
To: Committee of the Whole

Meeting Date: April 10, 2025

From: Laura Mirabella
Commissioner of Finance and Regional Treasurer

Re: **2025 Capital Contribution for Mackenzie Health – Cortellucci Vaughan Hospital Project**

This memorandum provides members of Committee of the Whole with details regarding the 2025 Hospital Financing Reserve Fund contribution for Mackenzie Health – Cortellucci Vaughan Hospital project (Cortellucci Vaughan Hospital).

Region is committed to help fund Cortellucci Vaughan Hospital until 2031

On [October 22, 2009](#), Council agreed to a Memorandum of Understanding (“MOU”), to provide funding for hospitals in York Region to assist them with capital projects, expiring on December 31, 2031. A copy of this MOU was attached as part of the [2017 Mackenzie Vaughan Hospital Capital Funding report](#).

Although the MOU was terminated in 2019, the Region retained financial commitments made prior to termination. Cortellucci Vaughan Hospital is the third hospital under the MOU to receive funding and the Region’s only remaining commitment. Both the cancer care clinic project at Southlake Regional Health Centre and redevelopment project at Markham Stouffville Hospital Corporation have been fully paid out.

Cortellucci Vaughan Hospital met its transfer of care target during 2024 and is eligible for its full funding contribution

To help manage costs of Paramedic Services, the Region tied contribution levels to progress on reducing processing time for emergency patients. The transfer of care target (off-load delay) remains despite MOU termination and informs reserve contributions towards Cortellucci Vaughan Hospital. If the 30-minute Paramedic Services transfer of care target is not achieved, York Region may, at the discretion of Council, reduce hospital funding by an amount approximating additional operating costs incurred by Paramedic Services for the time above the target.

In 2024, Cortellucci Vaughan Hospital met its transfer of care target of 30 minutes with an average actual transfer of care time of 22 minutes per transport (and a total of 17,483 patient transports).

Therefore, no reduction to the 2025 reserve capital contribution is applicable. Transfer of care times are tracked by Community and Health Services department with data from the electronic patient care records created by paramedics. These records contain the time the ambulance arrived at the hospital and the time the hospital took over care of the patient, and the difference in these times is the transfer of care time. Table 1 presents transfer of care times since the hospital opened in 2021, which have been well under the target of 30 minutes.

Table 1
Historical Transfer of Care Times – Cortellucci Vaughan Hospital

Year	Average Actual Transfer of Care Time (min)
2021	21
2022	24
2023	23
2024	22

Source: York Region Community and Health Services Department

\$109.5 million has been contributed to Cortellucci Vaughan Hospital since 2009

By the end of 2024, the Region had paid \$109.2 million to Cortellucci Vaughan Hospital for the approved project (Table 2). Region's remaining commitment to Cortellucci Vaughan Hospital is estimated to be \$45.0 million, which includes forecasted adjustments for assessment growth from 2025 to 2031. Region's approved commitment represents about 9% of the total \$1.7 billion overall funding for the project.

Table 2
Payments to Cortellucci Vaughan Hospital for the approved project

Hospital	Approved commitment	Payments (2009-2024)	Remaining commitment
Mackenzie Health – Cortellucci Vaughan Hospital*	\$154.1 million	\$109.2 million	\$45.0 million

*Mackenzie Health – Cortellucci Vaughan Hospital's commitment reflects forecasted future adjustments for assessment growth. Figures may not add due to rounding.

After indexation, Region's contribution for 2025 will be approximately \$7.3 million

Contributions to Hospital Financing Reserve Fund are adjusted annually by the rate of change in the Region's prior year's assessment growth. Through the approved 2025 Operating [Budget](#), approximately \$7.3 million was set aside for 2025 (including indexing for prior year assessment growth) to support the Region's existing hospital commitment.

Assuming annual assessment growth ranges between 1.13% to 1.66% between 2025 to 2031, forecasted total cumulative contribution to the Hospital Financing Reserve Fund will be approximately \$154.1 million for Cortellucci Vaughan Hospital (Appendix A). Actual contributions will vary subject to actual assessment growth and imposition of further delay reductions if targets are not met.

For more information on this memo, please contact David Cohen, Director (A), Treasury Office at 1-877-464-9675 ext. 71660. Accessible formats or communication supports are available upon request.



Laura Mirabella

Commissioner of Finance and Regional Treasurer



Erin Mahoney

Chief Administrative Officer

March 24, 2025

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Appendix A – Reserve Contributions for Mackenzie Health – Cortellucci Vaughan Hospital Project from 2009 to 2031

Reserve Contributions for Mackenzie Health – Cortellucci Vaughan Hospital Project from 2009 to 2031 (\$ Millions)

Annual reserve contribution indexed to actual prior year's assessment growth

	% Share	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Cortellucci Vaughan	45.0%	3.600	5.546	5.718	5.882	6.013	6.137	6.269	6.379	6.491	6.604
Assessment Increase		2.70%	3.10%	2.87%	2.23%	2.06%	2.15%	1.76%	1.75%	1.74%	2.15%

Annual reserve contribution indexed to actual prior year's assessment growth

	% Share	2019	2020	2021	2022	2023	2024	Subtotal	Transfer of Care Delay Reductions	Subtotal net of Reductions	Transfers*
Cortellucci Vaughan	45.0%	6.746	6.846	6.939	7.041	7.134	7.240	100.584	(0.000)	100.584	8.868
Assessment Increase		1.48%	1.37%	1.46%	1.32%	1.49%	1.48%				

Annual reserve contribution indexed to forecast of prior year's assessment growth

	% Share	Subtotal net of Transfers	2025	2026	2027	2028	2029	2030	2031	Subtotal	TOTAL
Cortellucci Vaughan	45.0%	109.451	7.347	7.430	7.525	7.629	7.749	7.013	0.000	44.692	154.144
Assessment Increase			1.13%	1.27%	1.39%	1.57%	1.66%	1.60%	1.54%		

*MOU was terminated in 2019 and a one-time re-allocation of contributions between hospitals in 2020 facilitates fulfilment of Region's financial commitments for Council-approved projects.

Note: Future assessment growth estimated to increase to 1.66% in 2029 and slows down to 1.54% annually by 2031, as forecasted by York Region Finance Department as of January 2025. Forecast will be updated annually to reflect additional information.

Figures may not add due to rounding.