



CAPITAL REGIONAL HOSPITAL DISTRICT BOARD
Notice of a Special Meeting on Wednesday, March 27, 2013 at 12:00 pm
in the Board Room, 6th Floor, 625 Fisgard St., Victoria, BC

AGENDA

1. APPROVAL OF AGENDA

2. 2013 BUDGET BYLAW

- *That Bylaw No. 375 cited as "Annual Budget Bylaw, 2013" be introduced and read a first and second time.*
- *That Bylaw No. 375 be read a third time.*
- *That Bylaw No. 375 be 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.



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**REPORT TO CAPITAL REGIONAL HOSPITAL DISTRICT BOARD
MEETING OF WEDNESDAY, 27 MARCH 2013**

SUBJECT: 2013 Capital Regional Hospital District (CRHD) Budget Bylaw

ISSUE:

Approval of Bylaw No. 375 to adopt the Capital Regional Hospital District 2013 Annual Budget.

BACKGROUND:

Under the provisions of Section 23(5) of the Hospital District Act, the CRHD budget for the current year must be adopted by bylaw on or before March 31. In addition, Section 25(1) of the Hospital District Act requires that on or before April 20 in each year, the CRHD delivers to each member municipality, a requisition stating the amount required from that member during the year.

On November 14, 2012 the CRHD Board approved the 2013 *Provisional Budget*. The final budget is shown as Schedule A of the attached CRHD Bylaw 375.

ALTERNATIVES:

1. That Bylaw No. 375 cited as "Annual Budget Bylaw, 2013" be introduced and read a first time, read a second time, read a third time and adopted.
2. Not approve Bylaw No. 375 and direct staff to return with a revised Bylaw based on amendments recommended by the Board.

FINANCIAL IMPLICATIONS:

The final budget presented here takes into consideration year-end adjustments related to surplus/deficits and payments in lieu of taxes as shown in Schedule A. Schedule B sets out future budget projections and is for information only.

Overall the 2013 CRHD Requisition of \$28,283,930 has increased by 2% over the 2012 requisition of \$27,728,030. The 2013 budget represents a total cost of \$156.36 per 2013 average residential assessment. The average residential assessment for the region based on 2013 completed assessments is \$523,386.

CONCLUSIONS:

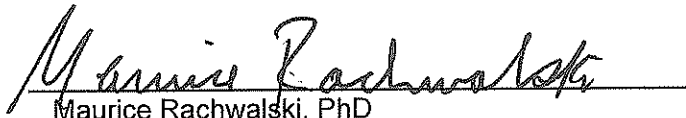
The 2013 CRHD requisition is estimated to be \$28,283,930. The overall CRHD requisition increase is 2% as compared to 2012.

RECOMMENDATION:

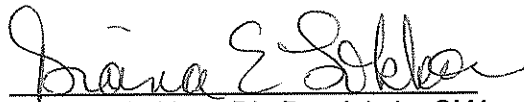
That Bylaw No. 375 cited as "Annual Budget Bylaw, 2013" be introduced and read a first time, read a second time, read a third time and adopted



Rajat Sharma, MBA, CMA
Senior Manager, Financial Services



Maurice Rachwalski, PhD
Senior Manager, Health and Capital Planning
Strategies



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



Robert Lapham, MCIP, RPP
Chief Administrative Officer
Concurrence

CAPITAL REGIONAL HOSPITAL DISTRICT

BYLAW No. 375

A BYLAW TO ADOPT THE ANNUAL BUDGET FOR THE YEAR 2013

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 2013.
2. This bylaw may be cited as the "Annual Budget Bylaw, 2013".

| | | |
|-------------------------|--------|-------|
| READ A FIRST TIME THIS | day of | 2013. |
| READ A SECOND TIME THIS | day of | 2013. |
| READ A THIRD TIME THIS | day of | 2013. |
| ADOPTED THIS | day of | 2013. |

CHAIR

SECRETARY

SCHEDULE A

**CAPITAL REGIONAL HOSPITAL DISTRICT
2013 ANNUAL BUDGET**

| | 2012 BOARD APPROVED | 2013 ANNUAL BUDGET | 2012 - 2013 BUDGET VARIANCE |
|--|---------------------------|--------------------------|-----------------------------------|
| <u>REVENUE</u> | | | |
| Tax Requisition Total | 27,728,030 | 28,283,930 | 555,900 |
| Payments in Lieu of Taxes | 835,730 | 845,770 | 10,040 |
| | 28,563,760 | 29,129,700 | 565,940 |
| Debt Reserve Fund Recovery | 0 | 0 | 0 |
| Interest | 50,000 | 50,000 | 0 |
| Surplus Previous Year | 124,530 | 1,288,850 | 1,164,320 |
| TOTAL REVENUE | 28,738,290 | 30,468,550 | 1,730,260 |
| <u>EXPENDITURES</u> | | | |
| Debt Servicing | | | |
| Debenture Debt Charges | 23,408,430 | 22,671,590 | (736,840) |
| Debenture Debt - Accrued Interest Dec 31 | 181,500 | 173,690 | (7,810) |
| Temporary Borrowing Interest | 250,000 | 250,000 | 0 |
| Debenture Issue Expense | 113,840 | 102,520 | (11,320) |
| Debt Reserve Fund | 189,730 | 170,860 | (18,870) |
| Total Debt Servicing | 24,143,500 | 23,368,660 | (774,840) |
| Administration Expenditures | 519,790 | 524,890 | 5,100 |
| Section 20(3) Expenditures - Equip & Studies | 3,075,000 | 3,075,000 | 0 |
| | 3,594,790 | 3,599,890 | 5,100 |
| Non-Traditional Projects | 1,000,000 | 1,000,000 | 0 |
| Minor Capital Projects - 2013 | 0 | 2,000,000 | 2,000,000 |
| Minor Capital Projects Reserve Transfer - 2013 | 0 | 500,000 | 500,000 |
| TOTAL EXPENDITURES | 28,738,290 | 30,468,550 | 1,730,260 |
| Tax impact on 2013 average residence (\$523,386) | 153.28 | 156.36 | |
| Tax impact on \$100,000 of 2013 assessments | 29.29 | 29.87 | |
| Tax requisition increase/(decrease) | | 2.0% | |

SCHEDULE B

**CAPITAL REGIONAL HOSPITAL DISTRICT
 2013 - 2017 FUTURE BUDGET PROJECTIONS**

| | 2013 ANNUAL BUDGET | 2014 BUDGET | 2015 BUDGET | 2016 BUDGET | 2017 BUDGET |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| REVENUE | | | | | |
| Tax Requisition Total | 28,283,930 | 28,975,940 | 30,317,270 | 31,461,990 | 32,611,350 |
| Grants in Lieu of Taxes | 845,770 | 837,210 | 837,210 | 837,210 | 837,210 |
| | <u>29,129,700</u> | <u>29,813,150</u> | <u>31,154,480</u> | <u>32,299,200</u> | <u>33,448,560</u> |
| Debt Reserve Fund Recovery | 0 | 0 | 0 | 0 | 0 |
| Interest | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| Surplus Previous Year | 1,288,850 | 0 | 0 | 0 | 0 |
| TOTAL REVENUE | <u><u>30,468,550</u></u> | <u><u>29,863,150</u></u> | <u><u>31,204,480</u></u> | <u><u>32,349,200</u></u> | <u><u>33,498,560</u></u> |
| EXPENDITURES | | | | | |
| Debt Servicing | | | | | |
| Debenture Debt Charges | 22,671,590 | 23,553,320 | 23,338,860 | 23,613,710 | 24,854,630 |
| Debenture Debt - Accured Int. Dec 31 | 173,690 | 0 | 0 | 0 | 0 |
| Temporary Borrowing Interest | 250,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| Debenture Issue Expense | 102,520 | 40,780 | 53,940 | 94,670 | 56,910 |
| Debt Reserve Fund | 170,860 | 60,200 | 89,910 | 157,780 | 94,860 |
| Total Debt Servicing | <u>23,368,660</u> | <u>23,754,300</u> | <u>23,582,710</u> | <u>23,966,160</u> | <u>25,106,400</u> |
| Administration Expenditures | 524,890 | 533,850 | 546,770 | 558,040 | 567,160 |
| Section 20(3) Exp - Equipment & Studies | 3,075,000 | 3,075,000 | 3,075,000 | 3,075,000 | 3,075,000 |
| | <u>3,599,890</u> | <u>3,608,850</u> | <u>3,621,770</u> | <u>3,633,040</u> | <u>3,642,160</u> |
| Non-Traditional Projects | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| Minor Capital Projects | 2,000,000 | 2,000,000 | 3,000,000 | 3,750,000 | 3,750,000 |
| Minor Capital Projects Reserve Transfer | 500,000 | (500,000) | 0 | 0 | 0 |
| TOTAL EXPENDITURES | <u><u>30,468,550</u></u> | <u><u>29,863,150</u></u> | <u><u>31,204,480</u></u> | <u><u>32,349,200</u></u> | <u><u>33,498,560</u></u> |
| Tax impact on 2013 average residence (\$523,386) | 156.36 | 160.18 | 167.60 | 173.92 | 180.28 |
| Tax impact on \$100,000 of 2013 assessments | 29.87 | 30.60 | 32.02 | 33.23 | 34.44 |
| Tax requisition increase/(decrease) | 2.0% | 2.4% | 4.6% | 3.8% | 3.7% |