



## Notice of Meeting and Meeting Agenda Capital Regional Hospital District Board

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Wednesday, October 28, 2020

12:10 PM

6th Floor Boardroom  
625 Fisgard Street  
Victoria, BC

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### Special Meeting - Following Committee of the Whole

The Capital Regional District strives to be a place where inclusion is paramount and all people are treated with dignity. We pledge to make our meetings a place where all feel welcome and respected.

#### 1. TERRITORIAL ACKNOWLEDGEMENT

#### 2. APPROVAL OF THE AGENDA

#### 3. PRESENTATIONS/DELEGATIONS

#### 4. SPECIAL MEETING MATTERS

##### 4.1. [20-677](#) Capital Regional Hospital District 2021-2030 Ten Year Capital Plan

**Recommendation:** That the 2021-2030 Capital Regional Hospital District Capital Plan be approved as submitted.  
(WA)

**Attachments:** [Staff Report: CRHD 2021-2030 Ten Year Capital Plan](#)  
[Appendix A: 2021-2030 CRHD Capital Plan](#)  
[Appendix B: 2021-2030 Capital Plan Debt Servicing Graph](#)  
[Appendix C: Debt Servicing Impact of 10-Year Capital Plan \(2021-2030\)](#)

##### 4.2. [20-562](#) 2021 Capital Regional Hospital District Provisional Budget

**Recommendation:** That the 2021 Capital Regional Hospital District Provisional Budget be approved as submitted.  
(WA)

**Attachments:** [Staff Report: 2021 CRHD Provisional Budget](#)  
[Presentation: 2021 CRHD Provisional Budget](#)  
[Appendix A: 2021 CRHD Provisional Budget](#)  
[Appendix B: 2021-2025 CRHD Future Budget Projections](#)  
[Appendix C: 2021 CRHD Capital Expenditures](#)  
[Appendix D: 2021-2025 CRHD Reserve Schedule](#)

#### 5. MOTION TO CLOSE THE MEETING

**6. RISE AND REPORT**

**7. ADJOURNMENT**

**Voting Key:**

**NWA - Non-weighted vote of all Directors**

**NWP - Non-weighted vote of participants (as listed)**

**WA - Weighted vote of all Directors**

**WP - Weighted vote of participants (as listed)**

**REPORT TO THE CAPITAL REGIONAL HOSPITAL DISTRICT BOARD  
MEETING OF WEDNESDAY, OCTOBER 28, 2020**

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**SUBJECT**     **Capital Regional Hospital District 2021-2030 Ten Year Capital Plan**

**ISSUE SUMMARY**

Approval of the Capital Regional Hospital District (CRHD) 2021-2030 Ten Year Capital Plan.

**BACKGROUND**

The 2021-2030 CRHD Capital Plan (Appendix A) is derived from Island Health's healthcare capital priorities and represents the CRHD's ongoing capital commitments, anticipated new capital expenditures and the financial implications for the CRHD's requisition and future property tax changes.

In preparation for annual updates to the Capital Plan, CRHD staff monitors throughout the year the CRHD's capital contribution to ongoing projects and reviews with Island Health staff, planned new capital projects. Some modifications to the previous year's plan may occur based on the ongoing review of emerging Island Health patient-focused priorities.

Key changes to the 2021-2030 Major Capital projects list (greater than \$2 million (M)) from the 2020 Capital Plan include:

Three new planned major projects for 2021:

- Greater Victoria Urgent and Primary Care (South Island) – The total estimated cost for this project is \$3M.
- Greater Victoria Urgent and Primary Care (Esquimalt) – The total estimated cost for this project is \$2M.
- Electronic Health Record (South Island) – The total estimated cost for this project is \$25M.

New possible projects added to the 2021-2030 Capital Plan:

- Child Youth Mental Health (VGH) – The total estimated cost for this project is \$5M and the project was previously identified in year 2023. The Hospital Foundation may provide some funding for the project.
- Greater Victoria Long Term Care (50 beds) – The total estimated cost for this project is \$25M.

In addition, the Victoria Urgent and Primary Care Centre, with a total estimated project cost of \$5M, was expected to be fully financed in 2020, however CRHD's share of the total project cost of \$2.5M (\$0.75M) has been extended to 2021. The Lady Minto Emergency Room Upgrade project has been moved from 2020 to 2021 and the total project cost increased from \$4.8M to \$10M. The project will be cost shared with the Hospital Foundation and Island Health has guaranteed operating funding.

**ALTERNATIVES**

*Alternative 1*

That the 2021-2030 Capital Regional Hospital District Capital Plan be approved as submitted.

Alternative 2

That staff be directed to provide additional information based on Board direction.

**FINANCIAL IMPLICATIONS**

The Island Health projects listed in 2021 are at the planned stage and have not yet been approved. Alternative 1 reflects the CRHD’s continued commitment to fund Major Projects and Minor Capital Projects, as well as healthcare equipment. Major Capital Projects are currently cost shared on a 30% basis. The total CRHD estimated cash flow for 2021 to 2030 is \$261M.

The Capital Plan continues to be a significant driver in debt levels and the overall CRHD requisition. Appendix B illustrates the existing and estimated debt service implications of the 2021-2030 Ten Year Capital Plan and identifies Summit debt servicing costs which are recovered from Island Health through lease payments. Appendix C summarizes the requisition impact based on average assessed residential value.

The Capital Plan will have to be amended to include any new project requests. Pursuant to Board’s direction, any new project requests will have to be accommodated within the approved 10-year funding envelope. The cash flow will have to be amended accordingly to ensure the overall 10-year funding envelope remains unchanged.

**CONCLUSION**

Staff continues to work in collaboration with Island Health to refine capital plans to best serve the needs of the region. The Capital Plan presents an accurate reflection of cash flow to complete ongoing (CRHD Board previously approved) projects and estimated cash flow for new projects to be approved in the future.

The proposed 2021-2030 Capital Plan includes projects Island Health may implement in future years within the region; it portrays a partial road map for future anticipated healthcare capital projects and respective cash flows. The proposed Capital Plan is the best indication at this time of Island Health and CRHD’s long-term healthcare capital requirements within the region. The proposed 2021 CRHD Provisional Budget incorporates the financial implications of the 2021-2030 Capital Plan.

**RECOMMENDATION**

That the 2021-2030 Capital Regional Hospital District Capital Plan be approved as submitted.

Submitted by:	Michael Barnes, MPP, Senior Manager, Health and Capital Planning Strategies
Concurrence:	Kevin Lorette, P.Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Nelson Chan, MBA, CPA, CMA, Chief Financial Officer
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

**Attachments**

Appendix A: 2021-2030 CRHD Capital Plan

Appendix B: 2021-2030 Capital Plan Debt Servicing Graph

Appendix C: Debt Servicing Impact of 10-Year Capital Plan (2021-2030)

**CAPITAL REGIONAL HOSPITAL DISTRICT CAPITAL PLAN**  
For Years 2021 to 2030 at August 10, 2020

Project Type / Status	Project Description	Year	Facility / Site	CRHD Share (%)	CRHD Share Total Project (\$)	Debt Term (Yrs)	Total Project Budget (\$)	Completed to Date (\$)	Total Project Remaining Balance (\$)	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Major Project - Planned	Victoria Urgent and Primary Care Centre	2020	Greater Victoria	30%	1,500,000	5	5,000,000	-	5,000,000	2,500,000	-	-	-	-	-	-	-	-	-
Major Project - Planned	Greater Victoria Urgent Care/Primary Care	2021	Greater Victoria	30%	900,000	5	3,000,000	-	3,000,000	3,000,000	-	-	-	-	-	-	-	-	-
Major Project - Planned	Greater Victoria Urgent Care/Primary Care	2021	Esquimalt	30%	600,000	5	2,000,000	-	2,000,000	2,000,000	-	-	-	-	-	-	-	-	-
Major Project - Planned	Electronic Health Record	2021	South Island	30%	7,500,000	15	25,000,000	-	25,000,000	750,000	5,000,000	5,000,000	5,000,000	5,000,000	4,250,000	-	-	-	-
Major Project - Possible	Emergency Department 2	2021	Lady Minto	30%	3,000,000	10	10,000,000	-	10,000,000	750,000	4,500,000	4,750,000	-	-	-	-	-	-	-
Major Project - Possible	High Acuity Unit	2021	Royal Jubilee Hospital	30%	3,600,000	10	12,000,000	-	12,000,000	750,000	4,500,000	4,750,000	2,000,000	-	-	-	-	-	-
Major Project - Possible	Child Youth Mental Health 2	2021	Victoria General Hospital	30%	1,500,000	5	5,000,000	-	5,000,000	100,000	3,000,000	-	1,900,000	-	-	-	-	-	-
Major Project - Possible	New Long Term Care (50 beds)	2021	Greater Victoria	30%	7,500,000	15	25,000,000	-	25,000,000	350,000	8,500,000	10,000,000	5,000,000	1,150,000	-	-	-	-	-
Major Project - Possible	Rehabilitation Center Phase 1 2	2022	Gorge Road Hospital	30%	1,200,000	5	4,000,000	-	4,000,000	-	2,000,000	2,000,000	-	-	-	-	-	-	-
Major Project - Possible	Energy Centre Replacement	2022	Saanich Peninsula Hospital	30%	2,400,000	10	8,000,000	-	8,000,000	-	1,000,000	3,000,000	3,000,000	1,000,000	-	-	-	-	-
Major Project - Possible	Residential Care Upgrade & Replacement Projects	2022	South Island	30%	45,000,000	15	150,000,000	-	150,000,000	-	10,000,000	30,000,000	30,000,000	30,000,000	30,000,000	20,000,000	-	-	-
Major Project - Possible	Routine Capital Investment Project(s)	2022	Royal Jubilee Hospital	30%	12,000,000	15	40,000,000	9,780,000	30,220,000	-	1,000,000	1,000,000	100,000	3,120,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Major Project - Possible	Routine Capital Investment Project(s)	2022	Victoria General Hospital	30%	12,000,000	15	40,000,000	880,000	39,120,000	-	1,000,000	5,000,000	5,000,000	3,120,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Major Project - Possible	High Acuity Unit	2023	Victoria General Hospital	30%	4,800,000	15	16,000,000	-	16,000,000	-	-	-	2,500,000	6,000,000	6,000,000	1,500,000	-	-	-
Major Project - Possible	Rehabilitation Center Phase 2 2	2023	Gorge Road Hospital	30%	3,900,000	15	13,000,000	-	13,000,000	-	-	-	1,000,000	5,000,000	6,000,000	1,000,000	-	-	-
Major Project - Possible	Mount Tommie Redevelopment	2023	Mount Tommie	30%	2,160,000	10	7,200,000	-	7,200,000	-	-	200,000	3,000,000	3,000,000	1,000,000	-	-	-	-
Major Project - Possible	VGH Intensive Care Unit Renovation	2024	Victoria General Hospital	30%	1,500,000	5	5,000,000	-	5,000,000	-	-	-	2,500,000	2,500,000	-	-	-	-	-
Major Project - Possible	Multidisciplinary Pain Clinic	2024	Royal Jubilee Hospital	30%	900,000	5	3,000,000	-	3,000,000	-	-	-	1,500,000	1,500,000	-	-	-	-	-
Major Project - Possible	Energy Centre Replacement	2024	Victoria General Hospital	30%	5,505,000	15	18,350,000	-	18,350,000	-	-	-	1,000,000	6,000,000	6,000,000	5,250,000	100,000	-	-
Major Project - Possible	Peninsula Primary Care Centre 2	2024	Saanich Peninsula Hospital	30%	900,000	5	3,000,000	-	3,000,000	-	-	-	1,500,000	1,500,000	-	-	-	-	-
Major Project - Possible	SPH Acute Core Renovation 2	2024	Victoria General Hospital	30%	1,500,000	5	5,000,000	-	5,000,000	-	-	-	2,500,000	2,500,000	-	-	-	-	-
Major Project - Possible	VGH Pediatric Intensive Care Unit - New	2025	Victoria General Hospital	30%	1,500,000	5	5,000,000	-	5,000,000	-	-	-	-	500,000	2,000,000	2,000,000	500,000	-	-
Major Project - Possible	Medical Device Reprocessing Department	2025	Victoria General Hospital	30%	990,000	5	3,300,000	-	3,300,000	-	-	-	-	330,000	1,650,000	1,320,000	-	-	-
Major Project - Possible	10G Fibre Expansion (MIT)	2025	Royal Jubilee Hospital	30%	900,000	5	3,000,000	-	3,000,000	-	-	-	-	1,500,000	1,500,000	-	-	-	-
Major Project - Possible	Pre-admission Clinic Consolidation (R, JH&LVGH)	2027	Royal Jubilee Hospital	30%	600,000	5	2,000,000	-	2,000,000	-	-	-	-	-	-	1,000,000	1,000,000	-	-
Major Project - Possible	Begbie Hall Decant/Eric Martin Pavilion Asbestos Abatement	2028	Royal Jubilee Hospital	30%	1,470,000	5	4,900,000	-	4,900,000	-	-	-	-	-	-	-	2,450,000	2,450,000	-
Major Project - Possible	VGH Operating Room Upgrade	2028	Victoria General Hospital	30%	1,500,000	5	5,000,000	-	5,000,000	-	-	-	-	-	-	2,500,000	2,500,000	-	-
Major Project - Possible	Child Youth and Family Services Redevelopment	2028	Victoria General Hospital	30%	12,600,000	15	42,000,000	-	42,000,000	-	-	-	-	-	-	-	21,000,000	21,000,000	-
Major Project - Possible	Pembroke Mental Health Substance Use Center 3	2029	Victoria Health Unit	30%	1,500,000	5	5,000,000	-	5,000,000	-	-	-	-	-	-	-	-	2,500,000	2,500,000
<b>ISLAND HEALTH TOTAL*</b>					<b>149,171,196</b>		<b>493,800,491</b>	<b>23,692,489</b>	<b>470,108,002</b>	<b>10,200,000</b>	<b>40,500,000</b>	<b>69,200,000</b>	<b>75,000,000</b>	<b>74,720,000</b>	<b>58,900,000</b>	<b>39,570,000</b>	<b>37,550,000</b>	<b>38,450,000</b>	<b>12,500,000</b>
Minor Project - Requested	Minor Capital Projects Current Budget Year - 40% CRHD Share (\$3.75M expensed)		Various	40%	3,750,000	N/A	9,375,000	-	9,375,000	9,375,000	-	-	-	-	-	-	-	-	-
Minor Project - Anticipated	Minor Capital Projects Future Budget Years - 40% CRHD Share (\$3.75M expensed)		Various	40%	33,750,000	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
Minor Equipment Grants	CRHD Section 20 Equipment Grants - 100% CRHD Share expensed annually		Various	100%	29,550,000	N/A	29,550,000	-	29,550,000	2,955,000	2,955,000	2,955,000	2,955,000	2,955,000	2,955,000	2,955,000	2,955,000	2,955,000	2,955,000
Non-Traditional Project	Non-Traditional Projects Grants - 100% CRHD Share (Suspended 2015-2024) - expensed annually		Various	100%	6,000,000	N/A	6,000,000	-	6,000,000	-	-	-	-	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
CRHD Project	Hillside/Kinos Licensed Residential Care Facility	2022	950 Kinos Rd.	100%	15,000,000	15	15,000,000	-	15,000,000	-	500,000	2,500,000	6,000,000	6,000,000	-	-	-	-	-
CRHD Project	Regional Housing First Program (RHFP) Health Projects Contribution - \$10M contribution from reserve	2021	TBD	100%	10,000,000	N/A	10,000,000	-	10,000,000	10,000,000	-	-	-	-	-	-	-	-	-
CRHD Project	Land Acquisition/Residential Care Facility - \$6M funded from land development reserve and \$4M long-term debt	2021	TBD	100%	10,000,000	5	10,000,000	-	10,000,000	10,000,000	-	-	-	-	-	-	-	-	-
CRHD Project	Oak Bay Lodge - \$5M (2021) financed over 5 years, \$5M (2022) no impact to debt servicing (capital plan under development)	2021	Oak Bay Lodge	100%	10,000,000	5	10,000,000	-	10,000,000	5,000,000	5,000,000	-	-	-	-	-	-	-	-
<b>CRHD TOTAL</b>					<b>118,050,000</b>		<b>174,300,000</b>	<b>-</b>	<b>174,300,000</b>	<b>37,330,000</b>	<b>17,830,000</b>	<b>14,830,000</b>	<b>18,330,000</b>	<b>19,330,000</b>	<b>13,330,000</b>	<b>13,330,000</b>	<b>13,330,000</b>	<b>13,330,000</b>	<b>13,330,000</b>
<b>PROJECT TOTAL - before inflation</b>					<b>267,221,196</b>		<b>668,100,491</b>	<b>23,692,489</b>	<b>644,408,002</b>	<b>47,530,000</b>	<b>58,330,000</b>	<b>84,030,000</b>	<b>83,330,000</b>	<b>84,050,000</b>	<b>72,230,000</b>	<b>52,900,000</b>	<b>50,880,000</b>	<b>51,780,000</b>	<b>25,830,000</b>
<b>Inflation 2.00%</b> - excluding approved/ending Capital Bylaws										-	300,000	894,000	1,222,000	1,371,400	1,093,000	791,400	751,000	769,000	250,000
<b>PROJECT TOTAL - including inflation</b>										<b>47,530,000</b>	<b>58,630,000</b>	<b>84,924,000</b>	<b>84,552,000</b>	<b>85,421,400</b>	<b>73,323,000</b>	<b>53,691,400</b>	<b>51,631,000</b>	<b>52,549,000</b>	<b>26,080,000</b>
<b>CRHD SHARE TOTAL ESTIMATED ANNUAL CAPITAL CASH FLOW</b>										<b>34,765,000</b>	<b>21,232,000</b>	<b>30,233,200</b>	<b>35,571,600</b>	<b>36,532,420</b>	<b>25,702,900</b>	<b>19,813,420</b>	<b>19,195,300</b>	<b>26,410,700</b>	<b>11,530,000</b>

\*The Island Health projects listed in 2021 are at the planned stage and have not yet been approved

**General Notes**

- <sup>1</sup>Rules for debt borrowing period (amortization) are based on total project cost: \$2-5M 5yrs; \$5-12.5M 10yrs; >\$12.5M 15yrs
- <sup>2</sup>Project will be primarily funded by the Hospital Foundation
- <sup>3</sup>Project will be part of a larger project with BC Housing and CRD
- <sup>4</sup>Potential start dates depend on annual prioritization process and funding availability from Ministry of Health, CRHD and other funding sources. As a result, start dates are preliminary and may change.
- <sup>5</sup>Inflation is calculated at a rate of 2% for years 2022-2030 and applied to forecasted projects if applicable (covered bylaws. 2021 projects land acquisition are not subject to inflation)

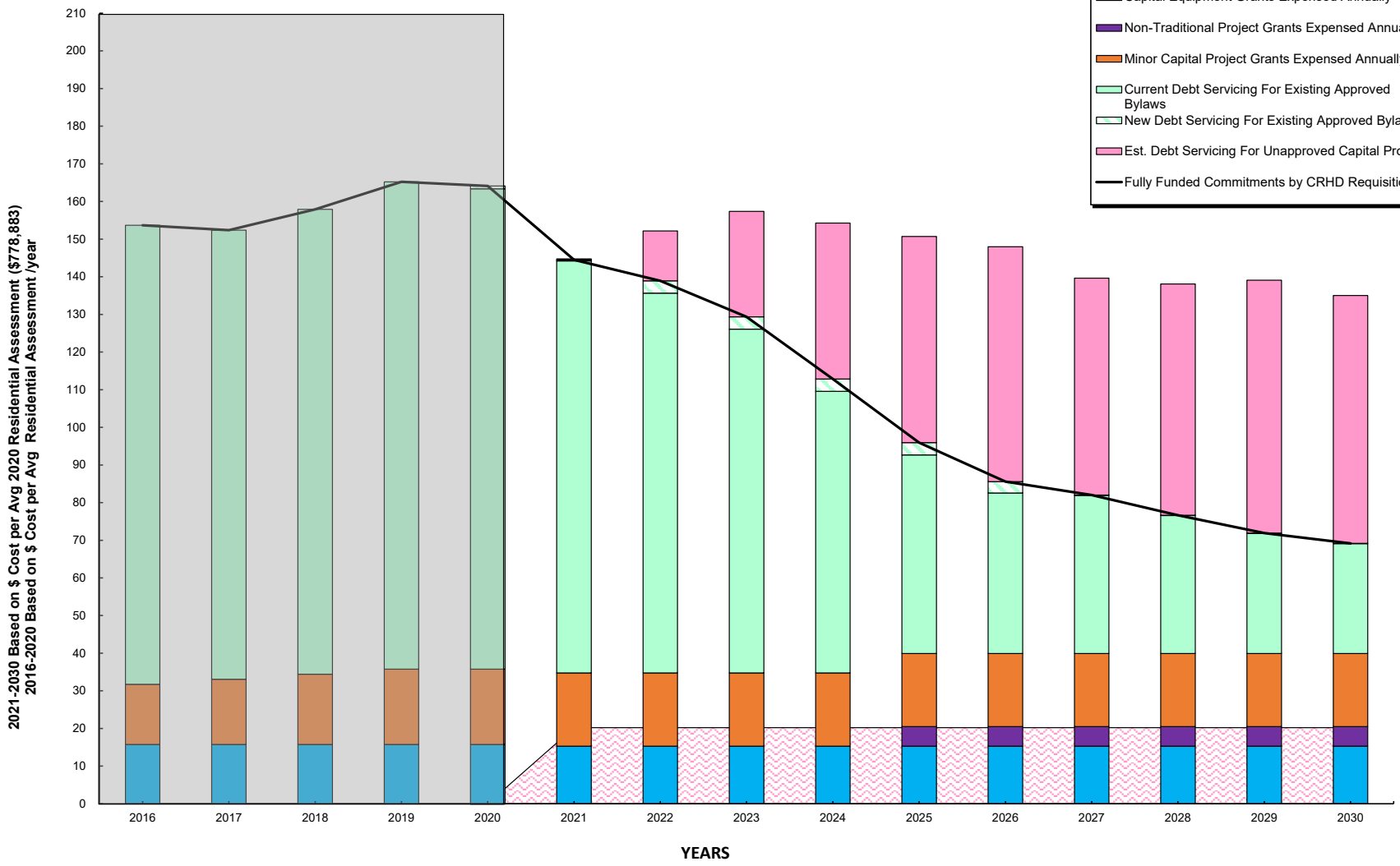
**Project Type / Status Legend:**

- Major Project - Approved: Capital Borrowing Bylaw has been approved; project values greater than \$2 million
- Major Project - Planned: Island Health has received approval from Ministry of Health; project values greater than \$2 million
- Major Project - Possible: Island Health is planning to proceed subject to necessary approvals; project values greater than \$2 million
- Major Project - Other: Projects not yet identified; to recognize health care needs and technology are continuously changing
- Minor Project - Requested/Anticipated: Current and future year minor projects with values in the range of \$100,000 to \$2 million, up to maximum of \$9,375,000
- Non-Traditional Projects: Non-traditional project funding
- Minor Equipment Grants: HD Act Section 20 minor equipment grants
- CRHD Project: CRHD capital initiatives

**CAPITAL REGIONAL HOSPITAL DISTRICT  
Debt Servicing Impact of Capital Plan (2016-2030)  
MFA Borrowing Terms 5-25yrs**

**APPENDIX B**

-  Summit Debt Servicing Recovered by Lease Payments
-  Capital Equipment Grants Expensed Annually
-  Non-Traditional Project Grants Expensed Annually
-  Minor Capital Project Grants Expensed Annually
-  Current Debt Servicing For Existing Approved Bylaws
-  New Debt Servicing For Existing Approved Bylaws
-  Est. Debt Servicing For Unapproved Capital Projects
-  Fully Funded Commitments by CRHD Requisition



Debt Servicing costs have not been adjusted for PILTs, Other income, Admin & MFA Financing Fees  
Prepared by: CRD Finance September 8, 2020

**CAPITAL REGIONAL HOSPITAL DISTRICT**  
**Debt Servicing Impact of 10 Year Capital Plan (2021-2030)**  
**Cost per Average 2020 Residential Assessment (\$778,883)**  
**Based on MFA Borrowing Terms of 5, 10, 15, 25 Years**

Year	Section 20 Expensed						Total Requisition	Total Requisition \$ Value
	Existing Debt Servicing	Estimated Debt Servicing	Total Debt Servicing	Capital Equipment	Non-Traditional Projects	Minor Capital Projects		
2021	109.47	0.56	110.02	15.31	0.00	19.43	144.76 *	27,938,310 *
2022	100.90	16.52	117.42	15.31	0.00	19.43	152.16	29,366,186
2023	91.33	31.32	122.64	15.31	0.00	19.43	157.39	30,374,423
2024	74.81	44.70	119.51	15.31	0.00	19.43	154.25	29,769,575
2025	52.73	58.04	110.76	15.31	5.18	19.43	150.69	29,081,523
2026	42.65	65.41	108.06	15.31	5.18	19.43	147.98	28,559,237
2027	41.99	57.71	99.71	15.31	5.18	19.43	139.63	26,948,013
2028	36.62	61.52	98.14	15.31	5.18	19.43	138.07	26,645,655
2029	31.88	67.28	99.16	15.31	5.18	19.43	139.08	26,842,075
2030	29.17	65.95	95.11	15.31	5.18	19.43	135.04	26,061,067
2031	27.43	63.99	91.42	15.31	5.18	19.43	131.35	25,349,089
2032	22.97	60.24	83.21	15.31	5.18	19.43	123.14	23,764,366
2033	22.97	54.39	77.36	15.31	5.18	19.43	117.28	22,635,034
2034	22.52	50.58	73.10	15.31	5.18	19.43	113.02	21,812,836
2035	20.21	49.08	69.29	15.31	5.18	19.43	109.21	21,077,586
2036	20.21	48.90	69.12	15.31	5.18	19.43	109.04	21,043,979
2037	20.21	48.90	69.12	15.31	5.18	19.43	109.04	21,043,979
2038	20.21	41.30	61.52	15.31	5.18	19.43	101.44	19,577,612
2039	20.21	31.98	52.20	15.31	5.18	19.43	92.12	17,778,928
2040	20.21	22.25	42.47	15.31	5.18	19.43	82.39	15,901,126
								491,570,599

\*Requisition values are calculated based on forecasted debt servicing costs only and vary from budgeted requisition due to other budgetary drivers



**REPORT TO THE CAPITAL REGIONAL HOSPITAL DISTRICT BOARD  
MEETING OF WEDNESDAY, OCTOBER 28, 2020**

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**SUBJECT    2021 Capital Regional Hospital District Provisional Budget**

**ISSUE SUMMARY**

Approval of the 2021 Capital Regional Hospital District (CRHD) Provisional Budget.

**BACKGROUND**

Each year, the CRHD must develop an annual financial plan bylaw detailing expenses and revenues for the upcoming calendar year, including any surplus or deficit resulting from the current year. The annual financial plan bylaw must be approved by the CRHD Board before March 31, each year. Additionally, as prescribed by the *Hospital District Act Regulation B.C. 406/82*, the CRHD Board is required to approve a provisional budget for the upcoming calendar year before December 31.

The 2021 Provisional Budget has been developed based on funding required to deliver initiatives identified in the 2019-2022 Corporate Plan (which incorporates the Board Strategic Priorities) specific to the Health Facilities Community Need. The 2021 planning process marks the third year of the four-year strategic and corporate planning cycle.

In September 2020, the Executive Leadership Team met over multiple days to review individual service plans, initiative business cases (IBCs), and financial implications in consideration of Board Strategic Priorities, the Corporate Plan, and the approved financial planning guidelines. The identified resource implications to implement prioritized initiatives with proposed service level adjustments, in addition to standing committee and commission recommendations, will be presented to the Committee of the Whole on October 28, 2020.

The primary cost driver for the development of the CRHD Provisional Budget is the 2021-2030 CRHD Capital Plan, which is presented to the Board for approval in an accompanying staff report. The 10-year capital plan captures projects identified by Vancouver Island Health Authority (Island Health) and incorporates CRHD identified property acquisition and development projects. For the 2021 capital expenditures, all projects are a 'planned' status and not yet approved.

The provisional budget approval will be subject to changes as a result of final year-end adjustments, revised assessment information and any other amendments prior to final approval.

**ALTERNATIVES**

*Alternative 1*

That the 2021 Capital Regional Hospital District Provisional Budget be approved as submitted.

*Alternative 2*

That the 2021 Capital Regional Hospital District Provisional Budget be referred back to staff for revision based on Board direction.

## **IMPLICATIONS**

### *Financial Implications*

The 2021 Provisional Budget includes operating and capital expenditures, transfers to reserves, and sources of revenue; including an estimated surplus from the current year.

The surplus is based on an estimated budget variance projected to year end and is subject to change based on actual year end results. The 2020 estimated net surplus is \$0.9 million and is driven by savings in debt servicing costs, and lower administration and feasibility study expenditures. Debt servicing costs have a direct correlation to the capital plan and timing of capital projects. The COVID-19 pandemic has impacted both capital projects and related studies in deferrals and reprioritization resulting in lower expenditures incurred during the year.

The proposed use of the 2020 estimated surplus is a transfer to the Administration and Feasibility Studies Reserve in the amount of \$0.1 million, returning dedicated funds to the reserve. The balance of the surplus will be transferred to the Regional Housing First Program (RHFP) Reserve in the amount of \$0.8 million to help fund the CRHD commitment to the RHFP program. The balance of the RHFP Reserve is estimated to be \$5.8 million following this transfer.

### 2021 Budget Overview

#### **Operating Expenditures**

The 2021 Provisional Operating Budget and comparison to the 2020 Final Budget is included in Appendix A.

The 2021 Provisional Budget includes \$36.3 million in operating expenditures, a decrease of (\$1.1) million or (2.9%) from the prior year. The decrease is largely driven by lower debt servicing costs based on outstanding debt, and lower interest rates on new borrowings and renewals of existing borrowings. Table 1 summarizes the change in operating expenditures.

**Table 1: Change in Operating Expenditures (\$ millions)**

Expense Type (\$M)	2021 Provisional	2020 Final	\$ Change	% Change
Operations	1.8	1.3	0.5	38.5%
Debt Servicing	21.4	23.1	(1.7)	(7.4%)
Capital Funding	4.3	4.3	0.0	0.0%
Transfers to Reserves	8.8	8.7	0.1	1.1%
<b>Total</b>	<b>\$36.3</b>	<b>\$37.4</b>	<b>(\$1.1)</b>	<b>(2.9%)</b>

The Operations budget includes costs for administration, studies and property management. The \$1.8 million budget is an increase of \$0.5 million driven by \$0.3 million in property management expenses for Oak Bay Lodge and \$0.2 million in administration costs related to Health and Capital Planning Division.

The Debt Servicing budget is based on the 2021 Capital expenditures as identified in the CRHD 10-year Capital Plan. Debt servicing costs are influenced by short and long-term lending rates on

new and renewing issuances, and debt retirements. The total debt servicing cost for 2021 is \$21.4 million, a decrease of \$1.7 million over 2020.

The Capital Funding budget includes expenditures for medical equipment and non-traditional project grants. The CRHD’s annual contribution towards medical equipment in the Capital Region is \$3.0 million and remains unchanged from the prior year. Capital funding also includes the previously approved non-traditional project grant commitment of \$1.4 million to the Broadmead Care Society for the Nigel House redevelopment in Saanich. The project was deferred from 2020 into 2021.

Transfers to Reserves includes funding for Island Health Minor Capital projects, RHFP, Land Holdings Management, Summit Management and Non-Traditional Projects. Total transfers of \$8.8 million is an increase of \$0.1 million over prior year, and is driven by an increase in the transfer to RHFP of \$0.5 million and Non-Traditional Projects of \$0.4 million. Net transfers are offset by a decrease in the transfer to the Land Holdings Management Reserve of (\$0.7) million.

Appendix B shows the 2021-2025 future budget projections for information purposes; the overall CRHD requisition is forecast to continue decreasing year-over-year based on the current capital plan and forecasted debt servicing impacts.

**Operating Revenue**

The changes in revenue are summarized in Table 2 below:

**Table 2: Changes in Revenue (\$ millions)**

Revenue Type (\$M)	2021 Provisional	2020 Final	\$ Change	% Change
Tax Requisition	28.3	29.4	(1.1)	(3.7%)
Payments in Lieu of Taxes (PILT)	0.9	0.9	0.0	0.0%
Lease and Other Property Revenue	4.4	3.9	0.5	12.8%
Other Revenue	0.3	0.5	(0.2)	(40.0%)
Transfers from Reserve	2.0	1.5	0.5	33.3%
Surplus – MCP Bylaw Expiry	0.4	0.7	(0.3)	(42.9%)
Surplus – Operating	-	0.5	(0.5)	(100.0%)
<b>Total</b>	<b>\$36.3</b>	<b>\$37.4</b>	<b>(\$1.1)</b>	<b>(2.9%)</b>

The total revenue of \$36.3 is a decrease of (\$1.1) million or (2.9%). The decrease is primarily a reduction in requisition of (\$1.1) million or (3.7%). Changes in other revenue sources such as surplus, lease and other property revenue, and transfer from reserves have a net zero impact.

Of note in 2021, Summit annual lease payments of \$4.3 million will contribute to Summit related annual debt servicing and fixed overhead charges. The 2016 Minor Capital Project Reserve (MCP) expires at the end of 2020, resulting in a surplus \$0.4 million that will be transferred to the Non-Traditional Projects Reserve in 2021.

### Requisition

The 2021 CRHD requisition is \$28.3 million, a decrease of (\$1.1) million or (3.7%) from prior year. Table 3 illustrates the cost per average household of change based on the current average residential assessment of \$0.8 million.

**Table 3: Change in Requisition**

Description	2021 Provisional	2020 Final	\$ Change	% Change
Requisition (\$ millions)	\$28.3	\$29.4	(\$1.1)	(3.7%)
Cost / Average Household (2020 = \$778,883)	\$146.54	\$152.25	(\$5.71)	(3.7%)

Table 4 provides a summary of CRHD’s forecasted requisition per average household for the previous five years. The continued downward trend is driven by projects in the capital plan, implemented financing strategies, the external interest rate environment, and the Summit project.

**Table 4: Forecast Requisition per Average Household**

Budget Year	Residential Assessment	2020	2021	2022	2023	2024	2025
2016 <sup>f</sup>	\$530,059	155.79					
2017 <sup>f</sup>	\$625,883	153.36	149.91				
2018 <sup>f</sup>	\$724,009	154.65	150.07	146.95			
2019 <sup>f</sup>	\$779,233	156.45	155.98	155.38	154.03		
2020 <sup>f</sup>	\$778,883	152.25	145.78	143.24	138.54	128.02	
2021 <sup>p</sup>	\$778,883	n/a	146.54	142.01	136.96	132.45	131.31

<sup>f</sup>Final Budget

<sup>p</sup>Provisional Budget

For additional detail regarding future budget projects, refer to Appendix B, 2021-2025 Future Budget Projections.

### Capital Plan

The CRHD 10-year Capital Plan is the basis of the 2021 capital expenditures and related debt servicing included in the 2021 Provisional Budget. 2021 capital expenditures total \$34.8 million, an increase of \$2.4 million over 2020. The capital expenditures summarized in Table 5 include the CRHD share of Island Health initiatives totalling \$3.1 million, CRHD initiatives totalling \$25 million and the CRHD share of Island Health Minor Capital and Equipment of \$6.7 million.

**Table 5: Capital Plan Summary (\$ millions)**

Description	2021 Provisional	2020	\$ Change	% Change
Island Health Initiatives	3.1	5.4	(2.3)	(42.6%)
CRHD Initiatives	25.0	20.3	4.7	23.2%
Island Health Minor Capital and Equipment	6.7	6.7	0.0	0.0%
<b>Total</b>	<b>34.8</b>	<b>32.4</b>	<b>2.4</b>	<b>7.4%</b>

Appendix C presents a list of planned capital projects, the 2021 capital expenditure planned for each project and the related cost share.

### Reserves

Appendix D details a five year cashflow schedule by reserve fund while Table 6 provides a summary of reserve activity to the end 2021. The 2020 year end balance of \$22.3 million and is projected to decrease to \$8.8 million for 2021 year end.

**Table 6: Changes in Reserves (\$ millions)**

Description	2021 Opening (Estimate)	2021 Plan Activity		2021 Ending (Projection)
		Funding	Expenses	
Administration and Feasibility Studies	1.3	-	(0.1)	1.2
Non-Traditional Projects	2.0	0.4	(1.4)	1.0
Minor Capital Projects Reserve	5.7	3.8	(4.9)	4.6
Land Holdings Management	1.0	0.2	(0.5)	0.7
Land Development Reserve	6.2	0.0	(6.0)	0.2
RHFP Projects Reserve	5.8	4.2	(10.0)	0.0
Summit Management Reserve	0.2	0.9	-	1.1
<b>Total</b>	<b>22.2</b>	<b>9.5</b>	<b>(22.9)</b>	<b>8.8</b>

The planned transfers to reserve are \$9.5 million and the transfers out of reserve are (\$22.9) million. The transfers to reserve are explained earlier in the report in the operating expenditures section. The notable transfers out of reserve consist of (\$4.9) million for the CRHD % share of Island Health Authority minor capital, (\$6.0) million for potential CRHD land acquisition and (\$10.0) million for the % share of the RHFP. The remaining transfers out of reserve are to fund expenses in the operating budget related to administration, non-traditional grant expense and property management activities.

**CONCLUSION**

As prescribed by the *Hospital District Act Regulation B.C. 406/82*, the CRHD Board is required to approve a provisional budget for the upcoming calendar year before December 31. The primary cost driver for the development of the CRHD Provisional Budget is the 2021-2030 CRHD Capital Plan, which is presented to the Board for approval in an accompanying staff report. The 10-year capital plan captures projects identified by Vancouver Island Health Authority (Island Health) and incorporates CRHD identified property acquisition and development projects. The recommendation is that the 2021 Capital Regional Hospital District Provisional Budget be approved as submitted. The Provisional Budget will be subject to change as a result of the final 2020 surplus/deficits, revised assessment information and any directed amendments prior to final budget approval by Board as part of the annual budget bylaw by March 31, 2020.

**RECOMMENDATION**

That the 2021 Capital Regional Hospital District Provisional Budget be approved as submitted.

Submitted by:	Rianna Lachance, BCom, CPA, CA, Senior Manager, Financial Services
Concurrence:	Kevin Lorette, P.Eng., MBA, General Manager Planning & Protective Services
Concurrence:	Nelson Chan, MBA, CPA, CMA, Chief Financial Officer
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

- Attachments: Appendix A – CRHD 2021 Provisional Budget  
Appendix B – CRHD 2021-2025 Future Budget Projections  
Appendix C – CRHD 2021 Capital Expenditures  
Appendix D – CRHD Reserve Summary Schedule 2020-2025



# Capital Regional Hospital District > 2021 Provisional Budget

**Presentation to CRHD Board  
Wednesday October 28, 2020**



	2021 Provisional	2020 Final	H/(L) \$	H/(L) %
Requisition	28.3	29.4	(1.1)	(3.7)
Other	8.0	8.0	-	-
<b>Total Revenue</b>	<b>\$36.3M</b>	<b>\$37.4M</b>	<b>(\$1.1M)</b>	<b>(2.9%)</b>
Debt Servicing	21.4	23.1	(1.7)	(7.4)
Capital Grants	4.3	4.3	-	-
Other	10.6	10.0	0.6	6.0
<b>Total Expenses</b>	<b>\$36.3M</b>	<b>\$37.4M</b>	<b>(\$1.1M)</b>	<b>(2.9%)</b>

## Revenue

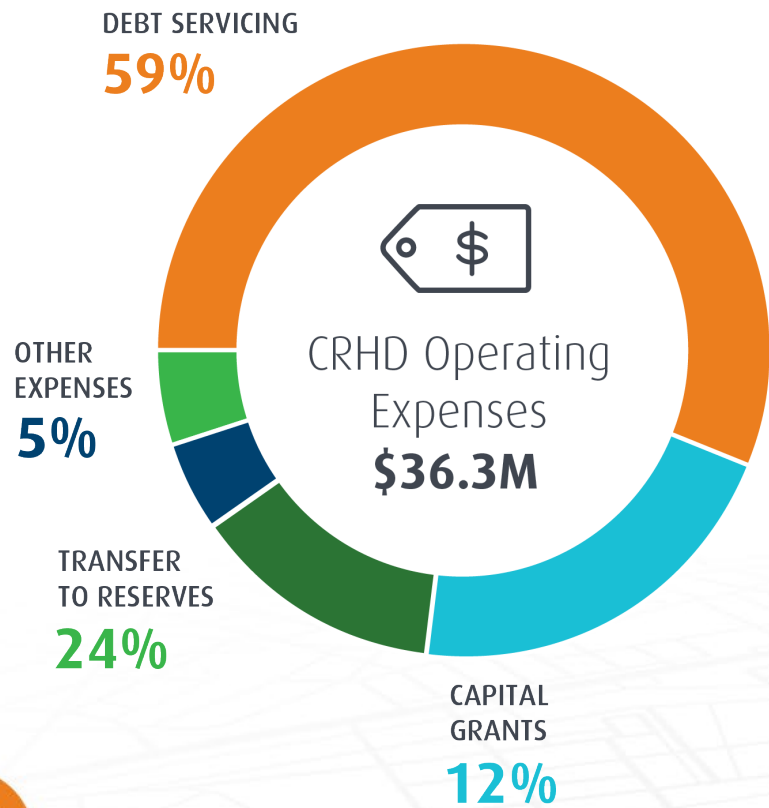
- Change in requisition is attributable to a decrease in expense
- Other revenue generally remained consistent with prior year

## Expense

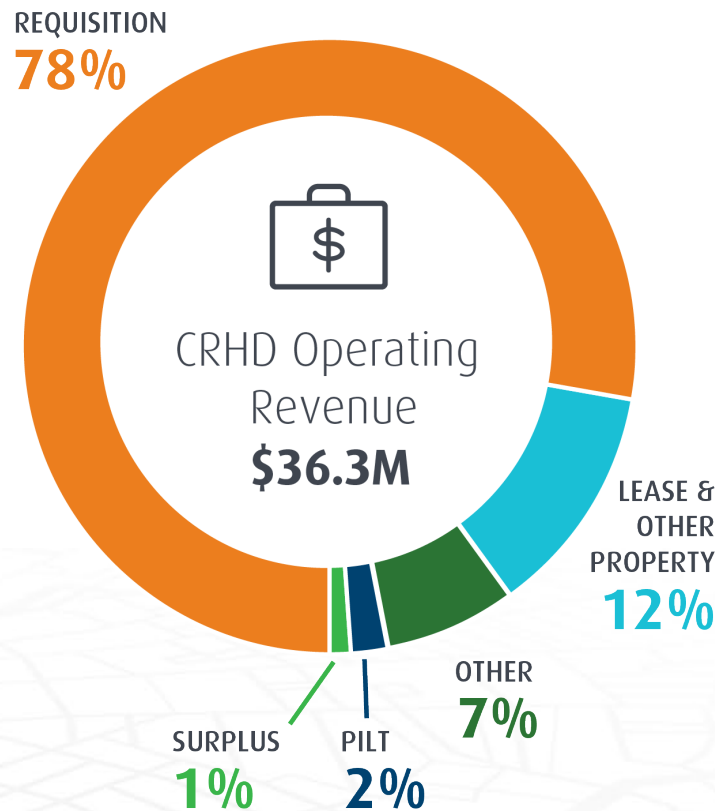
- Debt servicing decreases due to changes in the capital plan and lower interest rates for new and renewing issuances
- Other expenses increase due to fixed overhead costs for Oak Bay Lodge and transfers to reserves for the Regional Housing First Program liability and for land & property holdings



## EXPENDITURES



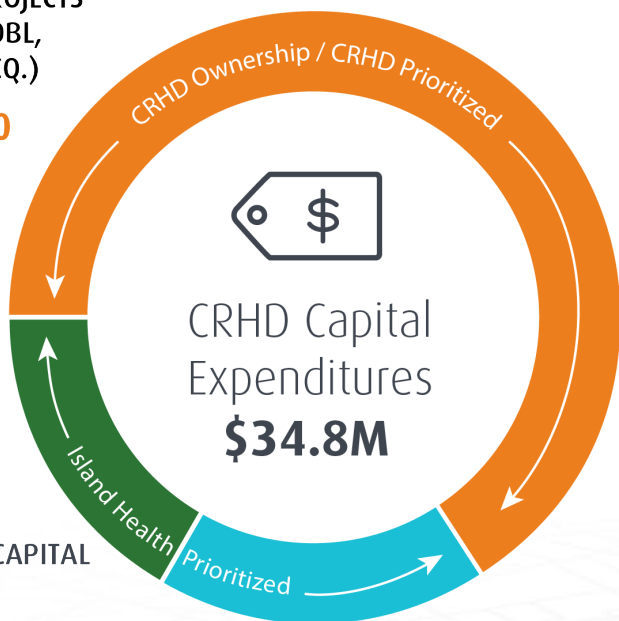
## SOURCES OF REVENUE



## EXPENDITURES

CRHD PROJECTS  
(RHFP, OBL,  
LAND ACQ.)

**72%**



MAJOR CAPITAL  
GRANTS

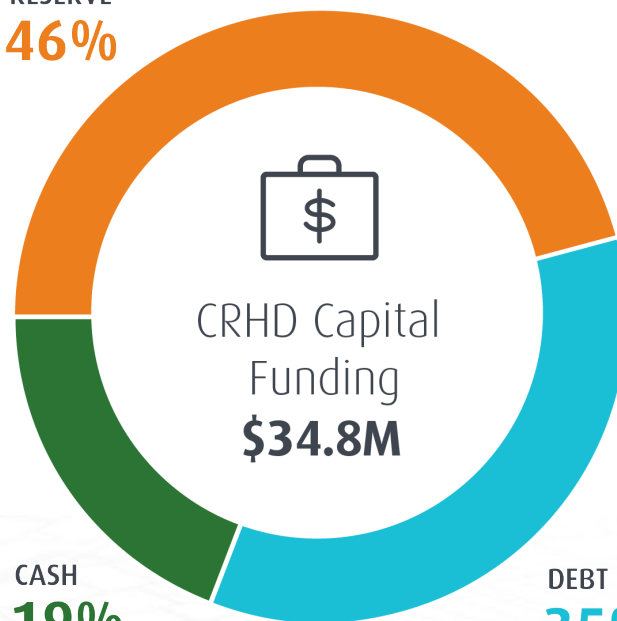
**18%**

MCP AND CAPITAL  
EQUIPMENT GRANT

**19%**

## SOURCES OF FUNDING

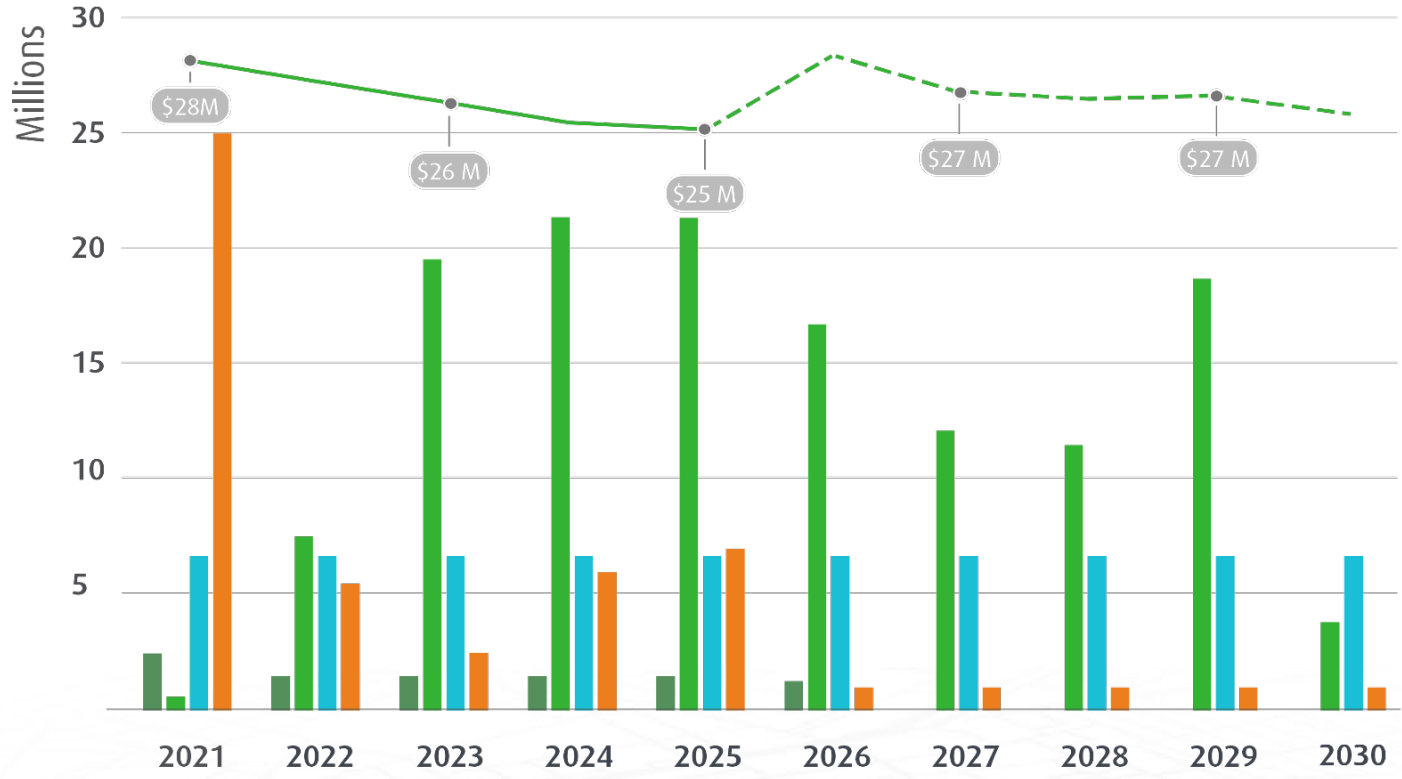
RESERVE  
**46%**



CASH  
**19%**

DEBT  
**35%**

## 10-YEAR CAPITAL PLAN



 Island Health, Planned	 CRHD Initiatives	* All data represents the CRHD cost apportionment only
 Island Health, Possible	 Requisition Forecast	
 Island Health, MCP & Equipment		



Appendix A

**CAPITAL REGIONAL HOSPITAL DISTRICT  
2021 PROVISIONAL BUDGET**

	<b>2020 BOARD BUDGET</b>	<b>2020 ESTIMATED ACTUALS</b>	<b>2020 ESTIMATED VARIANCE</b>	<b>2021 ANNUAL BUDGET</b>	<b>2020-2021 BUDGET VARIANCE</b>
<b>REVENUE</b>					
Tax Requisition Total	29,383,047	29,383,047	-	28,280,356	(1,102,691)
Payments in Lieu of Taxes	890,109	890,109	-	890,109	-
Lease and Other Property Revenue	4,032,420	4,032,420	-	4,372,778	340,358
Debt Reserve Fund Recovery	244,000	247,700	3,700	415,000	171,000
Interest Earnings	175,000	165,700	(9,300)	50,000	(125,000)
Surplus MCP Expiry	741,897	741,897	-	370,000	(371,897)
Surplus Previous Year	504,998	504,998	-	-	(504,998)
Transfer From Reserve	1,470,000	196,741	(1,273,259)	1,963,991	493,991
<b>TOTAL REVENUE</b>	<b>37,441,471</b>	<b>36,162,612</b>	<b>(1,278,859)</b>	<b>36,342,235</b>	<b>(1,099,237)</b>
<b>EXPENDITURES</b>					
Debt Servicing	23,138,485	22,379,392	(759,094)	21,408,510	(1,729,976)
Capital Equipment Grants	2,955,000	2,955,000	-	2,955,000	-
Non-Traditional Projects Capital Grant	1,360,000	-	(1,360,000)	1,360,000	-
Administration	741,986	741,986	-	910,841	168,855
Studies	261,154	158,500	(102,654)	263,978	2,824
Property Management	278,997	371,603	92,606	624,263	345,266
<b>Total Expense</b>	<b>28,735,622</b>	<b>26,606,481</b>	<b>(2,129,141)</b>	<b>27,522,592</b>	<b>(1,213,030)</b>
<b>Transfer to Reserve</b>					
Transfer to Minor Capital Projects Reserve	3,750,000	3,750,000	-	3,750,000	-
Transfer to RHFP Reserve	3,750,000	4,497,628	747,628	4,235,691	485,691
Transfer to Land Development Reserve	-	-	-	-	-
Transfer to Land Holdings Management Reserve	941,897	941,897	-	200,000	(741,897)
Transfer to Administration and Feasibility Reserve	-	102,654	102,654	-	-
Transfer to Summit Management Reserve	263,952	263,952	-	263,952	-
Transfer Non-Traditional Projects Reserve	-	-	-	370,000	370,000
<b>Total Transfer to Reserve</b>	<b>8,705,849</b>	<b>9,556,131</b>	<b>850,282</b>	<b>8,819,643</b>	<b>113,794</b>
<b>TOTAL EXPENDITURES</b>	<b>37,441,471</b>	<b>36,162,612</b>	<b>(1,278,859)</b>	<b>36,342,235</b>	<b>(1,099,237)</b>
<b>Total Net Surplus (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Tax impact on 2020 average residence (\$778,883)	152.25			146.54	
Tax impact on \$100,000 of 2020 completed assessments	19.55			18.81	
Tax requisition increase/(decrease)				-3.8%	

**APPENDIX B**

**CAPITAL REGIONAL HOSPITAL DISTRICT  
2021 - 2025 FUTURE BUDGET PROJECTIONS**

	<b>2021 PROVISIONAL BUDGET</b>	<b>2022 BUDGET</b>	<b>2023 BUDGET</b>	<b>2024 BUDGET</b>	<b>2025 BUDGET</b>
<b>REVENUE</b>					
Tax Requisition Total	28,280,356	27,406,678	26,431,510	25,562,406	25,341,889
Payments in Lieu of Taxes	890,109	890,109	890,109	890,109	890,109
Lease and Other Property Revenue	4,372,778	4,358,178	4,338,178	4,338,178	4,338,178
Debt Reserve Fund Recovery	415,000	429,000	584,000	812,000	377,000
Interest Earnings	50,000	50,000	50,000	50,000	50,000
Surplus MCP Expiry	370,000	-	-	-	-
Surplus Previous Year	-	-	-	-	-
Transfer From Reserve	1,963,991	619,718	111,106	113,547	30,000
<b>TOTAL REVENUE</b>	<b>36,342,235</b>	<b>33,753,683</b>	<b>32,404,903</b>	<b>31,766,241</b>	<b>31,027,176</b>
<b>EXPENDITURES</b>					
Debt Servicing	21,408,510	22,786,486	23,934,723	23,383,175	21,694,823
Capital Equipment Grants	2,955,000	2,955,000	2,955,000	2,955,000	2,955,000
Non-Traditional Projects Capital Grant	1,360,000	-	-	-	-
Administration	910,841	922,814	825,052	841,980	859,251
Studies	263,978	238,287	240,653	120,000	120,000
Property Management	624,263	637,144	235,523	252,134	184,150
<b>Total Expense</b>	<b>27,522,592</b>	<b>27,539,731</b>	<b>28,190,951</b>	<b>27,552,289</b>	<b>25,813,224</b>
<b>Transfer to Reserve</b>					
Transfer to Minor Capital Projects Reserve	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000
Transfer to RHFP Reserve	4,235,691	-	-	-	-
Transfer to Land Development Reserve	-	2,000,000	-	-	-
Transfer to Land Holdings Management Reserve	200,000	200,000	200,000	200,000	200,000
Transfer to Administration and Feasibility Reserve	-	-	-	-	-
Transfer to Summit Management Reserve	263,952	263,952	263,952	263,952	263,952
Transfer Non-Traditional Projects Reserve	370,000	-	-	-	1,000,000
<b>Total Transfer to Reserve</b>	<b>8,819,643</b>	<b>6,213,952</b>	<b>4,213,952</b>	<b>4,213,952</b>	<b>5,213,952</b>
<b>TOTAL EXPENDITURES</b>	<b>36,342,235</b>	<b>33,753,683</b>	<b>32,404,903</b>	<b>31,766,241</b>	<b>31,027,176</b>
Tax impact on 2020 average residence (\$778,883)	146.54	142.01	136.96	132.45	131.31
Tax impact on \$100,000 of 2020 completed assessments	18.81	18.23	17.58	17.01	16.86
Tax requisition increase/(decrease)	-3.8%	-3.1%	-3.6%	-3.3%	-0.9%

## Appendix C

### CAPITAL REGIONAL HOSPITAL DISTRICT 2021 CAPITAL EXPENDITURES

Capital Borrowing Bylaw#	Project Description	Cost Share %	Total CRHD Share	Funded in Prior Years	2021 Funding
<u>Island Health Initiatives</u>					
TBD	Victoria Urgent and Primary Care Centre (Greater Victoria) <sup>3</sup>	30%	1,500,000	750,000	<b>750,000</b>
TBD	Greater Victoria Urgent Care/Primary Care (TBD) <sup>1</sup>	30%	900,000	-	<b>900,000</b>
TBD	Greater Victoria Urgent Care/Primary Care (Esquimalt) <sup>1</sup>	30%	600,000	-	<b>600,000</b>
TBD	Electronic Health Record (South Island)	30%	7,500,000	-	<b>225,000</b>
TBD	Emergency Department (Lady Minto) <sup>2</sup>	30%	3,000,000	-	<b>225,000</b>
TBD	High Acuity Unit (Royal Jubilee)	30%	3,600,000	-	<b>225,000</b>
TBD	Child Youth Mental Health (Victoria General) <sup>2</sup>	30%	1,500,000	-	<b>30,000</b>
TBD	New Long Term Care (Greater Victoria) <sup>1</sup>	30%	7,500,000	-	<b>105,000</b>
			<b>26,100,000</b>	<b>750,000</b>	<b>3,060,000</b>
<u>CRHD Initiatives</u>					
N/A	Regional Housing First Program Contribution	100%	10,000,000	-	<b>10,000,000</b>
TBD	Land Acquisition/Long Term Care Facility	100%	10,000,000	-	<b>10,000,000</b>
TBD	Oak Bay Lodge Planning and Redevelopment	100%	10,000,000	-	<b>5,000,000</b>
			<b>30,000,000</b>	<b>-</b>	<b>25,000,000</b>
Capital Expenditure Bylaw#	Project Description	Cost Share %	Total CRHD Share	Funded in Prior Years	2021 Funding
TBD	Sec 20 - 2021 Minor Capital Projects	40%	3,750,000	N/A	<b>3,750,000</b>
TBD	Sec 20 - 2021 Capital Equipment Projects	100%	2,955,000	N/A	<b>2,955,000</b>
			<b>6,705,000</b>		<b>6,705,000</b>
<b>Total 2021 Capital Expenditures</b>			<b>62,805,000</b>	<b>750,000</b>	<b>34,765,000</b>

<sup>1</sup>New to the Capital Plan in 2021

<sup>2</sup>Project will be primarily funded by the Hospital Foundation

<sup>3</sup>Funding in prior years is the estimated total cash-flow for the remainder of 2020

**APPENDIX D**

**CAPITAL REGIONAL HOSPITAL DISTRICT  
RESERVE SCHEDULE 2021 - 2025\***

	2020 Estimated Actual	Budget Year				
		2021	2022	2023	2024	2025
<b>Administration &amp; Feasibility Studies Reserve</b>						
<b>- to be spent on future studies or special projects</b>						
Beginning Balance	1,462,753	1,307,444	1,163,359	1,019,274	989,274	959,274
Surplus transfer from HCPS	14,464	-	-	-	-	-
Surplus transfer from Operating	102,654	-	-	-	-	-
Transfer to Operating	(272,427)	(144,085)	(144,085)	(30,000)	(30,000)	(30,000)
	1,307,444	1,163,359	1,019,274	989,274	959,274	929,274
<b>Non-Traditional Projects Reserve</b>						
<b>- non-profit healthcare facilities capital grant funding</b>						
Beginning Balance	2,000,000	2,000,000	1,010,000	1,010,000	1,010,000	1,010,000
Transfer from Operating	-	370,000	-	-	-	1,000,000
Transfer to Operating	-	(1,360,000)	-	-	-	-
	2,000,000	1,010,000	1,010,000	1,010,000	1,010,000	2,010,000
<b>Minor Capital Projects Reserve</b>						
<b>- MCP Capital Grants to VIHA that are cashflowed over 3 years and expire after 5 years</b>						
Beginning Balance	4,967,514	5,667,393	4,476,720	4,000,000	4,000,000	4,000,000
Transfer from Operating	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000
Transfer to Operating	(741,897)	(370,000)	-	-	-	-
Capital Grant Paid to Island Health	(2,308,224)	(4,570,674)	(4,226,720)	(3,750,000)	(3,750,000)	(1,250,000)
	5,667,393	4,476,720	4,000,000	4,000,000	4,000,000	6,500,000
<b>Land Holdings Management Reserve</b>						
<b>- CRHD properties: 950 Kings, Oak Bay Lodge, Other</b>						
Beginning Balance	288,923	1,037,935	778,029	502,396	621,290	737,743
Transfer from Operating - MCP expired	741,897	-	-	-	-	-
Transfer from Operating	200,000	200,000	200,000	200,000	200,000	200,000
Interest Earnings	3,856	-	-	-	-	-
Transfer to Operating	(196,741)	(459,906)	(475,633)	(81,106)	(83,547)	-
	1,037,935	778,029	502,396	621,290	737,743	937,743
<b>Land Development Reserve</b>						
<b>- future development and CRHD projects</b>						
Beginning Balance	6,104,498	6,185,963	185,963	2,185,963	2,185,963	2,185,963
Interest Earnings	81,464	-	-	-	-	-
Transfer from Operating	-	-	2,000,000	-	-	-
Land Acquisition	-	(6,000,000)	-	-	-	-
	6,185,963	185,963	2,185,963	2,185,963	2,185,963	2,185,963
<b>Regional Housing First Program Reserve</b>						
<b>- new program under development</b>						
Beginning Balance	1,250,000	5,764,309	-	-	-	-
Transfer from Operating	3,750,000	4,235,691	-	-	-	-
Estimated 2020 operating surplus	747,628	-	-	-	-	-
Interest Earnings	16,681	-	-	-	-	-
Capital Grant Paid	-	(10,000,000)	-	-	-	-
	5,764,309	-	-	-	-	-
<b>Summit Management Reserve</b>						
Beginning Balance	-	265,487	1,229,439	1,493,391	1,757,343	2,021,295
Transfer from Operating - lifecycle contribution	263,952	263,952	263,952	263,952	263,952	263,952
Transfer from Capital - project surplus	-	700,000	-	-	-	-
Interest Earnings	1,535	-	-	-	-	-
Transfer to Operating	-	-	-	-	-	-
	265,487	1,229,439	1,493,391	1,757,343	2,021,295	2,285,247
<b>Total</b>	<b>22,228,531</b>	<b>8,843,509</b>	<b>10,211,023</b>	<b>10,563,869</b>	<b>10,914,274</b>	<b>14,848,226</b>

\* Under the Hospital District Act Section 20(4), CRHD is able to maintain reserve accounts for specified purposes