



Capital Regional Hospital District

**CAPITAL REGIONAL HOSPITAL DISTRICT BOARD**  
**Notice of meeting to be held on Wednesday, November 13, 2013 at 1:00 pm**  
**in the Board Room, 6<sup>th</sup> Floor, 625 Fisgard St., Victoria, BC**

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**AGENDA**

**1. APPROVAL OF AGENDA**

**2. MOTION TO CLOSE THE MEETING**

- *That the Hospital Board close the meeting in accordance with the Community Charter, Part 4, Division 3, 90(1) (e) the acquisition, disposition or expropriation of land or improvements, if the Board considers that disclosure could reasonably be expected to harm the interests of the Regional District (Item 3).*

(NWA)

**3. ADOPTION OF MINUTES OF OCTOBER 9, 2013**

**4. REPORT OF THE CHAIR**

**5. PRESENTATIONS/DELEGATIONS**

**6. REPORTS OF COMMITTEES**

**6.1 PLANNING, TRANSPORTATION AND PROTECTIVE SERVICES COMMITTEE –  
October 23, 2013**

**1. 2014 Capital Regional Hospital District Provisional Budget (PPS/HCPS 2013-10)**

- That the 2014 Capital Regional Hospital District *Provisional Budget* be approved as submitted.

(WA)

**2. Capital Regional Hospital District 2014–2023 Ten Year Capital Plan (PPS/HCPS 2013-09)**

- That the 2014–2023 Ten Year Capital Plan be approved as submitted.

(WA)

**7. NEW BUSINESS**

**8. ADJOURNMENT**

963217

**Voting Key:**

NWA – Non weighted vote of all Directors

WA – Weighted vote of all Directors



Capital Regional Hospital District

**Minutes of a Meeting of the Capital Regional Hospital District Board  
Held Wednesday, October 9, 2013, in the Board room, 625 Fisgard Street, Victoria, BC**

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**PRESENT: Directors:** D. Blackwell (Chair), A. Bryson (Acting Chair), M. Alto, S. Brice, J. Brownoff, T. Daly, V. Derman, B. Desjardins, C. Hamilton, L. Helps (for D. Fortin), M. Hicks, G. Hill, D. Howe, M. Loveless (for L. Cross), B. Isitt, F. Leonard, W. McIntyre, W. Milne, J. Ranns, L. Seaton, L. Wergeland and G. Young

**Staff:** R. Lapham, Chief Administrative Officer; L. Hutcheson, General Manager, Parks and Environmental Services; D. Lokken, General Manager, Corporate Services; M. Misk-Evans, General Manager, Planning and Protective Services; T. Robbins, General Manager, Integrated Water Services; M. Rachwalski, Senior Manager, Health and Capital Planning Strategies; S. Santarossa, Corporate Officer; and S. Norton, Deputy Corporate Officer (Recorder)

**ABSENT: Directors:** N. Jensen and J. Mendum

The Chair called the meeting to order at 1:35 pm.

**1. APPROVAL OF AGENDA**

**MOVED** by Director Alto, **SECONDED** by Director Hill,  
That the agenda be approved.

**CARRIED**

**2. ADOPTION OF MINUTES OF JUNE 12, 2013**

**MOVED** by Director Bryson, **SECONDED** by Director Hill,  
That the minutes of the meeting of June 12, 2013 be adopted.

**CARRIED**

**3. REPORT OF THE CHAIR – No report**

**4. PRESENTATIONS/DELEGATIONS – None**

**5. REPORTS OF COMMITTEES**

**5.1 PLANNING, TRANSPORTATION AND PROTECTIVE SERVICES COMMITTEE –  
September 25, 2013**

**1. Saanich Peninsula Hospital: Post Anaesthetic Recovery Room Major Project  
Funding Request**

Director Isitt left the meeting at 1:37 citing a conflict of interest because a family member was associated with the hospital.

**MOVED** by Director Hill, **SECONDED** by Director Derman,  
That funding for the \$1.38M net cost of the Saanich Peninsula Hospital Post  
Anaesthetic Recovery Room Project at 30% for a total contribution of \$414,240 be  
approved.

**CARRIED**

**MOVED** by Director Hill, **SECONDED** by Director Derman,  
That CRHD Bylaw No. 376, "Capital Regional Hospital District Capital Bylaw No.  
159, 2013", for a maximum of \$414,240 for the Saanich Peninsula Hospital Post  
Anaesthetic Recovery Room Project, be introduced and read a first and second time

**CARRIED**

**MOVED** by Director Hill, **SECONDED** by Director Derman,  
That CRHD Bylaw No. 376 be read a third time.

**CARRIED**

**MOVED** by Director Hill, **SECONDED** by Director Derman,  
That CRHD Bylaw No. 376 be adopted.

**CARRIED**

**6. NEW BUSINESS – None**

Director Isitt returned to the meeting at 1:39 pm.

**7. ADJOURNMENT**

**MOVED** by Director Hill, **SECONDED** by Director Derman,  
That the meeting be adjourned at 1:39 pm.

**CARRIED**

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**CHAIR**

**CERTIFIED CORRECT:**

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**CORPORATE OFFICER**



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**Planning, Transportation and Protective Services Committee's Report**

**Victoria, BC October 23, 2013**

**To the Chair and Directors of the Capital Regional Hospital District Board:**

**The Planning, Transportation and Protective Services Committee reports and recommends as follows:**

**1. 2014 Capital Regional Hospital District Provisional Budget (PPS/HCPS 2013-10)**

That the 2014 Capital Regional Hospital District *Provisional Budget* be approved as submitted.

*(Background information can be found in the attached staff report.)*

**2. Capital Regional Hospital District 2014–2023 Ten Year Capital Plan (PPS/HCPS 2013-09)**

That the 2014–2023 Ten Year Capital Plan be approved as submitted.

*(Background information can be found in the attached staff report.)*

**REPORT TO PLANNING TRANSPORTATION AND PROTECTIVE SERVICES COMMITTEE  
MEETING OF WEDNESDAY, OCTOBER 23, 2013**

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**SUBJECT 2014 CAPITAL REGIONAL HOSPITAL DISTRICT PROVISIONAL BUDGET**

**ISSUE**

Approval of the 2014 Capital Regional Hospital District (CRHD) *Provisional Budget*.

**BACKGROUND**

The *Hospital District Act* requires the CRHD 2014 *Provisional Budget* for the coming fiscal year to be adopted by the Board on or before December 31, 2013. The Budget consist of debt services charges on funds borrowed for capital projects, Section 20(3) grants for medical equipment and non-traditional projects, and the administration budget for CRHD functions performed by the Health and Capital Planning Strategies Division.

**ALTERNATIVES**

That the Planning Transportation and Protective Services Committee recommend the Capital Regional Hospital District Board:

1. Approve the 2014 Capital Regional Hospital District *Provisional Budget* as submitted; or,
2. Refer the 2014 Capital Regional Hospital District *Provisional Budget* back to staff for revision.

**IMPLICATIONS**

The 2014 *Provisional Budget* summary and its comparison to the 2013 Budget are found in Schedule A. Schedule B shows the 2014-2018 Future Budget Projections and Schedule C presents a summary of planned CRHD 2014 capital expenditures. The Budget consists primarily of the following components:

*2013 Surplus:*

It is proposed that a projected 2013 surplus carry forward of \$1,189,620 be applied in 2013 towards anticipated debt obligations of acquiring land for CRHD purposes. Previously, the CRHD has used operating surpluses to fund land purchase debt obligation such as the acquisition and development costs of the Mt. View Heights site.

*Debt Servicing:*

This represents principal and interest payments for Board-approved projects. The CRHD 10-year Capital Plan and related approved capital bylaws are the basis of future debt servicing cost projections. As approved by the CRHD Board in 2012, the CRHD is transitioning from debt servicing to expensing all minor capital expenditures by 2016.

*Section 20(3) Equipment & Planning/Research:*

The *Hospital District Act* (Section 20(3)) enables Regional Hospital Districts 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 such as healthcare related research and studies. The \$3.075M proposed for 2014 Section 20(3) expenditures is the same level of funding as 2013.

*Administration Expenditures:*

The 2014 CRHD portion of the budget for the Health and Capital Planning Division is \$549,250, made up of Division staff and support costs, and Corporate Services and Human Resource allocations. The 4.6% increase from 2013 is largely made up of the addition of the CRHD auditors' fee of \$15,000, previously supported in another CRD budget area.

*Non-Traditional Projects Allocation:*

As noted in the CRHD 2014-2023 Capital Plan, the 2014 Budget continues to include an allocation of \$1M for Non-Traditional Projects (NTP). This requisition is used to fund community initiatives, a combination of priority projects in the Region or paying down outstanding CRHD debt obligations. It is recommended that the types of projects eligible for NTP funding include non-profit supportive housing projects for persons who are homeless or at risk of homelessness that meet the NTP guidelines established by the Board in 2012.

*Tax Requisition*

The 2014 CRHD tax requisition is estimated at \$28.847M which is a 2% increase over the 2013 requisition but a decrease over the projected requisition in the 2013-2015 three-year Budget. For 2014, the tax impact on average household (2013 assessment \$522,264) will be \$159.68. The 2014-2023 Capital Plan anticipates a peak requisition of \$186.71 in 2020.

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

Table 1: Tax Requisition Implications

Budget Year	Residential Assessment	2013	2014	2015	2016	2017	2018
2009 <sup>a</sup>	\$521,818	202.61	n/a	n/a	n/a		
2010 <sup>a</sup>	\$529,519	179.66	187.75	n/a	n/a		
2011 <sup>a</sup>	\$550,219	186.21	193.42	198.21	n/a		
2012 <sup>a</sup>	\$541,219	161.85	171.95	179.14	185.67	n/a	
2013 <sup>a</sup>	\$523,386	156.36	160.18	167.60	173.92	180.28	n/a
2014 <sup>b</sup>	\$522,264	n/a	159.68	166.81	173.33	183.97	182.64

<sup>a</sup>Final Budget

<sup>b</sup>Provisional Budget

**SUMMARY**

The 2014 CRHD *Provisional Budget* must be adopted on or before December 31, 2013. The 2014 Budget presents the administrative costs of the Hospital District and a reasonable reflection of the actual costs for Board approved and future year capital projects.

Overall, the Budget reflects increased balance, discipline and reduction in the future tax requisition. The 2014 CRHD *Provisional Budget* expenditures are in line with the prior year's 2013 Budget five-year forecast. The overall budget proposes an increase of 2%. Alternative One is recommended.

**RECOMMENDATION:**

That the Planning Transportation and Protective Services Committee recommend to the Capital Regional District Board:

1. Approve the 2014 Capital Regional Hospital District *Provisional Budget* as submitted.

**ORIGINAL SIGNED BY**

/ \_\_\_\_\_  
Maurice Rachwalski, PhD  
Acting General Manager  
Planning and Protective Services

**ORIGINAL SIGNED BY**

\_\_\_\_\_   
Robert Lapham, MCIP, RPP  
Chief Administrative Officer  
Concurrence

MR/cln

Attachment(s): 3

- A. CRHD 2014 Provisional Budget
- B. CRHD 2014-2018 Future Budget Projections
- C. CRHD 2014 Capital Expenditures

**SCHEDULE A**

**CAPITAL REGIONAL HOSPITAL DISTRICT  
2014 PROVISIONAL BUDGET**

	<b>2013 BOARD APPROVED</b>	<b>2013 ESTIMATED ACTUALS</b>	<b>2014 PROVISIONAL BUDGET</b>	<b>2012 - 2013 BUDGET VARIANCE</b>
<b><u>REVENUE</u></b>				
Tax Requisition Total	28,283,930	28,283,930	28,847,120	563,190
Payments in Lieu of Taxes	845,770	845,770	845,770	0
	<u>29,129,700</u>	<u>29,129,700</u>	<u>29,692,890</u>	<u>563,190</u>
Debt Reserve Fund Recovery	0	614,420	0	0
Interest	50,000	115,000	125,000	75,000
Surplus Previous Year	1,288,850	1,288,850	0	(1,288,850)
<b>TOTAL REVENUE</b>	<u>30,468,550</u>	<u>31,147,970</u>	<u>29,817,890</u>	<u>(650,660)</u>
<b><u>EXPENDITURES</u></b>				
Debt Servicing				
Debenture Debt Charges	22,671,590	22,561,160	22,824,250	152,660
Debenture Debt - Accrued Interest Dec 31	173,690	74,590	144,140	(29,550)
Paydown Portion of Land Purchase (pending)	0	1,189,620	0	0
Temporary Borrowing Interest	250,000	31,400	100,000	(150,000)
Debenture Issue Expense	102,520	71,740	46,970	(55,550)
Debt Reserve Fund	170,860	119,570	78,280	(92,580)
Total Debt Servicing	<u>23,368,660</u>	<u>24,048,080</u>	<u>23,193,640</u>	<u>(175,020)</u>
Administration Expenditures	524,890	524,890	549,250	24,360
Section 20(3) Expenditures - Equip & Studies	3,075,000	3,075,000	3,075,000	0
	<u>3,599,890</u>	<u>3,599,890</u>	<u>3,624,250</u>	<u>24,360</u>
Non-Traditional Projects	1,000,000	1,000,000	1,000,000	0
Minor Capital Projects	2,000,000	2,000,000	2,000,000	0
Minor Capital Projects Reserve Transfer - 2013	500,000	500,000	0	(500,000)
<b>TOTAL EXPENDITURES</b>	<u>30,468,550</u>	<u>31,147,970</u>	<u>29,817,890</u>	<u>(650,660)</u>
<b>Surplus/(Deficit)</b>		<u><u>0</u></u>		
Tax impact on 2013 average residence (\$522,264)	156.57		159.68	
Tax impact on \$100,000 of 2013 assessments	29.98		30.58	
Tax requisition increase/(decrease)			2.0%	



**SCHEDULE B**

**CAPITAL REGIONAL HOSPITAL DISTRICT  
2014 - 2018 FUTURE BUDGET PROJECTIONS**

	<b>2014 PROVISIONAL BUDGET</b>	<b>2015 BUDGET</b>	<b>2016 BUDGET</b>	<b>2017 BUDGET</b>	<b>2018 BUDGET</b>
<b>REVENUE</b>					
Tax Requisition Total	28,847,120	30,133,460	31,311,450	33,234,610	32,994,760
Grants in Lieu of Taxes	845,770	845,770	845,770	845,770	845,770
	<u>29,692,890</u>	<u>30,979,230</u>	<u>32,157,220</u>	<u>34,080,380</u>	<u>33,840,530</u>
Debt Reserve Fund Recovery	0	0	0	0	0
Interest	125,000	150,000	150,000	150,000	150,000
Surplus Previous Year	0	0	0	0	0
<b>TOTAL REVENUE</b>	<u><u>29,817,890</u></u>	<u><u>31,129,230</u></u>	<u><u>32,307,220</u></u>	<u><u>34,230,380</u></u>	<u><u>33,990,530</u></u>
<b>EXPENDITURES</b>					
<b>Debt Servicing</b>					
Debenture Debt Charges	22,824,250	23,356,690	24,253,440	25,653,960	25,389,700
Debenture Debt - Accrued Int. Dec 31	144,140	0	0	0	0
Temporary Borrowing Interest	100,000	50,000	50,000	50,000	50,000
Debenture Issue Expense	46,970	31,900	39,270	44,220	49,800
Debt Reserve Fund	78,280	53,170	65,450	73,700	83,000
Total Debt Servicing	<u>23,193,640</u>	<u>23,491,760</u>	<u>24,408,160</u>	<u>25,821,880</u>	<u>25,572,500</u>
Administration Expenditures	549,250	562,470	574,060	583,500	593,030
Section 20(3) Exp - Equipment & Studies	3,075,000	3,075,000	3,075,000	3,075,000	3,075,000
	<u>3,624,250</u>	<u>3,637,470</u>	<u>3,649,060</u>	<u>3,658,500</u>	<u>3,668,030</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	3,000,000	3,750,000	3,750,000	3,750,000
Minor Capital Projects Reserve - 2013 Bal. \$500,000	0	0	(500,000)	0	0
<b>TOTAL EXPENDITURES</b>	<u><u>29,817,890</u></u>	<u><u>31,129,230</u></u>	<u><u>32,307,220</u></u>	<u><u>34,230,380</u></u>	<u><u>33,990,530</u></u>
Tax impact on 2013 average residence (\$522,264)	159.68	166.81	173.33	183.97	182.64
Tax impact on \$100,000 of 2013 assessments	30.58	31.94	33.19	35.23	34.97
Tax requisition increase/(decrease)	2.0%	4.5%	3.9%	6.1%	-0.7%

**SCHEDULE C**

**CAPITAL REGIONAL HOSPITAL DISTRICT  
2014 CAPITAL EXPENDITURES**

<u>CBL#</u>	<u>PROJECT</u>	<u>2014 CAPITAL EXPENDITURES</u>
152	VIHA - 2010 Minor Capital Projects	2,000,000
154	MTV - New Residential Care	7,839,370
154	New Residential Care - 320 Beds	6,600,000
156	VIHA - 2011 Minor Capital Projects	1,200,000
157	VIHA - 2012 Minor Capital Projects	920,000
159	SPH - Post Anesthetic Recovery Room Reno	375,000
TBD	VGH - Endoscopy Unit Renovation	510,000
TBD	VGH - Maternity Clinic Renovation	300,000
N/A	Sec 20 Non-Traditional Community Project (2014)	1,000,000
N/A	Sec 20 Minor Capital Projects (2014)	2,000,000
N/A	Sec 20 Capital Equipment (2014)	2,955,000
		<u>25,699,370</u>

**REPORT TO PLANNING, TRANSPORTATION & PROTECTIVE SERVICES COMMITTEE  
MEETING OF WEDNESDAY, OCTOBER 23, 2013**

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**SUBJECT**     **Capital Regional Hospital District 2014-2023 Ten Year Capital Plan**

**ISSUE**

Approval of the Capital Regional Hospital District (CRHD) Ten Year Capital Plan.

**BACKGROUND**

The 2014-2023 Capital Plan (Appendix "A") is derived mainly from the Vancouver Island Health Authority's (VIHA) healthcare capital priorities, and is submitted for Board approval each year. The Plan is comprised of ongoing (previously approved) capital commitments, anticipated new capital expenditures for the ten-year period 2014-2023, and the financial implications for the CRHD requisition and future property tax charges.

Capital Plans are forward-looking documents that present the best estimate of cash flows expected in future years for ongoing and new capital projects and initiatives. Although the planning process is iterative, the Capital Plan is generally subjected to multiple revisions and alterations depending on factors such as: the availability of other funding sources;<sup>1</sup> how projects fit into overall VIHA and CRHD priorities; and, more detailed project planning, design and cost estimation.

Some of the projects included in the 2014-2023 Plan have been changed or reassessed based on conversations with VIHA staff, and the current activity of projects in the CRHD catchment area continues to reflect VIHA's emphasis on the development of major healthcare facilities in all regions on Vancouver Island.

**FUNDING DETAILS**

*Major Projects*

For 2014 no new major capital projects in the Region are anticipated by VIHA.

*Minor Projects*

As approved by the Board in November 2012, CRHD is transitioning from debt servicing to expensing all minor capital expenditures by 2016. CRHD has capped Minor Capital Project contributions at a maximum of \$3.75M annually, which represents a 40 percent contribution towards projects totaling \$9.375M.

*Section 20(3) Equipment & Planning/Research*

Bio-medical and diagnostic equipment funding has been capped at \$3.075M in Section 20(3) requisition funding, allocated as follows: \$2.925M 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 \$1M annual allocation for Non-Traditional Projects (NTP). CRHD staff recommends that the types of projects eligible for NTP funding include non-profit supportive housing projects for persons who are homeless or at risk of homelessness that

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<sup>1</sup> VIHA funding sources: Ministry of Health, CRHD, Hospital Foundations, and VIHA ancillary-generated revenues (e.g. parking).

meet the NTP guidelines established by the Board in 2012. This change is predicated on the demand for supportive housing identified by the Greater Victoria Coalition to End Homelessness, and will be discussed at the November 23, 2013 Forum of Councils event focusing on affordable housing issues in the Region.

## **ALTERNATIVES**

1. Approve the 2014-2023 Ten Year Capital Plan as submitted; or,
2. Direct staff to amend the proposed 2014-2023 Ten Year Capital Plan reducing the amount of health capital funding to be contributed to projects and equipment.

## **FINANCIAL IMPLICATIONS:**

### *Alternative 1:*

In 2014, \$2M of Minor Capital funding is proposed to be expensed from the current requisition and prior year surplus, with \$1.75M borrowed. Cash flow will be managed to regularize requisition increases over this period transitioning to fully expensing Minor Capital by 2016. In 2015, the proposed Plan will expense \$3M and debt service \$0.75M.

Appendix “B” graphically illustrates the existing and estimated debt service implications of the 2014 Ten Year Capital Plan on the average assessed residential value. These implications are summarized in Appendix “C”.

This Alternative continues to reflect significant debt management and control on the overall CRHD requisition established in previous years. For example, the revised 2013 Capital Plan (which included the addition of the Mt. View Heights and Oak Bay Lodge projects) projected a peak requisition of \$184.33 in 2017. The 2014 plan anticipates a peak requisition of \$186.71 in 2020.

### *Alternative 2:*

Considering the most recent Provincial 2013/14 actual and 2013-2015 provisional capital funding allocations, not approving this Plan may jeopardize the ability of the CRHD to leverage Regional funds to secure Provincial healthcare capital.

## **CONCLUSION**

CRHD staff continues to work with VIHA to refine details on specific projects and develop robust plans and projections of the Region’s acute healthcare capital requirements for VIHA facilities. The Plan also presents an accurate reflection of cash flow to complete ongoing (Board previously approved) projects and estimated cash flow for new projects to be approved.

The proposed 2014-2023 Capital Plan includes projects VIHA may implement in future years within the Capital Region, and portrays a partial road map for future anticipated healthcare capital projects and related cash flows. The proposed Capital Plan is also the best indication at this time of VIHA’s long term healthcare capital requirements within the Region. The proposed 2014 CRHD provisional budget incorporates the financial implications of the 2014-2023 Capital Plan.

**RECOMMENDATION**

That the Planning, Transportation and Protective Services Committee recommend that the Capital Regional Hospital District Board:

1. Approve the 2014-2023 Ten Year Capital Plan as submitted.

**ORIGINAL SIGNED BY**

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Maurice Rachwalski, PhD  
Acting General Manager  
Planning and Protective Services

**ORIGINAL SIGNED BY**

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Robert Lapham, MCIP, RPP  
Chief Administrative Officer  
Concurrence

MR: cIn

Attachments:

- A. 2014-2023 CRHD Capital Plan
- B. Capital Plan Debt Servicing Graph
- C. Existing and Estimated Debt Servicing Implications

SUMMARY	Project Total	Remaining Balance	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>VIHA SHAREABLE PROJECTS</b>												
Acute Hospitals Major Capital Projects	145,952,000	148,871,040	4,029,000	4,719,540	12,867,300	22,067,700	25,117,500	39,270,000	10,200,000	10,200,000	10,200,000	10,200,000
Residential Care Replacement Projects - Mt. View & Others	185,071,261	125,522,583	22,080,965	26,919,035	25,522,583	-	2,550,000	10,200,000	25,500,000	12,750,000	-	-
Minor Capital Projects 2010-2012 Outstanding Balance remaining - debt financing	32,426,057	18,015,000	10,300,000	5,377,500	2,337,500	-	-	-	-	-	-	-
Minor Capital Projects - 2013 CRHD Approved 3 year cashflow	9,375,000	4,375,000	-	4,375,000	-	-	-	-	-	-	-	-
Minor Capital Projects - 2014 VIHA Requested 3 year cashflow	9,375,000	9,375,000	5,000,000	4,375,000	-	-	-	-	-	-	-	-
Minor Capital Projects - CRHD Anticipated 2015-2023	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
<b>TOTAL ESTIMATED VALUE OF PROJECTS</b>	<b>466,574,318</b>	<b>390,533,623</b>	<b>41,409,965</b>	<b>55,141,075</b>	<b>50,102,383</b>	<b>31,442,700</b>	<b>37,042,500</b>	<b>58,845,000</b>	<b>45,075,000</b>	<b>32,325,000</b>	<b>19,575,000</b>	<b>19,575,000</b>

<b>CRHD \$ SHARE - TOTAL ESTIMATED ANNUAL CAPITAL CASH FLOW</b>												
CRHD Section 20(3) Grants - 100% CRHD Share (0% inc/yr) - cash requisition	30,750,000	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% inc/yr) - cash requisition	10,000,000	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
Acute Hospitals Major Capital Projects - 30% CRHD Share unapproved projects - debt financing	44,661,312	44,661,312	1,208,700	1,415,862	3,860,190	6,620,310	7,535,250	11,781,000	3,060,000	3,060,000	3,060,000	3,060,000
Residential Care Replacement Projects - 30% CRHD Share MV&Other - debt financing	55,372,800	37,574,800	6,600,000	8,046,100	7,628,700	-	765,000	3,060,000	7,650,000	3,825,000	-	-
Minor Capital Projects 2010-2012 - 40% CRHD Share - debt financing	12,970,423	7,206,000	4,120,000	2,151,000	935,000	-	-	-	-	-	-	-
Minor Capital Projects 2013 VIHA Requested - 40% CRHD Share - 2M converted to cash requisition & 1.75M debt financing	3,750,000	1,750,000	-	1,750,000	-	-	-	-	-	-	-	-
Minor Capital Projects 2014 VIHA Requested - 40% CRHD Share - 2M converted to cash requisition & 1.75M debt financing	3,750,000	3,750,000	2,000,000	1,750,000	-	-	-	-	-	-	-	-
Minor Capital Projects 2015-2023 Anticipated - 40% CRHD Share - 2015: 3M converted to cash balance 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
<b>CRHD Total Estimated Annual Capital Cash Flow</b>	<b>195,004,535</b>	<b>169,442,112</b>	<b>18,003,700</b>	<b>22,937,962</b>	<b>20,248,890</b>	<b>14,445,310</b>	<b>16,125,250</b>	<b>22,666,000</b>	<b>18,535,000</b>	<b>14,710,000</b>	<b>10,885,000</b>	<b>10,885,000</b>

**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) 2013-2016 Minor Capital annual 3.75M converted to cash requisition instead of debt financing
- 4) Definitions of Project Status -
  - a) VIHA Approved: projects that VIHA will request for CRHD Capital Bylaws in 2013
  - 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 indentified as a priority in the 4-10 year range

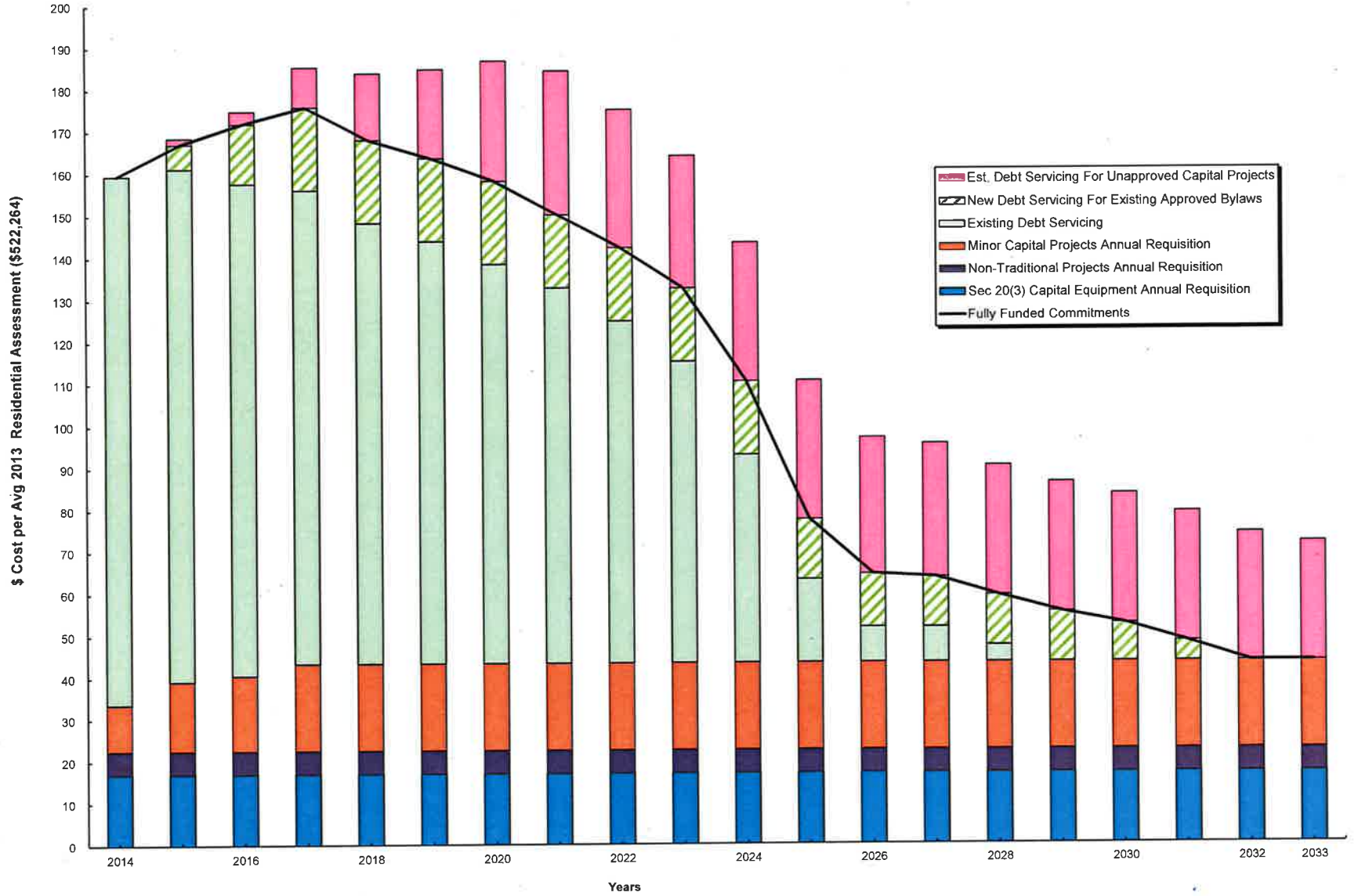
		Debt	Project	Remaining	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
ACUTE AND REHAB HOSPITALS	Project Status	CBL#	Term	Total	Balance									
<b>ROYAL JUBILEE HOSPITAL</b>														
Major projects														
Asbestos Abatement - EMP - Phase 3	VIHA Planned	10		8,500,000	8,500,000	-	2,000,000	3,000,000	3,500,000					
Multidisciplinary Pain Clinic	VIHA Planned	5		2,500,000	2,500,000	-	125,000	1,750,000	625,000					
Hybrid Operating Room	VIHA Planned	5		3,800,000	3,800,000	-	400,000	2,000,000	1,400,000					
Energy Centre	VIHA Planned	15		26,000,000	26,000,000	-	-	1,300,000	10,400,000	7,800,000	6,500,000			
Routine Capital Investment project(s)	CRHD Anticipated	15		25,000,000	25,000,000	-	-	-	-	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
<b>Royal Jubilee Hospital Total</b>				<b>65,800,000</b>	<b>65,800,000</b>	<b>-</b>	<b>2,525,000</b>	<b>8,050,000</b>	<b>15,925,000</b>	<b>7,800,000</b>	<b>11,500,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>
<b>VICTORIA GENERAL HOSPITAL</b>														
Major projects														
Endoscopy Unit Renovation	VIHA Approved	5		2,200,000	2,200,000	1,700,000	500,000							
Maternity Clinic Relocation Ambulatory Clinics	VIHA Approved	5		2,000,000	2,000,000	1,000,000	1,000,000							
Admitting Desk & Area Redesign	VIHA Planned	5		2,200,000	2,200,000	-	200,000	1,600,000	400,000					
Child Youth & Family Services Redevelopment	VIHA Planned	15		40,000,000	40,000,000	-	-	-	2,000,000	16,000,000	22,000,000			
Routine Capital Investment project(s)	CRHD Anticipated	15		25,000,000	25,000,000	-	-	-	-	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
<b>Victoria General Hospital Total</b>				<b>71,400,000</b>	<b>71,400,000</b>	<b>2,700,000</b>	<b>1,700,000</b>	<b>1,600,000</b>	<b>2,400,000</b>	<b>16,000,000</b>	<b>27,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>
<b>SAANICH PENINSULA HOSPITAL</b>														
Major projects														
Post Anesthetic Recovery Room Reno	VIHA Approved	159 Pending	5	1,452,000	1,452,000	1,250,000	202,000							
Central Sterilization Room Upgrade	VIHA Planned	5		3,300,000	3,300,000	-	-	165,000	2,310,000	825,000				
<b>Saanich Peninsula Hospital Total</b>				<b>4,752,000</b>	<b>4,752,000</b>	<b>1,250,000</b>	<b>202,000</b>	<b>165,000</b>	<b>2,310,000</b>	<b>825,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>LADY MINTO HOSPITAL</b>														
Major projects														
Emergency, Lab, Diagnostic Imaging Reno	VIHA Planned	5		4,000,000	4,000,000	-	200,000	2,800,000	1,000,000					
<b>Lady Minto Hospital Total</b>				<b>4,000,000</b>	<b>4,000,000</b>	<b>-</b>	<b>200,000</b>	<b>2,800,000</b>	<b>1,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>QUEEN ALEXANDRA HOSPITAL</b>														
Major projects														
<b>Queen Alexandra Hospital Total</b>				<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VIHA - SOUTH ISLAND INITIATIVES</b>														
Major projects														
<b>VIHA South Area Initiatives</b>				<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Acute &amp; Rehab Hospitals Sub -Total</b>				<b>145,952,000</b>	<b>145,952,000</b>	<b>3,950,000</b>	<b>4,627,000</b>	<b>12,615,000</b>	<b>21,635,000</b>	<b>24,625,000</b>	<b>38,500,000</b>	<b>10,000,000</b>	<b>10,000,000</b>	<b>10,000,000</b>
Inflation ( 2% ) excluding approved Capital Bylaws				2,919,040	2,919,040	79,000	92,540	252,300	432,700	492,500	770,000	200,000	200,000	200,000
<b>Acute Hospitals Major Capital Projects Annual Capital Cash Flow</b>				<b>287,542,080</b>	<b>148,871,040</b>	<b>4,029,000</b>	<b>4,719,540</b>	<b>12,867,300</b>	<b>22,067,700</b>	<b>25,117,500</b>	<b>39,270,000</b>	<b>10,200,000</b>	<b>10,200,000</b>	<b>10,200,000</b>
<b>CRHD Share 30% Unapproved Acute &amp; Rehab Cost</b>				<b>86,262,624</b>	<b>44,661,312</b>	<b>1,208,700</b>	<b>1,415,862</b>	<b>3,860,190</b>	<b>6,620,310</b>	<b>7,535,250</b>	<b>11,781,000</b>	<b>3,060,000</b>	<b>3,060,000</b>	<b>3,060,000</b>



						2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
OTHER CAPITAL PROJECTS	Project Status	CBL#	Debit Term	Project Total	Remaining Balance										
<b>CRD Projects</b>															
Mt. View Residential Care Replacement 260 beds	CRHD Approved	154	15	60,548,678	Completed debt borrowing in 2013	-	-	-	-	-	-	-	-	-	-
Other Residential Care Replacement 320 beds	CRHD Approved	154	15	74,522,583	74,522,583	22,080,965	26,919,035	25,522,583	-	-	-	-	-	-	-
Residential Care Upgrade & Replacement Projects Phase 3	VIHA Planned		15	50,000,000	50,000,000	-	-	-	-	2,500,000	10,000,000	25,000,000	12,500,000	-	-
<b>Other Capital Projects Sub-total</b>				<b>185,071,261</b>	<b>124,522,583</b>	<b>22,080,965</b>	<b>26,919,035</b>	<b>25,522,583</b>	<b>-</b>	<b>2,500,000</b>	<b>10,000,000</b>	<b>25,000,000</b>	<b>12,500,000</b>	<b>-</b>	<b>-</b>
Inflation ( 2% ) excluding approved Capital Bylaws					1,000,000	-	-	-	-	50,000	200,000	500,000	250,000	-	-
<b>Other Capital Projects Annual Capital Cash Flow</b>					<b>125,622,583</b>	<b>22,080,965</b>	<b>26,919,035</b>	<b>25,522,583</b>	<b>-</b>	<b>2,550,000</b>	<b>10,200,000</b>	<b>25,500,000</b>	<b>12,750,000</b>	<b>-</b>	<b>-</b>
<b>CRHD 30% share Other Capital Projects Total</b>					<b>55,372,800</b>	<b>6,600,000</b>	<b>8,046,100</b>	<b>7,628,700</b>	<b>-</b>	<b>765,000</b>	<b>3,060,000</b>	<b>7,650,000</b>	<b>3,825,000</b>	<b>-</b>	<b>-</b>
<b>MINOR CAPITAL PROJECTS</b>															
<b>Various VIHA Hospitals</b>															
Minor Capital Projects 2010 - 40% CRHD Share	CRHD Approved	152	10	11,109,999	5,000,000	5,000,000	-	-	-	-	-	-	-	-	-
Minor Capital Projects 2011 - 40% CRHD Share	CRHD Approved	156	10	11,941,058	6,077,500	3,000,000	3,077,500	-	-	-	-	-	-	-	-
Minor Capital Projects 2012 - 40% CRHD Share	CRHD Approved	157	10	9,375,000	6,937,500	2,300,000	2,300,000	2,337,500	-	-	-	-	-	-	-
Minor Capital Projects 2013 - 40% CRHD Share (2M converted to cash & 1.75M debt financing)	CRHD Approved	Cash&158	5	9,375,000	4,375,000	-	4,375,000	-	-	-	-	-	-	-	-
Minor Capital Projects 2014 - 40% CRHD Share (2M converted to cash & 1.75M debt financing)	CRHD Anticipated	Cash&CBL	5	9,375,000	9,375,000	5,000,000	4,375,000	-	-	-	-	-	-	-	-
Minor Capital Projects 2015-2023 40% CRHD Share (results in 2015: 3M & 2016-2023: 3.75M converted to cash)	CRHD Anticipated		N/A	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
<b>MCP Projects Sub-total</b>					<b>116,140,000</b>	<b>15,300,000</b>	<b>23,502,500</b>	<b>11,712,500</b>	<b>9,375,000</b>	<b>9,375,000</b>	<b>9,375,000</b>	<b>9,375,000</b>	<b>9,375,000</b>	<b>9,375,000</b>	<b>9,375,000</b>
Inflation ( 0% ) excluding approved Capital Bylaws					-	-	-	-	-	-	-	-	-	-	-
<b>MCP Projects Annual Capital Cash Flow</b>					<b>116,140,000</b>	<b>15,300,000</b>	<b>23,502,500</b>	<b>11,712,500</b>	<b>9,375,000</b>	<b>9,375,000</b>	<b>9,375,000</b>	<b>9,375,000</b>	<b>9,375,000</b>	<b>9,375,000</b>	<b>9,375,000</b>
<b>CRHD 40% share of MCP Projects Total</b>					<b>46,456,000</b>	<b>6,120,000</b>	<b>9,401,000</b>	<b>4,685,000</b>	<b>3,750,000</b>	<b>3,750,000</b>	<b>3,750,000</b>	<b>3,750,000</b>	<b>3,750,000</b>	<b>3,750,000</b>	<b>3,750,000</b>



**CAPITAL REGIONAL HOSPITAL DISTRICT  
Debt Servicing (2014-2033) for 10 Year Capital Plan (2014-2023)  
MFA Borrowing Terms 5-20yrs**



Debt Servicing has not been adjusted for PILTs, Interest Income, Admin and MFA Financing Fees.  
Prepared by: CRD Finance, October 1, 2013

**CAPITAL REGIONAL HOSPITAL DISTRICT**  
**Existing and Estimated Debt Servicing (2014-2033) for 10 Year Capital Plan (2014-2023)**  
**Cost per Average 2013 Residential Assessment (\$522,264)**  
**Based on MFA Borrowing Terms of 5, 10, 15, 20 years**

Year	Existing Debt Servicing	Capital Exp (2014-2023) Estimated Debt Servicing	Total Debt Servicing	Section 20 Expensed			Total Requisition <sup>4</sup>	Total Requisition Value
				Capital Equipment	Non-Traditional Projects	Minor Capital Projects		
2014	125.81	0.00	125.81	17.02	5.54	11.07	159.44	29,352,507
2015	121.94	7.39	129.32	17.02	5.54	16.61	168.49	30,999,467
2016	117.03	17.23	134.26	17.02	5.54	17.99	174.80	32,152,506
2017	112.72	29.29	142.01	17.02	5.54	20.76	185.32	34,062,464
2018	104.84	35.70	140.55	17.02	5.54	20.76	183.86	33,807,734
2019	100.45	40.93	141.38	17.02	5.54	20.76	184.70	33,970,352
2020	94.94	48.46	143.39	17.02	5.54	20.76	186.71	34,346,129
2021	89.25	51.66	140.91	17.02	5.54	20.76	184.22	33,909,333
2022	81.33	50.27	131.60	17.02	5.54	20.76	174.91	32,240,220
2023	71.67	48.88	120.55	17.02	5.54	20.76	163.87	30,257,224
2024	49.50	50.41	99.91	17.02	5.54	20.76	143.23	26,542,425
2025	19.76	47.37	67.13	17.02	5.54	20.76	110.45	20,633,373
2026	8.36	45.18	53.54	17.02	5.54	20.76	96.85	18,191,336
2027	8.33	43.71	52.05	17.02	5.54	20.76	95.36	17,935,956
2028	3.96	42.86	46.83	17.02	5.54	20.76	90.14	17,007,255
2029	0.00	42.86	42.86	17.02	5.54	20.76	86.18	16,305,517
2030	0.00	40.02	40.02	17.02	5.54	20.76	83.34	15,806,598
2031	0.00	35.68	35.68	17.02	5.54	20.76	79.00	15,038,362
2032	0.00	30.67	30.67	17.02	5.54	20.76	73.99	14,148,319
2033	0.00	28.36	28.36	17.02	5.54	20.76	71.68	13,746,809
								<u>500,453,885</u>

**Notes:**

- 1) Debt Servicing - debt payments are incurred in the following year of the borrowing resulting in a timing difference between the capital expenditure and the debt payments.
- 2) Debt Financing Terms for New Debt - five, ten, fifteen years
- 3) Future Debt Interest Rates
 

2014	- 5yr (4.0%)	10yr (5.0%)	15yr (5.0%)
2015	- 5yr (5.0%)	10yr (6.0%)	15yr (6.0%)
2016+	- 5yr (5.0%)	10yr (6.0%)	15yr (6.0%)
- 4) 2014-2023 Capital Plan 2014 is different than the 2014-2018 Budget Requisition due to the following:
  - Prior year surplus carryforward
  - Interest income
  - Temporary borrowing costs
  - Debt financing expenses
  - Payments in lieu of taxes
  - Administration expenses
  - Timing differences on borrowing of debt