



Capital Regional Hospital District

A Notice of a **Special Meeting** of the **Capital Regional Hospital District Board**  
to be held on **Wednesday, March 30, 2011 at 1:30 pm**  
in the Board Room, 625 Fisgard Street, Victoria, B.C.

## **A G E N D A**

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1. **APPROVAL OF AGENDA**
2. **2011 BUDGET BYLAW**
  - *That Bylaw No. 369 cited as "Annual Budget Bylaw, 2011" be introduced and read a first and second time, read a third time and adopted.* (WA)
3. **ADJOURNMENT**

### **Voting Key:**

- **WA** = Weighted vote of all Directors;
- **WP** = Weighted vote of participants (as listed) only;
- **NWP** = Non weighted vote of participants (as listed) only;
- **NWA** = Non weighted vote of all Directors.



Making a difference...together

**REPORT TO CAPITAL REGIONAL HOSPITAL DISTRICT BOARD  
MEETING OF WEDNESDAY, 30 MARCH 2011**

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**SUBJECT: 2011 Budget Bylaw**

**PURPOSE/ISSUE:**

The purpose of this report is to request approval of Bylaw No. 369 to adopt the 2011 Annual Budget.

**HISTORY/BACKGROUND:**

Under the provisions of Section 23(5) of the Hospital District Act, the Capital Regional Hospital District (CRHD) Budget for the current year, Schedule A of CRHD Bylaw 369, must be adopted by bylaw on or before March 31.

Under the provisions of Section 25(1) of the Hospital District Act, the CRHD Board is required on or before April 20 in each year, to deliver to each member municipality that is a city, district, town, or village, a requisition stating the amount required from that member during the year.

**ALTERNATIVES:**

1. Approve Bylaw No. 369 as presented.
2. Amend Bylaw No. 369.

**FINANCIAL IMPLICATIONS:**

The budget has been reviewed and reflects all changes made by the committees during the budget review process. Schedule A reflects all changes, the final surplus and payments in lieu of taxes. Schedule B sets out future budget projections and is for information only.

The major changes from the 2010 Budget are as follows:

- Increase in payments in lieu of taxes of \$153,910 to 778,310.
- Increase in debt servicing payments of \$495,310. This increase represents, in part, the debt servicing on the final debt placement for the RJH – Patient Care Centre.

**SUMMARY/CONCLUSIONS:**

The 2011 Requisition of \$27,184,340 has increased by \$340,300 over the 2010 requisition of \$26,844,040. This change is primarily due to an increase in the debt servicing payments.

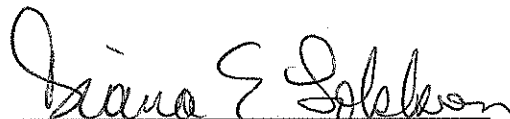
This represents a total cost of \$156.87 per average residential assessment. The average residential assessment for the region based on 2011 completed assessments is \$550,219 (2010 was \$529,519).

RECOMMENDATION:

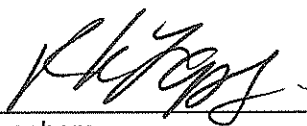
That Bylaw No. 369 cited as "Annual Budget Bylaw, 2011" be introduced and read a first time, read a second time, read a third time and adopted.



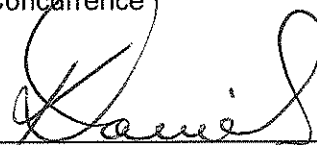
Rajat Sharma  
Senior Manager, Financial Services



Diana E. Lokken, Dip Bus Admin, CMA  
General Manager, Corporate Services  
Concurrence



Robert Lapham  
General Manager, Planning & Protective Services  
Concurrence



Kelly Daniels  
Chief Administrative Officer  
Concurrence

Attachment: CRHD Bylaw #369

COMMENTS:

CAPITAL REGIONAL HOSPITAL DISTRICT

BYLAW No. 369

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A BYLAW TO ADOPT THE ANNUAL BUDGET FOR THE YEAR 2010

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WHEREAS pursuant to Section 23(5) of the *Hospital District Act*, the Regional Hospital District Budget for the current year shall be adopted by bylaw on or before the 31st day of March;

NOW THEREFORE, the Board of the Capital Regional Hospital District, in open meeting assembled enacts as follows:

- 1. Schedule A attached hereto and made part of this bylaw comprises the Annual Budget for the Capital Regional Hospital District for the year ending the 31st day of December 2011.
- 2. This bylaw may be cited as the "Annual Budget Bylaw, 2011".

READ A FIRST TIME THIS                                    day of                                    2011.

READ A SECOND TIME THIS                                    day of                                    2011.

READ A THIRD TIME THIS                                    day of                                    2011.

ADOPTED THIS                                    day of                                    2011.

\_\_\_\_\_  
CHAIR

\_\_\_\_\_  
SECRETARY

## SCHEDULE A

**CAPITAL REGIONAL HOSPITAL DISTRICT  
2011 ANNUAL BUDGET**

|  | <u>2010<br/>BOARD<br/>APPROVED</u> | <u>2011<br/>ANNUAL<br/>BUDGET</u> | <u>2010 - 2011<br/>BUDGET<br/>VARIANCE</u> |
|--|------------------------------------|-----------------------------------|--|
| <b><u>REVENUE</u></b>                        |                                    |                                   |  |
| Tax Requisition Total                        | 26,844,040                         | 27,184,340                        | 340,300                                    |
| Payments in Lieu of Taxes                    | 624,400                            | 778,310                           | 153,910                                    |
|  | <u>27,468,440</u>                  | <u>27,962,650</u>                 | <u>494,210</u>                             |
| Debt Reserve Fund Recovery                   | 0                                  | 0                                 | 0  |
| Interest                                     | 50,000                             | 50,000                            | 0  |
| Surplus Previous Year                        | 76,670                             | 86,150                            | 9,480                                      |
|  | <u>27,595,110</u>                  | <u>28,098,800</u>                 | <u>503,690</u>                             |
| <b>TOTAL REVENUE</b>                         |                                    |                                   |  |
| <b><u>EXPENDITURES</u></b>                   |                                    |                                   |  |
| Debt Servicing                               |                                    |                                   |  |
| Debenture Debt - Accrued Interest Dec 31     | 374,000                            | 182,180                           | (191,820)                                  |
| Debenture Debt Charges                       | 21,922,530                         | 23,012,850                        | 1,090,320                                  |
| Temporary Borrowing Interest                 | 250,000                            | 109,850                           | (140,150)                                  |
| Debenture Issue Expense                      | 210,870                            | 112,230                           | (98,640)                                   |
| Debt Reserve Fund                            | 351,450                            | 187,050                           | (164,400)                                  |
| Total Debt Servicing                         | <u>23,108,850</u>                  | <u>23,604,160</u>                 | <u>495,310</u>                             |
| Administration Expenditures                  | 411,260                            | 419,640                           | 8,380                                      |
| Section 20(3) Expenditures                   | 3,075,000                          | 3,075,000                         | 0  |
|  | <u>3,486,260</u>                   | <u>3,494,640</u>                  | <u>8,380</u>                               |
| Non-Traditional Projects                     | 1,000,000                          | 1,000,000                         | 0  |
|  | <u>27,595,110</u>                  | <u>28,098,800</u>                 | <u>503,690</u>                             |
| <b>TOTAL EXPENDITURES</b>                    |                                    |                                   |  |
| Tax impact on 2011 Avg Residence (\$550,219) | 154.91                             | 156.87                            |  |
| Tax impact on \$100,000 assessment           | 28.15                              | 28.51                             |  |
| Requisition increase/(decrease)              |                                    | 1.3%                              |  |

SCHEDULE B

**CAPITAL REGIONAL HOSPITAL DISTRICT  
2011 - 2015 FUTURE BUDGET PROJECTIONS**

|  | <u>2011<br/>ANNUAL<br/>BUDGET</u> | <u>2012<br/>BUDGET</u> | <u>2013<br/>BUDGET</u> | <u>2014<br/>BUDGET</u> | <u>2015<br/>BUDGET</u> |
|--|-----------------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>REVENUE</b>                               |                                   |                        |                        |                        |                        |
| Tax Requisition Total                        | 27,184,340                        | 29,246,190             | 32,268,620             | 33,518,560             | 34,347,900             |
| Grants in Lieu of Taxes                      | 778,310                           | 778,310                | 778,310                | 778,310                | 778,310                |
|  | <u>27,962,650</u>                 | <u>30,024,500</u>      | <u>33,046,930</u>      | <u>34,296,870</u>      | <u>35,126,210</u>      |
| Debt Reserve Fund Recovery                   | 0                                 | 0                      | 0                      | 0                      | 0                      |
| Interest                                     | 50,000                            | 100,000                | 100,000                | 100,000                | 100,000                |
| Surplus Previous Year                        | 86,150                            | 0                      | 0                      | 0                      | 0                      |
| <b>TOTAL REVENUE</b>                         | <u>28,098,800</u>                 | <u>30,124,500</u>      | <u>33,146,930</u>      | <u>34,396,870</u>      | <u>35,226,210</u>      |
| <b>EXPENDITURES</b>                          |                                   |                        |                        |                        |                        |
| Debt Servicing                               |                                   |                        |                        |                        |                        |
| Debtenture Debt - Accrued Interest Dec 31    | 182,180                           | 0                      | 0                      | 0                      | 0                      |
| Debtenture Debt Charges                      | 23,012,850                        | 25,046,680             | 28,147,010             | 29,456,960             | 30,435,140             |
| Temporary Borrowing Interest                 | 109,850                           | 110,000                | 200,000                | 200,000                | 200,000                |
| Debtenture Issue Expense                     | 112,230                           | 175,870                | 111,320                | 87,210                 | 29,770                 |
| Debt Reserve Fund                            | 187,050                           | 293,110                | 185,530                | 145,350                | 49,620                 |
| Total Debt Servicing                         | <u>23,604,160</u>                 | <u>25,625,660</u>      | <u>28,643,860</u>      | <u>29,889,520</u>      | <u>30,714,530</u>      |
| Administration Expenditures                  | 419,640                           | 423,840                | 428,070                | 432,350                | 436,680                |
| Section 20(3) Exp - Capital & Studies        | 3,075,000                         | 3,075,000              | 3,075,000              | 3,075,000              | 3,075,000              |
|  | <u>3,494,640</u>                  | <u>3,498,840</u>       | <u>3,503,070</u>       | <u>3,507,350</u>       | <u>3,511,680</u>       |
| Non-Traditional Projects                     | 1,000,000                         | 1,000,000              | 1,000,000              | 1,000,000              | 1,000,000              |
| <b>TOTAL EXPENDITURES</b>                    | <u>28,098,800</u>                 | <u>30,124,500</u>      | <u>33,146,930</u>      | <u>34,396,870</u>      | <u>35,226,210</u>      |
| Tax Impact on 2011 Avg Residence (\$550,219) | 156.87                            | 168.77                 | 186.21                 | 193.42                 | 198.21                 |
| Tax Impact on \$100,000 assessment           | 28.51                             | 30.67                  | 33.84                  | 35.15                  | 36.02                  |
| Requisition increase/(decrease)              | 1.3%                              | 7.6%                   | 10.3%                  | 3.9%                   | 2.5%                   |