



Capital Regional Hospital District

CAPITAL REGIONAL HOSPITAL DISTRICT BOARD
Notice of Special Meeting to be held on Wednesday, March, 7, 2012 at 10:00 am
in the Board Room, 6th Floor, 625 Fisgard St., Victoria, BC

AGENDA

- 1. APPROVAL OF AGENDA**
- 2. HOSPITAL BOARD ORIENTATION** (Presentation by R. Lapham and M. Rachwalski)
- 3. PROVISIONAL 2012 BUDGET AND 10-YEAR CAPITAL PLAN PREVIOUSLY APPROVED**
(October 26, 2011 staff reports attached for information)
- 4. ADJOURNMENT**

**STAFF REPORT TO THE
PLANNING, TRANSPORTATION AND PROTECTIVE SERVICES COMMITTEE
MEETING OF WEDNESDAY, OCTOBER 26, 2011**

SUBJECT: 2012 Capital Regional Hospital District Provisional Budget

ISSUE:

Review the 2012 Capital Regional Hospital District (CRHD) Provisional Budget. The *Hospital District Act* requires the CRHD Provisional Budget be adopted by the Board on or before December 31, 2011.

BACKGROUND:

The CRHD Provisional Budget establishes Regional Hospital District funding for the coming fiscal year. The Budget consists of debt service charges on funds borrowed for capital projects, Section 20(3) medical equipment grant, non-traditional projects, and the administration budget for CRHD functions provided by the Health and Capital Planning Strategies Division.

ALTERNATIVES:

1. Approve the 2012 Capital Regional Hospital District Provisional Budget as submitted.
2. Refer the 2012 Capital Regional Hospital District Provisional Budget back to staff for further analysis.

BUDGET FINANCIAL IMPLICATIONS:

The 2012 Provisional Budget Summary and its comparison to the 2011 Budget are found in Schedule A. Schedule B shows the 2012-2016 Future Budget Projections and Schedule C presents a summary of CRHD 2012 capital expenditures. The Budget consists primarily of the following components:

Debt Servicing:

This represents principal and interest payments to be paid out on Board-approved projects. The CRHD 10-year Capital Plan and related approved capital bylaws are the basis of the future debt servicing projections.

Section 20(3) Equipment Grant:

Section 20(3) of the *Hospital District Act* enables the Regional Hospital District to grant aid to hospitals and designated health care facilities for diagnostic and medical equipment purchases. The District also retains an amount under this category for divisional activities including research and studies. The Section 20(3) allocation proposes the same level of funding as 2011 which provides a maximum of \$3.075 M.

Administration Expenditures:

The 2012 CRHD portion of the budget for the Health and Capital Planning Division is \$519,790. This budget includes a continuous supplementary increase of \$100,000 to more accurately reflect the cost of administrative services that support the CRHD. This increase is being absorbed into the 2012 overall budget within the proposed 2% tax requisition increase.

Non-Traditional Projects Allocation:

The 2012 Budget continues to include an allocation of \$1 M for Non-Traditional Projects (NTPs). This requisition is used to fund community a combination of priority projects in the Region or paying down outstanding funding (debt) obligations.

Tax Requisition:

The 2012 CRHD tax requisition is estimated to be \$27.728 M, which is a 2% increase over 2011. For 2012, the tax impact on average household (2011 assessment \$548,543) will be \$160.27. The

following table compares the forecasted tax impact on assessed residential value from 2009 when the CRHD began to incur the cost of two major hospital projects.¹

Budget Year	Residential Assessment	2011	2012	2013	2014	2015
2009 ¹	\$521,818	177.30	187.37	202.61	n/a	n/a
2010 ¹	\$529,519	163.73	169.47	179.66	187.75	n/a
2011 ¹	\$550,219	156.87	168.77	186.21	193.42	198.21
2012 ²	\$548,543	n/a	160.27	170.84	180.97	186.14

¹ Final Budget
² Provisional Budget

2012 Capital Plan Projections:

The 2008 Funding Options Review recommendations have helped lower the forecasted tax requisition peak. The 2008 Ten Year Capital Plan projected a peak of \$254.31 in 2018. However; since the implementation of the new funding framework the projected peak has been declining. The revised 2011 Capital Plan (which included the addition of the Mt. View Heights and Oak Bay Lodge projects) projected a peak requisition of \$199.14 in 2015. The 2012 Capital Plan tax requisition is further reduced to a peak of \$195.93 in 2017. Overall, the anticipated growth in requisitions is significantly less than the 2011 forecast when it was anticipated that the increase would be 7.6% in 2012 and 10.33% in 2013.

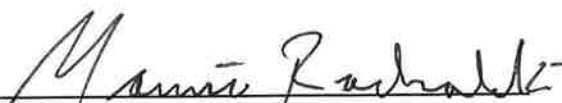
CONCLUSION:

The 2012 CRHD Provisional Budget must be adopted on or before December 1, 2011. The 2012 Budget presents a reasonable reflection of the actual costs for Board approved and future year projects. Overall, the Budget reflects increased balance, discipline and reduction in the future tax requisition. The 2012 CRHD Provisional Budget expenditures are in line with the prior year's 2011 Budget five-year forecast. The overall budget proposes an increase of approximately 2%. Alternative 1 is recommended.

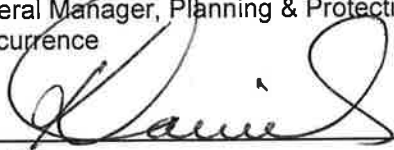
RECOMMENDATION:

That the Planning, Transportation and Protective Services Committee recommends to the CRHD Board:

1. That the 2012 Capital Regional Hospital District Provisional Budget be approved.


 Maurice Rachwalski, Senior Manager
 Health and Capital Planning Strategies


 Robert Lapham, MCIP
 General Manager, Planning & Protective Services
 Concurrence


 Kelly Daniels
 Chief Administrative Officer
 Concurrence

COMMENTS:

¹ R/JH Patient Care Centre and VGH Emergency Redevelopment

SCHEDULE A

CAPITAL REGIONAL HOSPITAL DISTRICT
2012 PROVISIONAL BUDGET

	2011 BOARD APPROVED	2011 ESTIMATED ACTUALS	2012 PROVISIONAL BUDGET	2010 - 2011 BUDGET VARIANCE
REVENUE				
Tax Requisition Total	27,184,340	27,184,340	27,728,030	543,690
Payments in Lieu of Taxes	778,310	821,540	819,330	41,020
	27,962,650	28,005,880	28,547,360	584,710
Debt Reserve Fund Recovery	0	403,930	0	0
Interest	50,000	50,000	50,000	0
Surplus Previous Year	86,150	80,370	0	-86,150
TOTAL REVENUE	28,098,800	28,540,180	28,597,360	498,560
EXPENDITURES				
Debt Servicing				
Debenture Debt - Accrued Interest Dec 31	182,180	0	242,200	60,020
Debenture Debt Charges	23,012,850	24,855,018	23,120,930	108,080
Temporary Borrowing Interest	109,850	90,500	250,000	140,150
Debenture Issue Expense	112,230	19,980	146,040	33,810
Debt Reserve Fund	187,050	33,300	243,400	56,350
Total Debt Servicing	23,604,160	24,998,798	24,002,570	398,410
Administration Expenditures	419,640	419,640	519,790	100,150
Section 20(3) Expenditures	3,075,000	3,075,000	3,075,000	0
	3,494,640	3,494,640	3,594,790	100,150
Non-Traditional Projects	1,000,000	46,742	1,000,000	0
TOTAL EXPENDITURES	28,098,800	28,540,180	28,597,360	498,560
Tax impact on 2011 Avg Residence (\$548,543)	157.13		160.27	
Tax impact on \$100,000 assessment	28.64		29.22	
Requisition increase/(decrease)			2.0%	

SCHEDULE B

**CAPITAL REGIONAL HOSPITAL DISTRICT
2012 - 2016 FUTURE BUDGET PROJECTIONS**

	2012 PROVISIONAL BUDGET	2013 BUDGET	2014 BUDGET	2015 BUDGET	2016 BUDGET
REVENUE					
Tax Requisition Total	27,728,030	29,555,770	31,309,720	32,203,840	33,223,510
Grants in Lieu of Taxes	819,330	819,330	819,330	819,330	819,330
	<u>28,547,360</u>	<u>30,375,100</u>	<u>32,129,050</u>	<u>33,023,170</u>	<u>34,042,840</u>
Debt Reserve Fund Recovery	0	0	0	0	0
Interest	50,000	50,000	50,000	50,000	50,000
Surplus Previous Year	0	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL REVENUE	<u><u>28,597,360</u></u>	<u><u>30,425,100</u></u>	<u><u>32,179,050</u></u>	<u><u>33,073,170</u></u>	<u><u>34,092,840</u></u>
EXPENDITURES					
Debt Servicing					
Debenture Debt - Accured Int. Dec 31	242,200	0	0	0	0
Debenture Debt Charges	23,120,930	25,205,700	27,129,300	28,014,530	29,096,000
Temporary Borrowing Interest	250,000	200,000	200,000	200,000	200,000
Debenture Issue Expense	146,040	156,080	89,250	89,310	65,230
Debt Reserve Fund	243,400	260,130	148,750	148,850	102,220
Total Debt Servicing	<u>24,002,570</u>	<u>25,821,910</u>	<u>27,567,300</u>	<u>28,452,690</u>	<u>29,463,450</u>
Administration Expenditures	519,790	528,190	536,750	545,480	554,390
Section 20(3) Exp - Capital & Studies	3,075,000	3,075,000	3,075,000	3,075,000	3,075,000
	<u>3,594,790</u>	<u>3,603,190</u>	<u>3,611,750</u>	<u>3,620,480</u>	<u>3,629,390</u>
Non-Traditional Projects	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
TOTAL EXPENDITURES	<u><u>28,597,360</u></u>	<u><u>30,425,100</u></u>	<u><u>32,179,050</u></u>	<u><u>33,073,170</u></u>	<u><u>34,092,840</u></u>
Tax Impact on 2011 Avg Residence (\$548,543)	160.27	170.84	180.97	186.14	192.04
Tax Impact on \$100,000 assessment	29.22	31.14	32.99	33.93	35.01
Requisition increase/(decrease)	2.0%	6.6%	5.9%	2.9%	3.2%

SCHEDULE C

**CAPITAL REGIONAL HOSPITAL DISTRICT
2012 CAPITAL EXPENDITURES**

<u>CBL#</u>	<u>PROJECT</u>	<u>2012 CAPITAL EXPENDITURES</u>
144	VIHA - 2008 Minor Capital Projects	1,141,120
145	RJH - EMP Asbestos Phase 2	300,000
146	VIHA - Residential Care Patient Lifts Phase 1	360,000
149	VIHA - 2009 Minor Capital Projects 5yr	628,630
150	VIHA - 2009 Minor Capital Projects 10yr	944,690
152	VIHA - 2010 Minor Capital Projects	2,000,000
153	SPH - OR/Electrical Redevelopment	960,000
154	MTV/OBL New Residential Care	14,086,920
156	VIHA - 2011 Minor Capital Projects	2,576,420
TBA	VIHA - 2012 Minor Capital Projects	1,250,000
TBA	VGH - Endoscopy Unit Reno	91,800
N/A	Non-Traditional Community Project	<u>1,000,000</u>
		<u><u>25,339,580</u></u>

**STAFF REPORT TO THE
PLANNING, TRANSPORTATION & PROTECTIVE SERVICES COMMITTEE
MEETING OF WEDNESDAY, OCTOBER 26, 2011**

SUBJECT: Capital Regional Hospital District 2012-2021 Ten Year Capital Plan

ISSUE:

Analysis of the Capital Regional Hospital District (CRHD) Ten Year Capital Plan identifying likely capital expenditures for the ten-year period 2012-2021 and the financial implications for the CRHD requisition and future property tax charges.

HISTORY/BACKGROUND:

A list of projected CRHD capital expenditures over the next ten years (the "Capital Plan") is submitted for Board approval each year. The 2012-2021 Capital Plan (Appendix "A") is derived mainly from the Vancouver Island Health Authority's (VIHA) composite of priorities identified from the various health sectors (acute hospital, long term care/residential care, etc.)¹ and illustrates anticipated capital expenditures and their financial impact for the Region and property taxpayers.

Although the planning process is iterative, the Capital Plan is generally subjected to multiple revisions and alterations depending on the funding availability for VIHA, how the project fits into the overall VIHA and CRHD priorities, and more detailed project planning and design. Capital Plans are forward-looking documents that present the best estimate of cash flows expected in future years for new projects and initiatives.

As compared to the 2011-2020 Capital Plan, the anticipated CRHD share for Major Projects has decreased. Some of the projects included in the 2012-2021 Plan have been changed or reassessed based on conversations with VIHA staff, and the current activity of projects in the CRHD catchment area reflects VIHA's emphasis on the development of major healthcare facilities across Vancouver Island.

FUNDING DETAILS:²

Major Projects

For 2012 there is only one new major project; a \$3 million (M) upgrade and renovation to the Endoscopy Unit at Victoria General Hospital. Based on a 30% contribution, the CRHD portion would be \$900,000.

Minor Projects

Minor Capital Projects contributions have been set at a maximum of \$3.75 M annually in debt service funding as a 40 percent contribution towards projects totaling \$9.375 M.

Section 20(3) Equipment & Planning/Research

Bio-medical and diagnostic equipment funding has been set at \$3.075 M in the Section 20(3) requisition funding, allocated as follows: \$2.925 M to VIHA for equipment; \$30,000 to Mount St. Mary's Hospital for equipment; and, \$120,000 for health facilities planning and research.

Non-Traditional Projects

The Plan also contains a \$1 M annual allocation for Non-Traditional Projects. This allocation has been effectively used in the past to also pay down outstanding funding obligations including acquisition and development costs associated with the Mount View project.

¹ VIHA funding sources: Ministry of Health, CRHD, Hospital Foundations, VIHA internally generated funds (e.g. parking)

² See Appendix D for a description of capital expenditures by category

ALTERNATIVES:

1. Approve the 2012-2021 Ten Year Capital Plan as submitted.
2. Not approve the 2012-2021 Ten Year Capital Plan as submitted.

As graphically illustrated in Appendix "B", the 2012 Ten Year Plan includes projects VIHA may implement in future years within the Capital Region and portrays a partial road map for future anticipated health capital projects and related cash flows.

FINANCIAL IMPLICATIONS:

Appendices "A" and "B" summarize the financial implications of the 2012-2021 Capital Plan and Appendix "C" summarizes the existing and estimated debt service implications on the average assessed residential value.

The 2012 Ten Year Capital Plan shows significant debt management and control on the overall CRHD requisition. For example, the 2008 Capital Plan projected a peak of \$254.31 in 2018, while the current plan indicates a peak maximum requisition of \$195.93 in 2017 - a decrease of 23%.

SUMMARY/CONCLUSIONS:

CRHD staff continue to work with VIHA to develop more detailed and robust plans and projections of the Region's healthcare capital requirements for VIHA facilities, and anticipate that the 2013-2022 Capital Plan will better reflect VIHA's long term healthcare capital requirements.

The Plan presents an accurate reflection of the actual cash flow schedule for ongoing (Board previously approved) projects and estimate of cash flow for projects to be approved. Staff recommends approving the 2012-2021 Capital Plan as submitted.

RECOMMENDATION:

That the Planning, Transportation and Protective Services Committee recommends to the CRHD Board:

1. That the 2012-2021 Ten Year Capital Plan be approved as submitted.



Maurice Rachwalski, Senior Manager
Health and Capital Planning Strategies
Report Writer



Robert Lapham, General Manager
Planning and Protective Services
Concurrence



Kelly Daniels, Chief Administrative Officer
Concurrence

COMMENTS:

SUMMARY	Project Total	Remaining Balance	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
VIHA SHAREABLE PROJECTS												
Acute Hospitals Major Capital Projects	156,018,000	138,610,320	2,706,000	4,495,680	6,858,480	27,829,680	23,737,440	3,712,800	13,170,240	22,950,000	22,950,000	10,200,000
Residential Care Replacement Projects - Mt. View & Oak Bay	127,992,572	127,992,572	44,724,097	49,717,406	24,735,359	8,815,710	-	-	-	-	-	-
Minor Capital Projects - CRHD Approved Outstanding Balance to be Expensed	45,599,557	28,701,100	17,286,100	9,415,000	-	-	-	-	-	-	-	-
Minor Capital Projects - 2012 VIHA Requested	9,375,000	9,375,000	3,125,000	3,125,000	3,125,000	-	-	-	-	-	-	-
Minor Capital Projects - CRHD Anticipated 2013-2021	84,375,000	84,375,000	-	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000
TOTAL ESTIMATED VALUE OF PROJECTS	423,360,129	387,053,992	67,841,197	76,128,086	44,093,839	46,020,390	33,112,440	13,087,800	22,545,240	32,325,000	32,325,000	19,575,000

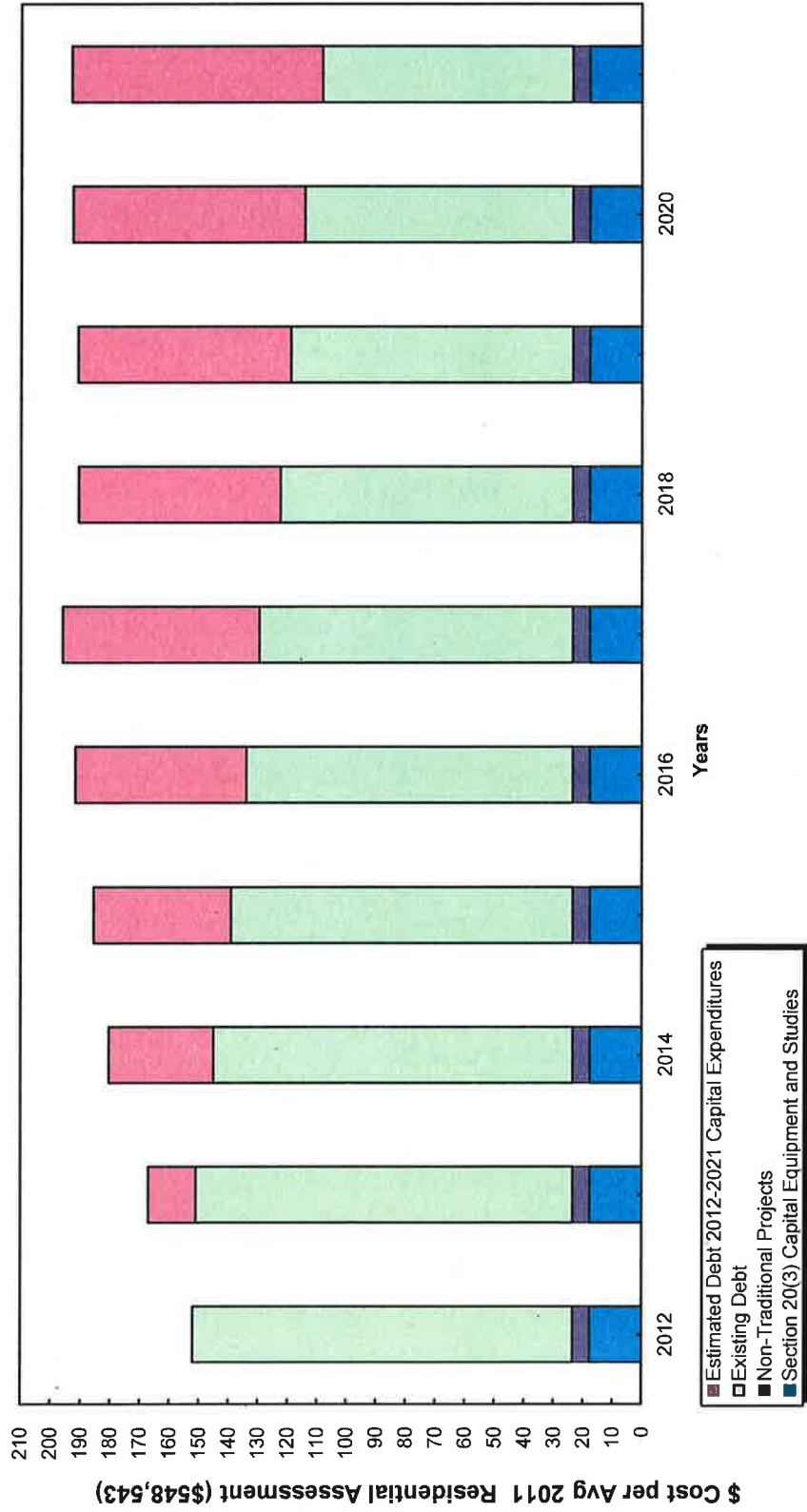
CRHD \$ SHARE - TOTAL ESTIMATED ANNUAL CAPITAL CASH FLOW												
CRHD Section 20(3) Grants - 100% CRHD Share (0% incl/yr) cash requisition	-	30,750,000	3,075,000	3,075,000	3,075,000	3,075,000	3,075,000	3,075,000	3,075,000	3,075,000	3,075,000	3,075,000
Non-Traditional Projects Grants - 100% CRHD Share (0% incl/yr) cash requisition	-	10,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Mt. View Development Infrastructure - 100% CRHD Share interim financed	-	2,000,000	500,000	-	-	-	-	-	-	-	-	-
Acute Hospitals Major Capital Projects - 40% CRHD share for approved projects & 30% unapproved projects - debt financing	63,495,056	42,039,696	1,051,800	1,565,304	2,057,544	8,348,904	7,121,232	1,113,840	3,951,072	6,885,000	6,885,000	3,060,000
Residential Care Replacement Projects - 32% CRHD Share MTV/OBL - debt financing	40,372,800	40,372,800	14,086,916	15,682,237	7,817,486	2,786,161	-	-	-	-	-	-
Minor Capital Projects CRHD Approved - 40% CRHD Share - debt financing	18,239,823	10,680,440	6,914,440	3,766,000	-	-	-	-	-	-	-	-
Minor Capital Projects 2012 VIHA Requested - 40% CRHD Share - debt financing	3,750,000	3,750,000	1,250,000	1,250,000	1,250,000	-	-	-	-	-	-	-
Minor Capital Projects 2013-2021 Anticipated - 40% CRHD Share - debt financing	33,750,000	33,750,000	-	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000
CRHD Total Estimated Annual Capital Cash Flow	202,357,678	171,842,936	27,878,156	30,088,541	18,950,030	18,960,065	14,946,232	8,938,840	11,776,072	14,710,000	14,710,000	10,885,000

General Notes:
 1) Cash flow figures represent anticipated maximum requirements if all listed projects proceed as shown
 2) Projections are based primarily on the most recent information from VIHA
 3) Definitions of Project Status -
 a) VIHA Requested: projects that VIHA will proceed with design and construction in 2012
 b) VIHA Planned: projects VIHA intends to develop in 2-3 years subject to further service and/or facilities planning
 c) CRHD Anticipated: projects CRHD has identified as a priority in the 4-10 year range

ACUTE AND REHAB HOSPITALS		Project Status	CBL#	Debt Term	Project Total	Remaining Balance	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
ROYAL JUBILEE HOSPITAL																
Major projects																
Asbestos Abatement - EMP - Phase 3	VIHA Planned			10	6,500,000	6,500,000	-	-	650,000	3,250,000	2,600,000	-	-	-	-	-
Food Service Bldg Fabric Reno	VIHA Planned			10	8,000,000	8,000,000	-	-	800,000	4,000,000	3,200,000	-	-	-	-	-
Acute Care Site Reconfiguration (RJH)	VIHA Planned			15	29,000,000	29,000,000	-	-	2,900,000	14,500,000	11,600,000	-	-	-	-	-
TBD future major project(s)	CRHD Anticipated			15	20,000,000	20,000,000	-	-	-	-	-	-	5,000,000	5,000,000	5,000,000	5,000,000
Royal Jubilee Hospital Total					73,000,000	63,500,000			4,350,000	21,750,000	17,400,000		5,000,000	5,000,000	5,000,000	5,000,000
VICTORIA GENERAL HOSPITAL																
Major projects																
Endoscopy Unit Renovation	VIHA Requested			5	3,000,000	3,000,000	300,000	1,500,000	1,200,000	-	-	-	-	-	-	-
Acute Care Site Reconfiguration (VGH)	VIHA Planned			5	3,900,000	3,900,000	-	-	390,000	1,950,000	1,560,000	-	-	-	-	-
TBD future major project(s)	CRHD Anticipated			15	20,000,000	20,000,000	-	-	-	-	-	-	5,000,000	5,000,000	5,000,000	5,000,000
Victoria General Hospital Total					26,900,000	26,900,000	300,000	1,500,000	1,590,000	1,950,000	1,560,000		5,000,000	5,000,000	5,000,000	5,000,000
SAANICH PENINSULA HOSPITAL																
Major projects																
SPH OR Redevelopment & Electrical (40%)	CRD Approved 2010			153	4,566,000	3,666,000	1,500,000	2,166,000	-	-	728,000	3,640,000	2,912,000	-	-	-
Lab & Imaging redevelopment	CRHD Anticipated			10	7,280,000	7,280,000	-	-	-	-	-	-	-	-	-	-
Saanich Peninsula Hospital Total					11,846,000	10,946,000	1,500,000	2,166,000			728,000	3,640,000	2,912,000			
LADY MINTO HOSPITAL																
Major projects																
LMH 81 Bed Replacement & 5 New Beds	CRHD Anticipated			15	25,000,000	25,000,000	-	-	-	-	-	-	-	12,500,000	12,500,000	-
Lady Minto Hospital Total					25,000,000	25,000,000								12,500,000	12,500,000	
QUEEN ALEXANDRA HOSPITAL																
Major projects																
No Major Projects as per VIHA Capital Plan																
Queen Alexandra Hospital Total																
VIHA - SOUTH ISLAND INITIATIVES																
Major projects																
SI Ceiling-Mounted Patient Lifts Res Care I (40%)	CRHD Approved 2008			146	2,000,000	900,000	900,000	-	-	-	-	-	-	-	-	-
SI Ceiling-Mounted Patient Lifts II	VIHA Planned			5	3,136,000	3,136,000	-	784,000	784,000	784,000	784,000	-	-	-	-	-
Victoria USTAT & Psychotherapy Program	CRHD Anticipated			10	5,600,000	5,600,000	-	-	-	2,800,000	2,800,000	-	-	-	-	-
VIHA South Area Initiatives					19,272,000	9,636,000	900,000	784,000	784,000	3,584,000	3,584,000					
Acute & Rehab Hospitals Sub -Total					156,018,000	135,982,000	2,700,000	4,450,000	6,724,000	27,284,000	23,272,000	3,640,000	12,912,000	22,500,000	22,500,000	10,000,000
Inflation (2%) excluding approved Capital Bylaws						2,719,640	6,000	45,680	134,480	545,680	465,440	72,800	258,240	450,000	450,000	200,000
Acute Hospitals Major Capital Projects Annual Capital Cash Flow					138,610,320		2,706,000	4,495,680	6,858,480	27,829,680	23,737,440	3,712,800	13,170,240	22,950,000	22,950,000	10,200,000
CRHD Share 40% Approved Projects & 30% Unapproved Acute & Rehab Cost						41,484,192	960,000	1,101,600	2,057,544	8,348,904	7,121,232	1,113,840	3,951,072	6,885,000	6,885,000	3,060,000

OTHER CAPITAL PROJECTS		Project Status	CBL#	Debt Term	Project Total	Remaining Balance	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
CRD Projects																
Mt View Residential Care Replacement	CRHD Approved	154	15	55,300,700	55,300,700	33,704,411	21,596,289									
Oak Bay Lodge Residential Care Replacement	CRHD Approved	154	15	72,691,872	72,691,872	11,019,686	28,121,117	24,735,359	8,815,710							
Other Capital Projects Sub-total				127,992,572	127,992,572	44,724,097	49,717,406	24,735,359	8,815,710							
Inflation (2%) excluding approved Capital Bylaws																
Other Capital Projects Annual Capital Cash Flow					127,992,572	44,724,097	49,717,406	24,735,359	8,815,710							
CRHD share 32% MTV/OBL & 30% Unapproved Other Capital Projects				40,372,800	40,372,800	14,086,916	15,682,237	7,817,486	2,786,161							
MINOR CAPITAL PROJECTS																
Various VIHA Hospitals																
Minor Capital Projects - Approved 2008	CRHD Approved	144	10	12,500,000	2,652,800	2,652,800										
Outstanding Balance to be Expensed (40%)																
Minor Capital Projects - Approved 2009	CRHD Approved	149	5	2,377,000	1,571,570	1,571,570										
Outstanding Balance to be Expensed (40%)																
Minor Capital Projects - Approved 2009	CRHD Approved	150	10	7,671,500	2,361,730	2,361,730										
Outstanding Balance to be Expensed (40%)																
Minor Capital Projects - Approved 2010 (40%)	CRHD Approved	152	10	11,109,999	8,915,000	5,000,000	3,915,000									
Minor Capital Projects - Approved 2011 (40%)	CRHD Approved	156	10	11,941,058	11,000,000	5,500,000	5,500,000									
Minor Capital Projects - 2012 (40%)	VIHA Requested		10	9,375,000	9,375,000	3,125,000	3,125,000									
Minor Capital Projects - 2013-2021 (40%)	CRD Anticipated		10	84,375,000	84,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000
MCP Projects Sub-total					120,451,100	20,411,100	21,915,000	12,500,000	12,500,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000
Inflation (0%) excluding approved Capital Bylaws																
MCP Projects Annual Capital Cash Flow					120,451,100	20,411,100	21,915,000	12,500,000	12,500,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000
CRHD 40% share of MCP Projects Total					48,180,440	8,164,440	8,766,000	5,000,000	5,000,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000

**CAPITAL REGIONAL HOSPITAL DISTRICT
Debt Servicing (2012-2021) for 10 Year Capital Plan (2012-2021)
MFA Borrowing Terms of 5-20yrs**



Debt Servicing has not been adjusted for Grants in Lieu of Taxes and Administration Expenditures as they net to zero.
Prepared by: CRD Finance Sept. 19, 2011

CAPITAL REGIONAL HOSPITAL DISTRICT
Existing and Estimated Debt Servicing (2012-2031) for 10 Year Capital Plan (2012-2021)
Cost per Average 2011 Residential Assessment (\$548,543)
Based on MFA Borrowing Terms of 5, 10, 15, 20 years

<u>Year</u>	<u>Existing Debt Servicing</u>	<u>Capital Exp (2012-2021) Estimated Debt Servicing</u>	<u>Total Debt Servicing</u>	<u>Sec 20(3) Capital Equipment</u>	<u>Non-Traditional Projects</u>	<u>Total Requisition</u>	<u>Total Requisition Value</u>
2012	128.44	0.00	128.44	17.77	5.78	151.99	25,996,406
2013	127.43	16.08	143.50	17.77	5.78	167.06	28,610,598
2014	121.48	35.34	156.81	17.77	5.78	180.37	30,921,720
2015	115.57	46.36	161.93	17.77	5.78	185.48	31,815,679
2016	110.44	57.74	168.18	17.77	5.78	191.73	32,906,059
2017	105.94	66.44	172.37	17.77	5.78	195.93	33,642,664
2018	98.83	68.33	167.16	17.77	5.78	190.72	32,752,528
2019	95.29	72.09	167.38	17.77	5.78	190.93	32,800,969
2020	90.51	78.58	169.09	17.77	5.78	192.65	33,110,162
2021	84.57	84.93	169.50	17.77	5.78	193.06	33,192,761
2022	75.02	89.01	164.03	17.77	5.78	187.58	32,258,030
2023	63.53	83.20	146.73	17.77	5.78	170.28	29,277,646
2024	41.96	75.94	117.90	17.77	5.78	141.46	24,303,302
2025	11.93	71.43	83.36	17.77	5.78	106.92	18,340,396
2026	0.02	65.78	65.80	17.77	5.78	89.36	15,315,893
2027	0.00	60.31	60.31	17.77	5.78	83.86	14,379,076
2028	0.00	48.14	48.14	17.77	5.78	71.70	12,288,057
2029	0.00	34.33	34.33	17.77	5.78	57.89	9,912,975
2030	0.00	25.70	25.70	17.77	5.78	49.25	8,432,953
2031	0.00	18.00	18.00	17.77	5.78	41.56	7,116,120
							487,373,995

**APPENDIX D: SECTOR AND EXPENDITURE CATEGORY BREAKDOWN
STAFF REPORT TO THE
PLANNING, TRANSPORTATION AND PROTECTIVE SERVICES COMMITTEE
MEETING OF WEDNESDAY, OCTOBER 26, 2011**

Traditional Projects

Traditional healthcare projects funded by the CRHD are owned by the Vancouver Island Health Authority (VIHA) and are used primarily for the reception and treatment of persons:

- (a) suffering from the acute phase of illness or disability;
- (b) convalescing from or being rehabilitated after acute illness or injury; or
- (c) requiring extended care at a higher level than that generally provided in a private hospital.

Major Projects – Acute Care

Projects over \$2 M are classified as Major Projects. In light of the development of two major projects in the CRD (VGH Emergency expansion, and RJH Patient Care Centre), VIHA is now focusing on redeveloping other hospitals on the Island. The projects included in the Plan reflect VIHA's future plans for the main hospitals in the Region.

Based on discussion with VIHA staff, the Endoscopy Unit Renovation at Victoria General Hospital is the top priority project at this time and the only project planned for 2012. There are several other key projects included in the Capital Plan for future years. Overall the plan also includes other significant projects for all the facilities across the Region.

Minor Capital Projects

The revised funding framework (2010) established a fixed annual contribution of up to \$5 M for the Minor Capital Projects category. The projects are valued over \$100,000 to a maximum of \$2 M.

Depending upon the nature of projects included in VIHA's project request, funding for Minor Capital Projects would be carefully considered in the most efficient and economic ways for the CRHD.

Equipment - Section 20(3)

Under the Section 20(3), the Capital Plan identifies annual equipment funding to a maximum of \$3.075 M. The money is primarily used for the acquisition of medical equipment. Of the total amount, \$2.925 M will be provided to VIHA, \$30,000 to Mount St. Mary Hospital and \$120,000 to Health Facilities Planning administration for research/studies.

Non-Traditional Projects

Also included under Section 20(3), \$1 M per annum in this category is used to fund not-for-profit agencies other than VIHA for primary care (e.g. Bishop Coleman Memorial Health Centre on Pender Island and the Access Health Centre in Victoria) and residential care facilities (e.g. seniors and persons with addictions and/or mental illness). This category is also used to pay down outstanding funding obligations associated with the acquisition and development costs of the Mount View project.