4,499,850	\$ 36,108,594
2023	\$ 12,355,716	\$ 55,000	\$ -	\$ 2,032,520	\$ 3,410,348	\$ 1,341,040	\$ 90,670	\$ 339,355	\$ 5,196,782	\$ 41,305,376
2024	\$ 12,726,387	\$ 55,000	\$ -	\$ 1,811,690	\$ 3,512,658	\$ 1,381,271	\$ 90,670	\$ 349,236	\$ 5,635,861	\$ 46,941,237
2025	\$ 13,108,179	\$ 55,000	\$ -	\$ 1,622,530	\$ 3,618,038	\$ 1,422,709	\$ 90,670	\$ 359,413	\$ 6,049,818	\$ 52,991,054
2026	\$ 13,501,424	\$ 55,000	\$ -	\$ 1,622,530	\$ 3,726,679	\$ 1,465,391	\$ 90,670	\$ 369,896	\$ 6,281,358	\$ 59,272,413
2027	\$ 13,906,467	\$ 55,000	\$ 4,710,247	\$ 12,852,622*	\$ 3,838,377	\$ 1,509,352	\$ 90,670	\$ 380,692	\$ -	\$ 54,562,166
2028	\$ 14,323,661	\$ 55,000	\$ 4,464,606	\$ 12,852,622	\$ 3,953,528	\$ 1,554,633	\$ 90,670	\$ 391,813	\$ -	\$ 50,097,560
2029	\$ 14,753,370	\$ 55,000	\$ 4,211,595	\$ 12,852,622	\$ 4,072,134	\$ 1,601,272	\$ 90,670	\$ 403,268	\$ -	\$ 45,885,965
2030	\$ 15,195,972	\$ 55,000	\$ 3,950,994	\$ 12,852,622	\$ 4,194,298	\$ 1,649,310	\$ 90,670	\$ 415,066	\$ -	\$ 41,934,971
2031	\$ 15,651,851	\$ 55,000	\$ 3,682,575	\$ 12,852,622	\$ 4,320,127	\$ 1,698,790	\$ 90,670	\$ 427,218	\$ -	\$ 38,252,396

Under this proposed funding plan, reserves are funded each year until 2027. Starting in 2027, the FFGRHD will draw on the Capital Reserve Fund to meet its funding commitments until 2042 at which time the requisition will have increased to a level where it would be able to cover debt payments plus the NHA annual funding requests.

This plan also maintains the current Capital Reserve Fund balance so that unforeseen capital funding requests for the period of 2027 – 2042 are possible to accommodate as demonstrated in the following Table.

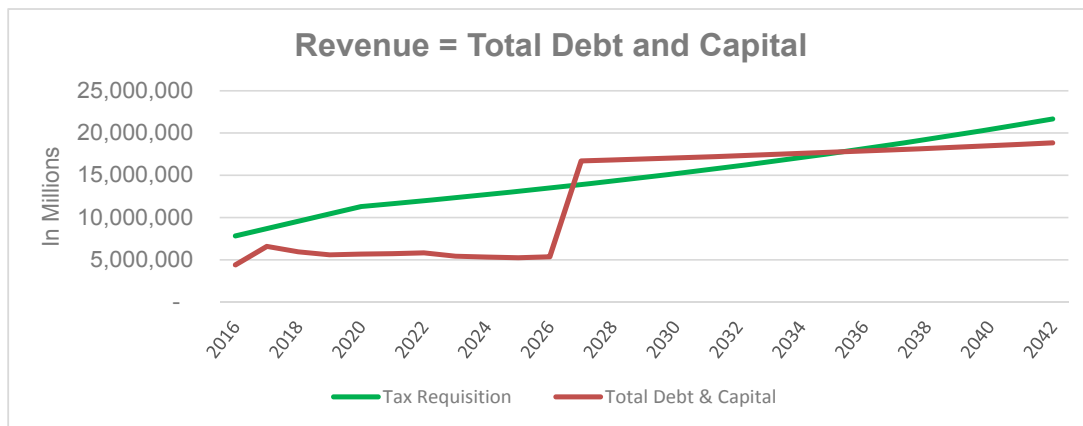
Table 8 – Cash flow 2032 – 2047 – utilizing the proposed plan

	Revenues			Expenses						Reserve Balance
	Requisition	Grants in Lieu & Interest	From Reserves	Debt Service	Major Projects	Minor Equipment Grant	Bulding Integrity	Administration	Tsf to Reserve	
2032	\$ 16,121,406	\$ 55,000	\$ 3,406,104	\$ 12,852,622	\$ 4,449,731	\$ 1,749,753	\$ 90,670	\$ 439,734	\$ -	\$ 34,846,292
2033	\$ 16,605,048	\$ 55,000	\$ 3,121,338	\$ 12,852,622	\$ 4,583,222	\$ 1,802,246	\$ 90,670	\$ 452,626	\$ -	\$ 31,724,954
2034	\$ 17,103,200	\$ 55,000	\$ 2,828,029	\$ 12,852,622*	\$ 4,720,719	\$ 1,856,313	\$ 90,670	\$ 465,905	\$ -	\$ 28,896,925
2035	\$ 17,616,296	\$ 55,000	\$ 2,525,922	\$ 12,852,622*	\$ 4,862,341	\$ 1,912,003	\$ 90,670	\$ 479,582	\$ -	\$ 26,371,003
2036	\$ 18,144,785	\$ 55,000	\$ 2,214,750	\$ 12,852,622	\$ 5,008,211	\$ 1,969,363	\$ 90,670	\$ 493,670	\$ -	\$ 24,156,253
2037	\$ 18,689,128	\$ 55,000	\$ 1,894,244	\$ 12,852,622	\$ 5,158,457	\$ 2,028,444	\$ 90,670	\$ 508,180	\$ -	\$ 22,262,009
2038	\$ 19,249,802	\$ 55,000	\$ 1,564,123	\$ 12,852,622	\$ 5,313,211	\$ 2,089,297	\$ 90,670	\$ 523,125	\$ -	\$ 20,697,886
2039	\$ 19,827,296	\$ 55,000	\$ 1,224,098	\$ 12,852,622	\$ 5,472,607	\$ 2,151,976	\$ 90,670	\$ 538,519	\$ -	\$ 19,473,788
2040	\$ 20,422,115	\$ 55,000	\$ 873,872	\$ 12,852,622	\$ 5,636,786	\$ 2,216,535	\$ 90,670	\$ 554,374	\$ -	\$ 18,599,917
2041	\$ 21,034,779	\$ 55,000	\$ 513,139	\$ 12,852,622	\$ 5,805,889	\$ 2,283,031	\$ 90,670	\$ 570,706	\$ -	\$ 18,086,777
2042	\$ 21,665,822	\$ 55,000	\$ 141,585	\$ 12,852,622	\$ 5,980,066	\$ 2,351,522	\$ 90,670	\$ 587,527	\$ -	\$ 17,945,193
2043	\$ 22,315,797	\$ 55,000	\$ -	\$ 12,852,622	\$ 6,159,468	\$ 2,422,068	\$ 90,670	\$ 604,853	\$ 241,117	\$ 18,186,309
2044	\$ 22,985,271	\$ 55,000	\$ -	\$ 12,852,622	\$ 6,344,252	\$ 2,494,730	\$ 90,670	\$ 622,698	\$ 635,299	\$ 18,821,608
2045	\$ 23,674,829	\$ 55,000	\$ -	\$ 12,852,622	\$ 6,534,579	\$ 2,569,572	\$ 90,670	\$ 641,079	\$ 1,041,307	\$ 19,862,915
2046	\$ 24,385,073	\$ 55,000	\$ -	\$ 12,852,622	\$ 6,730,617	\$ 2,646,659	\$ 90,670	\$ 660,011	\$ 1,459,495	\$ 21,322,409
2047	\$ 25,116,626	\$ 55,000	\$ -	\$ 12,852,622	\$ 6,932,535	\$ 2,726,058	\$ 90,670	\$ 679,512	\$ 1,890,228	\$ 23,212,637

The proposed fifteen year financial plan helps the FFGRHD stabilize the requisition with gradual increases and minimize the annual impact of the future funding requests by the NHA. This plan utilizes the Capital Reserve Fund to cover the shortfall between the requisition revenue and the annual cost of debt and capital payments starting in 2027 as a result of the \$240 million for the UHNBC development. By 2042, the FFGRHD would have sufficient requisition income to cover both debt and capital payments.

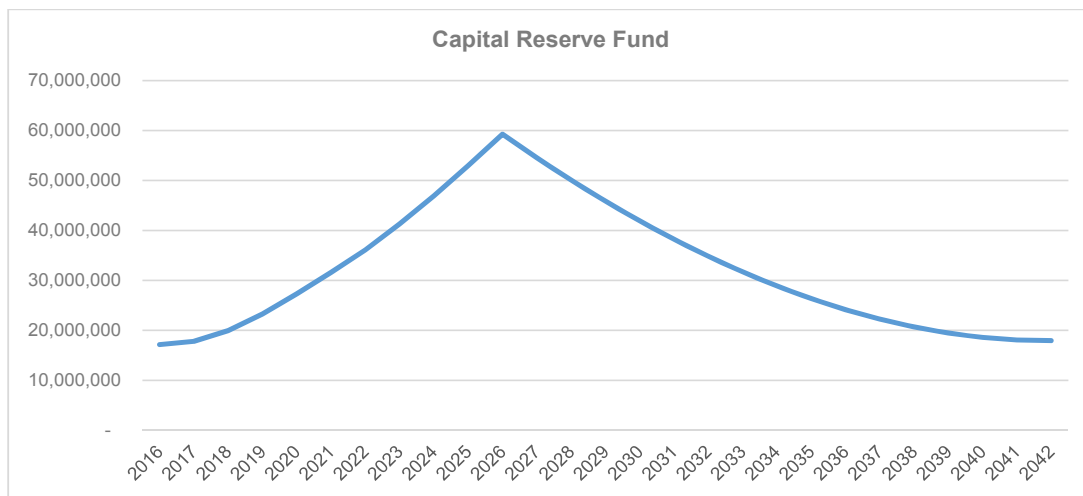
Graph 2 – Using Proposed Plan

The graph bellows shows the requisition revenue in comparison to the debt and capital payments.



Currently, the capital reserve fund has \$14.7 million which may seem like a substantial amount, but not in comparison to some of the funding requests projected by the NHA. The following graph shows how the Capital Reserve Fund will increase from 2017 until 2026 and then start being drawn down until 2042. The Capital Reserve Fund will have a minimum balance of \$17.9 million in 2042 ensuring that the FFGRHD has the ability to fund unforeseen funding requests from the NHA.

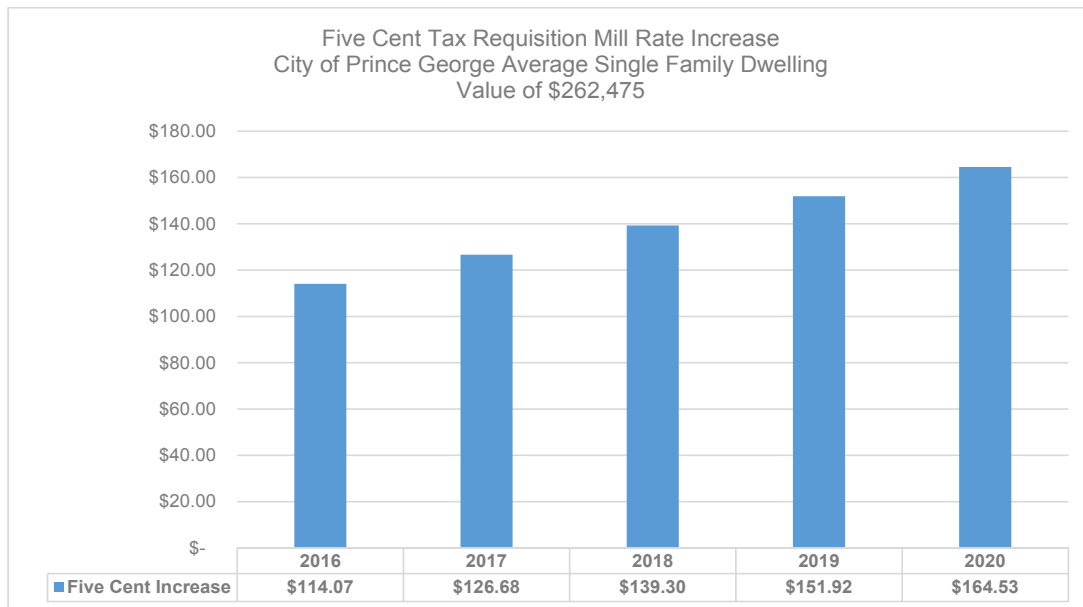
Graph 3 – Capital Reserve Fund Balance



Impact of Proposed Financial Plan on Average Single Family Dwelling in Prince George

The proposed Financial Plan includes five cent increases to the tax requisition mill rate for the years 2017 – 2020. Based on the 2017 completed roll, the average single family dwelling in the City of Prince George is \$262,475. The graph below shows the impact on the average single family dwelling in the City of Prince George. A five cent increase to the tax requisition mill rate would result in an increase of \$12.61 per year based on the current assessment information.

Graph 4 – Impact of Proposed Plan on City of Prince George Single Family Dwelling



Recommendation

Financial Services Administration recommends that the Board approve the proposed 2017 – 2031 Financial Plan with a five cent increase to the tax requisition mill rate in 2017, 2018, 2019 and 2020 and then adjusting the total requisition by a 3% increase per year thereafter. It is also recommended that the Financial Plan be reviewed and updated every three years. The proposed plan provides for a sustainable requisition strategy over the coming years which will allow the FFGRHD to be in a position to invest in improvements to health care infrastructure over the next twenty-five years.