



Notice of Meeting and Meeting Agenda Capital Regional Hospital District Board

Wednesday, October 27, 2021

1:00 PM

6th Floor Boardroom
625 Fisgard Street
Victoria, BC

Special Meeting

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

Due to limited seating capacity, this meeting will be held by Live Webcast without the public present.

To participate electronically, complete the online application for "Addressing the Board" on our website. Alternatively, you may email the CRD Board at crdboard@crd.bc.ca.

3.1. Presentations

3.2. Delegations

4. SPECIAL MEETING MATTERS

4.1. [21-805](#) Capital Regional Hospital District 2022-2031 Ten Year Capital Plan

Recommendation: That the Capital Regional Hospital District 2022-2031 Ten Year Capital Plan be approved as submitted.
(WA)

Attachments: [Staff Report: CRHD 2022-2031 Ten Year Capital Plan](#)
[Appendix A: 2022-2031 CRHD Capital Plan](#)
[Appendix B: 2022-2031 Capital Plan Debt Servicing Graph](#)
[Appendix C: Debt Svcng Impact-10 Yr Capital Plan \(2022-2031\)](#)

4.2. [21-713](#) 2022 Capital Regional Hospital District Provisional Budget

Recommendation: That the 2022 Capital Regional Hospital District Provisional Budget be approved as submitted.
(WA)

Attachments: [Staff Report: CRHD 2022 Provisional Budget](#)
[Presentation: CRHD 2022 Financial Plan](#)
[Appendix A: CRHD 2022 Provisional Budget](#)
[Appendix B: CRHD 2022-2026 Future Budget Projections](#)
[Appendix C: CRHD 2022 Capital Expenditures](#)
[Appendix D: CRHD Reserve Summary Schedule 2021-2026](#)

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)



Capital Regional Hospital District

**REPORT TO CAPITAL REGIONAL HOSPITAL DISTRICT BOARD
MEETING OF WEDNESDAY, OCTOBER 27, 2021**

SUBJECT **Capital Regional Hospital District 2022-2031 Ten Year Capital Plan**

ISSUE SUMMARY

Approval of the Capital Regional Hospital District (CRHD) 2022-2031 Ten Year Capital Plan.

BACKGROUND

The 2022-2031 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 2022-2031 Major Capital projects list (greater than \$2 million) from the 2021 Amended Capital Plan include:

Major changes to capital plan for 2022:

- Pneumatic to electric controls conversion project at Gorge Road Hospital project has been added to the capital plan in 2022. Total project cost \$2.9 million, CRHD share is \$0.9 million.
- Medical Device reprocessing department expansion at Victoria General Hospital project added. Total cost is \$4.2 million, CRHD share is \$1.3 million.
- Energy centre replacement project at Victoria General Hospital moved from 2023 to 2022. Total project cost is \$18.4 million, CRHD share is \$5.5 million.
- Pembroke Mental Health Centre Redevelopment moved from 2029 to 2022. Total project cost increased from \$5 million to \$22 million, CRHD share is \$6.6 million.
- Royal Bay 306 Long Term Care Beds total project cost increased by \$55 million to \$205 million based on additional planning and costing. CRHD share is \$61.5 million.
- Mt. Tolmie was removed from the capital plan.
- Oak Bay Lodge redevelopment added to capital plan, \$300 million total project cost estimated with CRHD share estimated at \$90 million.

ALTERNATIVES

Alternative 1

That the Capital Regional Hospital District 2022-2031 Ten Year Capital Plan be approved as submitted.

Alternative 2

That the Capital Regional Hospital District 2022-2031 Ten Year Capital Plan be deferred pending further analysis by staff.

FINANCIAL IMPLICATIONS

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 2022 to 2031 is \$429 million. Due to Island Health’s prioritization of several new significant projects for the region, the CRHD’s commitment over the planning horizon has increased by \$150 million over the plan previously presented to Board on March 24, 2021. The projected incremental debt servicing cost associated with the 2022-2031 Capital Plan is expected to drive requisition upward to a maximum of \$221 per average residential assessment in 2031.

Appendix B graphically illustrates the existing and estimated debt service implications of the 2022-2031 Capital Plan. Appendix C summarizes the requisition impact based on most recent average residential assessment data.

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 is organized by health facility and year, and the recommended funding for each project is identified. All projects listed in the plan will be reviewed, in the appropriate year and are subject to prioritization and Board approval. The CRHD 2022 Provisional Budget incorporates the financial implications of the 2022-2031 Ten Year Capital Plan.

RECOMMENDATION

That the Capital Regional Hospital District 2022-2031 Ten Year Capital Plan be approved as submitted.

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

ATTACHMENTS

- Appendix A: 2022-2031 CRHD Capital Plan
- Appendix B: 2022-2031 Capital Plan Debt Servicing Graph
- Appendix C: Debt Servicing Impact of 10-Year Capital Plan (2022-2031)

**CAPITAL REGIONAL HOSPITAL DISTRICT CAPITAL PLAN
For Years 2022 to 2031 at September 17, 2021**

Project Type / Status	Project Description	Year	Facility / Site	CBL Bylaw #	CRHD Share (%)	CRHD Share Total Project (\$)	Total Project Budget (\$)	Estimated Completed at Year-End (\$)	Total Project Remaining Balance (\$)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10-Year Total	
Major Project - Approved	James Bay Urgent and Primary Care Centre	2020	547 Michigan St.	174	30%	1,500,000	5,000,000	2,300,000	100,000	100,000	-	-	-	-	-	-	-	-	-	100,000	
Major Project - Approved	Beacon Community Services Expansion	2020	Victoria - Various	175	30%	1,350,000	4,500,000	4,231,000	269,000	269,000	-	-	-	-	-	-	-	-	-	-	269,000
Major Project - Approved	Victoria Urgent and Primary Care Centre	2020	Victoria - Pandora Avenue	177	30%	1,500,000	5,000,000	4,650,000	100,000	100,000	-	-	-	-	-	-	-	-	-	-	100,000
Major Project - Approved	Greater Victoria Urgent and Primary Care	2021	Victoria	182	30%	1,499,592	4,998,639	3,800,000	1,198,639	1,198,639	-	-	-	-	-	-	-	-	-	-	1,198,639
Major Project - Approved	Greater Victoria Urgent and Primary Care	2021	Esquimalt	181	30%	886,414	2,954,713	2,654,713	300,000	300,000	-	-	-	-	-	-	-	-	-	-	300,000
Major Project - Approved	Emergency Department ¹	2021	Lady Minto Hospital	183	29%	3,000,000	10,340,000	560,000	9,780,000	2,500,000	7,280,000	-	-	-	-	-	-	-	-	-	9,780,000
Major Project - Planned	Medical Device Reprocessing Department Expansion	2022	Victoria General Hospital		30%	1,272,000	4,240,000	-	4,240,000	1,212,000	3,000,000	28,000	-	-	-	-	-	-	-	-	4,240,000
Major Project - Planned	High Acuity Unit	2022	Victoria General Hospital		30%	975,000	3,250,000	-	3,250,000	3,225,000	25,000	-	-	-	-	-	-	-	-	-	3,250,000
Major Project - Planned	High Acuity Unit	2022	Royal Jubilee Hospital		30%	4,695,000	15,650,000	-	15,650,000	600,000	6,000,000	9,050,000	-	-	-	-	-	-	-	-	15,650,000
Major Project - Planned	Pneumatic to Electric Controls Conversion	2022	Gorge Road Hospital		30%	883,800	2,946,000	-	2,946,000	147,300	2,356,800	441,900	-	-	-	-	-	-	-	-	2,946,000
Major Project - Possible	New Long Term Care (306 beds)	2022	South Island - Royal Bay		30%	61,500,000	205,000,000	-	205,000,000	600,000	14,000,000	60,000,000	60,000,000	40,000,000	30,400,000	-	-	-	-	-	205,000,000
Major Project - Possible	Energy Centre Replacement	2022	Victoria General Hospital		30%	5,505,000	18,350,000	-	18,350,000	1,017,500	7,340,000	7,340,000	1,835,000	817,500	-	-	-	-	-	-	18,350,000
Major Project - Possible	Routine Capital Investment Project(s)	2023	Royal Jubilee Hospital		30%	9,066,000	30,220,000	-	30,220,000	-	1,000,000	100,000	3,120,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	1,000,000	-	30,220,000
Major Project - Possible	Routine Capital Investment Project(s)	2023	Victoria General Hospital		30%	11,736,000	39,120,000	-	39,120,000	-	5,000,000	5,000,000	3,120,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	1,000,000	-	39,120,000
Major Project - Possible	Outpatient Rehabilitation Program	2022	Gorge Road Hospital		30%	900,000	3,000,000	-	3,000,000	600,000	2,400,000	-	-	-	-	-	-	-	-	-	3,000,000
Major Project - Possible	Mental Health & Substance Use Residential Program	2022	To be determined		30%	600,000	2,000,000	-	2,000,000	900,000	1,100,000	-	-	-	-	-	-	-	-	-	2,000,000
Major Project - Possible	Pembroke Mental Health Substance Use Center	2022	Victoria Health Unit-Cook Street		30%	6,600,000	22,000,000	-	22,000,000	100,000	400,000	1,500,000	7,000,000	12,000,000	1,000,000	-	-	-	-	-	22,000,000
Major Project - Possible	Child Youth Mental Health Stabilization Unit	2023	Victoria General Hospital		30%	2,250,000	7,500,000	-	7,500,000	-	250,000	2,750,000	4,000,000	500,000	-	-	-	-	-	-	7,500,000
Major Project - Possible	Energy Centre Replacement	2023	Saanich Peninsula Hospital		30%	2,400,000	8,000,000	-	8,000,000	-	200,000	1,500,000	4,000,000	2,300,000	-	-	-	-	-	-	8,000,000
Major Project - Possible	New Long Term Care (50 beds)	2023	Greater Victoria - TBD		30%	9,900,000	33,000,000	-	33,000,000	-	300,000	4,000,000	12,000,000	12,000,000	4,700,000	-	-	-	-	-	33,000,000
Major Project - Possible	Oak Bay Lodge Redevelopment	2023	Former Oak Bay Lodge Site		30%	90,000,000	300,000,000	-	300,000,000	-	100,000	1,000,000	5,000,000	35,000,000	60,000,000	70,000,000	70,000,000	58,900,000	-	-	300,000,000
Major Project - Possible	Relocate SSI MHSU Integrated Team	2023	Salt Spring Island		30%	600,000	2,000,000	-	2,000,000	-	300,000	1,700,000	-	-	-	-	-	-	-	-	2,000,000
Major Project - Possible	Pre-admission Clinic Consolidation (RJH & VGH)	2024	To be determined		30%	600,000	2,000,000	-	2,000,000	-	300,000	1,700,000	-	-	-	-	-	-	-	-	2,000,000
Major Project - Possible	Electronic Health Record	2024	South Island - TBD		30%	900,000	3,000,000	-	3,000,000	-	-	3,000,000	-	-	-	-	-	-	-	-	3,000,000
Major Project - Possible	Peninsula Primary Care Centre ¹	2024	Saanich Peninsula Hospital		30%	900,000	3,000,000	-	3,000,000	-	-	1,500,000	1,500,000	-	-	-	-	-	-	-	3,000,000
Major Project - Possible	SPH Acute Core Renovation ¹	2024	Saanich Peninsula Hospital		30%	1,500,000	5,000,000	-	5,000,000	-	-	2,500,000	2,500,000	-	-	-	-	-	-	-	5,000,000
Major Project - Possible	Elevator Refurbishment	2024	Victoria General Hospital		30%	630,000	2,100,000	-	2,100,000	-	-	1,050,000	1,050,000	-	-	-	-	-	-	-	2,100,000
Major Project - Possible	Convert obsolete 480 distribution system with 600V	2024	Royal Jubilee Hospital		30%	600,000	2,000,000	-	2,000,000	-	-	1,000,000	1,000,000	-	-	-	-	-	-	-	2,000,000
Major Project - Possible	VGH Pediatric Intensive Care Unit	2025	Victoria General Hospital		30%	1,500,000	5,000,000	-	5,000,000	-	-	-	250,000	2,250,000	2,250,000	250,000	-	-	-	-	5,000,000
Major Project - Possible	10G Fibre Expansion (IMIT)	2025	Royal Jubilee Hospital		30%	900,000	3,000,000	-	3,000,000	-	-	-	1,500,000	1,500,000	-	-	-	-	-	-	3,000,000
Major Project - Possible	RJH DT Cooling System Replacement	2025	Royal Jubilee Hospital		30%	600,000	2,000,000	-	2,000,000	-	-	-	250,000	1,250,000	500,000	-	-	-	-	-	2,000,000
Major Project - Possible	QAC Electrical Distribution \$2m	2025	Queen Alexandra		30%	600,000	2,000,000	-	2,000,000	-	-	-	200,000	1,200,000	600,000	-	-	-	-	-	2,000,000
Major Project - Possible	Endoscopy - create 4th Procedure Room	2025	Royal Jubilee Hospital		30%	600,000	2,000,000	-	2,000,000	-	-	-	200,000	1,200,000	600,000	-	-	-	-	-	2,000,000
Major Project - Possible	Surgical Day Care Unit Renovation	2026	Victoria General Hospital		30%	3,180,000	10,600,000	-	10,600,000	-	-	-	-	100,000	500,000	5,000,000	5,000,000	-	-	-	10,600,000
Major Project - Possible	Intensive Care & High Acuity Unit Redevelopment ³	2026	Victoria General Hospital		30%	11,700,000	39,000,000	-	39,000,000	-	-	-	-	250,000	2,500,000	15,000,000	15,000,000	6,000,000	250,000	-	39,000,000
Major Project - Possible	Restorative Health Center	2026	To be determined		30%	60,000,000	200,000,000	-	200,000,000	-	-	-	-	250,000	2,500,000	25,000,000	50,000,000	50,000,000	50,000,000	50,000,000	177,750,000
Major Project - Possible	Morgue Expansion	2026	Victoria General Hospital		30%	600,000	2,000,000	-	2,000,000	-	-	-	-	150,000	1,500,000	350,000	-	-	-	-	2,000,000
Major Project - Possible	Memorial Pavilion Mechanical System Upgrade	2026	Royal Jubilee Hospital		30%	3,000,000	10,000,000	-	10,000,000	-	-	-	-	150,000	3,000,000	3,000,000	3,000,000	3,000,000	850,000	-	10,000,000
Major Project - Possible	Electrical Infrastructure Upgrade	2026	Lady Minto Hospital		30%	3,000,000	10,000,000	-	10,000,000	-	-	-	-	150,000	3,000,000	3,000,000	3,000,000	3,000,000	850,000	-	10,000,000
Major Project - Possible	Westshore Mental Health Team	2027	Westshore		30%	974,700	3,249,000	-	3,249,000	-	-	-	-	-	100,000	1,800,000	1,349,000	-	-	-	3,249,000
Major Project - Possible	Phase 2 of ED Redevelopment: Imaging Suite	2028	Lady Minto Hospital		30%	1,500,000	5,000,000	-	5,000,000	-	-	-	-	-	-	150,000	2,000,000	2,000,000	850,000	-	5,000,000
Major Project - Possible	Endoscopy - create 4th Procedure Room	2028	Victoria General Hospital		30%	600,000	2,000,000	-	2,000,000	-	-	-	-	-	-	150,000	1,500,000	350,000	-	-	2,000,000
Major Project - Possible	Child Youth and Family Services Redevelopment	2028	To be determined		30%	30,000,000	100,000,000	-	100,000,000	-	-	-	-	-	-	250,000	12,500,000	25,000,000	25,000,000	25,000,000	62,750,000
Major Project - Possible	Administrative Building Decant/Eric Martin Pavilion Asbestos Abatement	2028	Royal Jubilee Hospital		30%	1,470,000	4,900,000	-	4,900,000	-	-	-	-	-	-	150,000	1,500,000	1,750,000	1,500,000	-	4,900,000
Major Project - Possible	Long Term Care (50 beds)	2029	Lady Minto Hospital		30%	15,000,000	50,000,000	-	50,000,000	-	-	-	-	-	-	-	200,000	800,000	5,000,000	-	50,000,000
Major Project - Possible	Multidisciplinary Pain Clinic	2029	Royal Jubilee Hospital		30%	900,000	3,000,000	-	3,000,000	-	-	-	-	-	-	-	250,000	1,750,000	1,000,000	-	3,000,000
Major Project - Possible	Operating Room Upgrade	2030	Victoria General Hospital		30%	1,500,000	5,000,000	-	5,000,000	-	-	-	-	-	-	-	-	250,000	1,500,000	-	5,000,000
Major Project - Possible	(VASC/CARD) Hybrid OR	2030	Royal Jubilee Hospital		30%	1,620,000	5,400,000	-	5,400,000	-	-	-	-	-	-	-	-	250,000	2,000,000	-	5,400,000
ISLAND HEALTH TOTAL*						362,993,506	1,210,318,352	18,195,713	1,189,272,639	12,869,439	51,351,800	105,159,900	108,525,000	121,067,500	123,150,000	134,100,000	175,299,000	158,750,000	89,100,000	1,079,372,639	
CRHD SHARE of ISLAND HEALTH MAJOR PROJECTS - including inflation in future years²										3,836,082	15,342,168	31,678,170	32,758,200	36,669,750	37,435,500	40,974,600	53,581,494	48,517,500	27,252,600	328,046,064	

**CAPITAL REGIONAL HOSPITAL DISTRICT CAPITAL PLAN
For Years 2022 to 2031 at September 17, 2021**

Project Type / Status	Project Description	Year	Facility / Site	CBL Bylaw #	CRHD Share (%)	CRHD Share Total Project (\$)	Total Project Budget (\$)	Estimated Completed at Year-End (\$)	Total Project Remaining Balance (\$)
Minor Project - Requested	Minor Capital Projects Current Budget Year	2022	Various		40%	3,750,000	9,375,000	-	9,375,000
Minor Project - Anticipated	Minor Capital Projects Future Budget Years	2023-2031	Various		40%	33,750,000	84,375,000	-	84,375,000
Minor Equipment Grants	CRHD Section 20 Equipment Grants	2022-2031	Various		100%	29,550,000	29,550,000	-	29,550,000
Non-Traditional Project	Non-Traditional Projects Grants (Suspended 2015-2024) - expensed annually	2025-2031	Various		100%	7,000,000	7,000,000	-	7,000,000
CRHD Project	Hillside/Kings Licensed Residential Care Facility	2022	950 Kings Rd.		100%	15,000,000	15,000,000	-	15,000,000
CRHD Project	Regional Housing First Program (RHFP) Contribution - \$10M contribution from reserve	2021	TBD		100%	10,000,000	10,000,000	-	10,000,000
CRHD Project	Oak Bay Lodge - Demolition	2021	2251 Cadboro Bay Rd.	178	100%	4,266,501	4,266,501	3,761,268	505,233
CRHD Project	Summit Scheduled Capital Replacements	2022	955 Hillside Ave.	160	100%	1,200,000	1,200,000	-	1,200,000
CRHD TOTAL						104,516,501	160,766,501	3,761,268	157,005,233
PROJECT TOTAL - before inflation						467,510,007	1,371,084,853	21,956,981	1,346,277,872
Inflation² 2.00% - excluding approved/pending Capital Bylaws									16,634,980
PROJECT TOTAL - including inflation									1,362,912,852
CRHD SHARE TOTAL ESTIMATED ANNUAL CAPITAL CASH FLOW									428,601,297

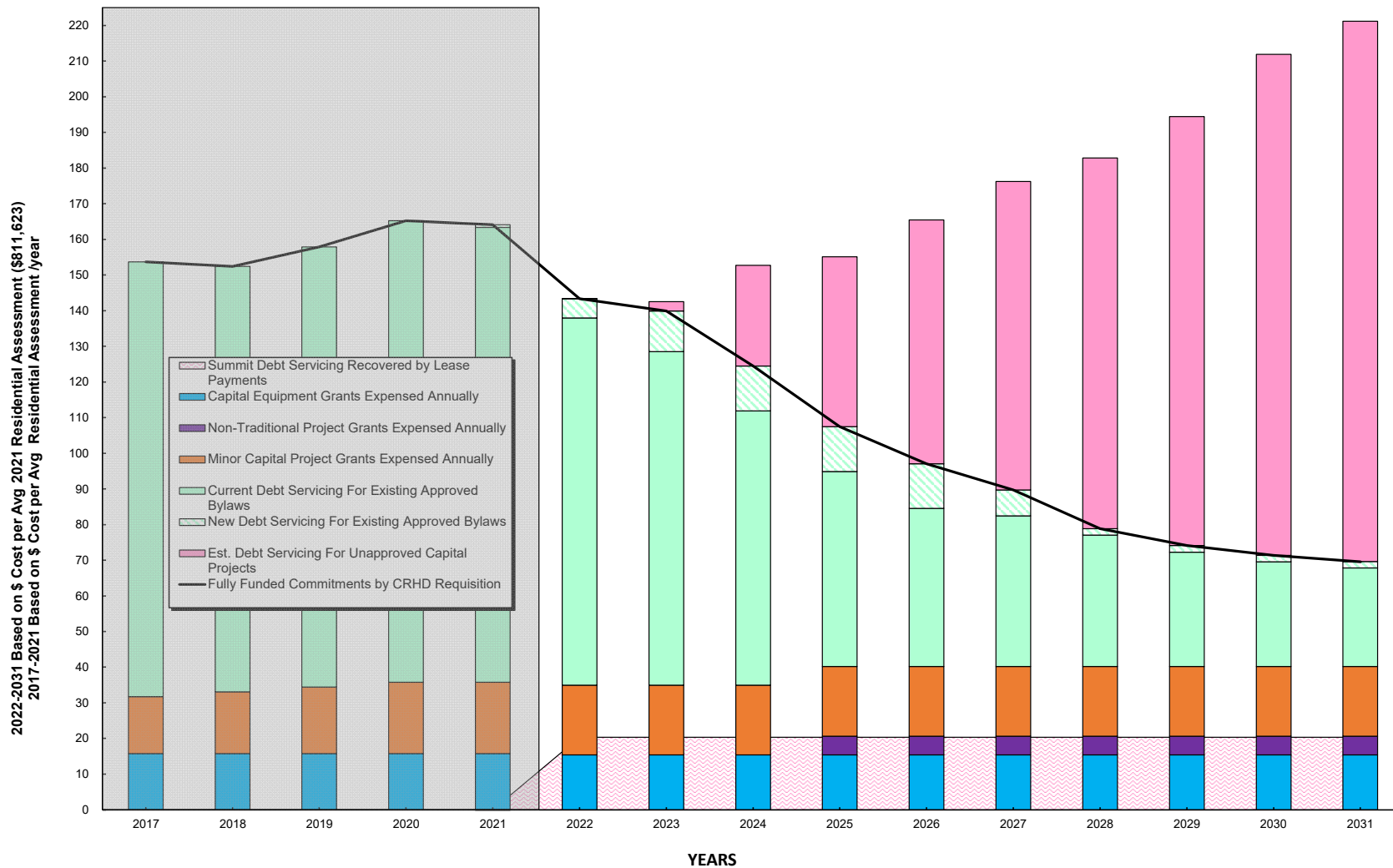
2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10-Year Total
9,375,000	-	-	-	-	-	-	-	-	-	9,375,000
-	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	84,375,000
2,955,000	2,955,000	2,955,000	2,955,000	2,955,000	2,955,000	2,955,000	2,955,000	2,955,000	2,955,000	29,550,000
-	-	-	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	7,000,000
-	500,000	2,500,000	6,000,000	6,000,000	-	-	-	-	-	15,000,000
10,000,000	-	-	-	-	-	-	-	-	-	10,000,000
505,233	-	-	-	-	-	-	-	-	-	505,233
400,000	200,000	200,000	200,000	200,000	-	-	-	-	-	1,200,000
23,235,233	13,030,000	15,030,000	19,530,000	19,530,000	13,330,000	13,330,000	13,330,000	13,330,000	13,330,000	157,005,233
36,104,672	64,381,800	120,189,900	128,055,000	140,597,500	136,480,000	147,430,000	188,629,000	172,080,000	102,430,000	1,236,377,872
-	29,000	434,000	669,000	1,165,000	1,635,000	2,482,000	3,305,980	2,975,000	1,742,000	14,436,980
36,104,672	64,410,800	120,623,900	128,724,000	141,762,500	138,115,000	149,912,000	191,934,980	175,055,000	104,172,000	1,250,814,852
21,446,315	22,547,168	41,083,170	46,663,200	50,574,750	45,140,500	48,679,600	61,286,494	56,222,500	34,957,600	428,601,297

General Notes
 *Rules for debt borrowing period (amortization) are based on total project cost: \$2-5M 5yrs; \$5-12.5M 10yrs; >\$12.5M 15yrs
 **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.
¹Project will be primarily funded by the Hospital Foundation
²Inflation is calculated at a rate of 2% for years 2022-2031 and applied to forecasted projects if applicable (approved bylaws, current year projects and land acquisitions are not subject to inflation)
³If this project does not proceed, a renovation to the Intensive Care Unit will be required

VIHA 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 million
 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 (2017-2031)
MFA Borrowing Terms 5-25yrs**

APPENDIX B



Debt Servicing costs have not been adjusted for PILTs, Other income, Admin & Other Operating Costs
Prepared by: CRD Finance September 17, 2021

CAPITAL REGIONAL HOSPITAL DISTRICT
Debt Servicing Impact of 10 Year Capital Plan (2022-2031)
Cost per Average 2021 Residential Assessment (\$811,623)
Based on MFA Borrowing Terms of 5, 10, 15, 25 Years

Year	Existing Debt Servicing	Estimated Debt Servicing	Total Debt Servicing	Section 20 Expensed			Total Requisition ¹	Total Requisition \$ Value ¹
				Capital Equipment	Non-Traditional Projects	Minor Capital Projects		
2022	102.98	5.42	108.40	15.41	0.00	19.56	143.37	27,489,223
2023	93.57	13.95	107.52	15.41	0.00	19.56	142.49	27,320,567
2024	76.95	40.77	117.72	15.41	0.00	19.56	152.69	29,276,268
2025	54.72	60.19	114.91	15.41	5.22	19.56	155.09	29,737,281
2026	44.32	80.95	125.27	15.41	5.22	19.56	165.45	31,724,053
2027	42.28	93.75	136.03	15.41	5.22	19.56	176.22	33,787,735
2028	36.87	105.75	142.62	15.41	5.22	19.56	182.80	35,050,009
2029	32.10	122.14	154.24	15.41	5.22	19.56	194.43	37,278,942
2030	29.37	142.35	171.72	15.41	5.22	19.56	211.91	40,630,863
2031	27.61	153.37	180.99	15.41	5.22	19.56	221.17	42,406,829
								<u>334,701,770</u>

¹Requisition values are calculated based on forecasted debt servicing costs only and vary from budgeted requisition due to other budgetary drivers



Making a difference...together

REPORT TO CAPITAL REGIONAL HOSPITAL DISTRICT BOARD MEETING OF WEDNESDAY, OCTOBER 27, 2021

SUBJECT 2022 Capital Regional Hospital District Provisional Budget

ISSUE SUMMARY

This report presents the 2022 Capital Regional Hospital District (CRHD) Provisional Budget for review and approval.

BACKGROUND

Each year, the CRHD must develop an annual financial plan bylaw detailing expenses and revenues for the upcoming calendar year, including capital expenditures by project and any surplus or deficit resulting from the current year. The annual budget 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 primary cost driver of the provisional budget is the 10-year capital plan, which is presented for approval in an accompanying staff report. The 10-year capital plan consists of projects identified and managed by the Vancouver Island Health Authority (Island Health), in addition to projects identified and managed by CRHD. CRHD managed projects are primarily land development opportunities and asset maintenance and replacement for CRHD owned assets.

In addition to supporting the capital plan, the provisional budget delivers initiatives identified in the 2019-2022 corporate plan specific to the Health community need. The 2022 service planning process marks the fourth and final year of the four-year strategic and corporate planning cycle. As part of the service planning process, in September, the Executive Leadership Team (ELT) met over multiple days to review individual service plans, initiative business cases (IBCs), and financial implications in alignment with the corporate plan and approved financial planning guidelines. ELT has prioritized initiatives in consideration of fiscal challenges, organizational change capacity, and workforce pressures.

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 2022 Capital Regional Hospital District Provisional Budget be approved as submitted.

Alternative 2

That the 2022 Capital Regional Hospital District Provisional Budget be referred back to staff for revision based on Board direction.

IMPLICATIONS

Financial Implications

The 2022 Provisional Budget includes operating expenditures, capital expenditures by project, 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 2021 forecasted actuals are expected to be on budget for the year with an estimated net surplus of \$0.05 million. The difference is largely a result of savings on planned debt servicing due to timing of capital plan expenditures.

To balance the 2021 budget, a transfer to the Summit Management Reserve in the amount of \$0.05 million is recommended. Funds in this reserve are accumulated to fund capital lifecycle replacement costs. A lifecycle replacement plan will be developed in 2022 and will establish long term funding requirements for the building during the lifecycle.

Operating Expenditures

The 2022 provisional budget includes \$33.8 million in operating expenditures, a decrease of \$2.3 million or 6.4% from the prior year. The detailed 2022 Provisional Budget with comparison to the 2021 Final Budget is included in Appendix A. The following table summarizes the year over year change in operating expenditures;

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

Expense Type	2022 Provisional	2021 Final	\$ Change	% Change
Operations	2.7	1.7	1.0	58.8%
Debt Servicing	20.8	21.3	(0.5)	(2.3%)
Capital Funding	3.0	4.3	(1.3)	(30.2%)
Transfers to Reserves	7.3	8.8	(1.5)	(17.0%)
Total	\$33.8	\$36.1	(\$2.3)	(6.4%)

The Operations budget includes costs for administration, feasibility studies and property management. The increase of \$1.0 million is driven by an increase of:

- \$0.8 million in planned feasibility studies in support of development of properties at Oak Bay Lodge, Royal Bay and 950 Kings.
- \$0.1 million in administration recovery to CRD, and
- \$0.1 million in property management expenses

The CRHD property holdings and related cost estimates for 2022 include the Summit, 950 Kings, Oak Bay Lodge and Royal Bay. All four properties incur holding related costs such as security, maintenance and insurance.

The Debt Servicing budget includes existing and projected incremental financial requirements based on 2022 capital expenditures identified in the 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 2022 is \$20.8 million, a decrease of \$0.5 million over 2021 as a result of debt repayment on historical issuances.

The Capital Funding budget includes grant 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. In the last quarter of 2021, the CRHD expects to transfer the previously approved \$1.3 million non-traditional project (NTP) grant to the Broadmead Care Society for the Nigel House redevelopment in Saanich. There are no NTP project grants planned for 2022. The result is a \$1.3 million decrease in Capital Funding for 2022.

Transfers to Reserves includes funding for Island Health Minor Capital projects, Debt Management, Land Holdings Management and Summit Management Reserves. Transfers to reserve total \$7.3 million in 2022, a decrease of \$1.5 million over prior year. The decrease is primarily related to a reduction of \$4.2 million in contribution to the RHFP Reserve net of an increase of \$3.0 million in Debt Management Reserve. With \$4.2 million transferred to the RHFP reserve in 2021, the reserve balance is \$10 million or the full CRHD commitment in support of the program. An RHFP health contribution is planned in 2022.

A transfer of \$3.0 million to the Debt Management Reserve (formerly the Land Development Reserve) is in response to a significant increase in capital investment signaled in the 10-year capital plan. This reserve is a mitigation response to future borrowing requirements driven by Island Health projects detailed in the 10-year capital plan, and reflects a significant increase when compared to previous iterations of the 10-year plan. Island Health has reprioritized and introduced several new major health care projects for the Capital Region including redevelopment of Oak Bay Lodge and a new Long Term Care Facility at Royal Bay. The CRHD portion of the 10-year capital plan increased by \$150 million to a total \$429 million to be funded between 2022-2031. The Debt Management reserve will be used to help fund capital investment while mitigating impact to requisition.

Annual Revenue

Total revenue is \$33.8 million, a decrease of \$2.3 million or 6.4% from the prior year. The detailed 2022 Provisional Budget is included in Appendix A. The change in revenue from the prior year is shown in Table 2 below:

Table 2: Changes in Revenue (\$ millions)

Revenue Type	2022 Provisional	2021 Final	\$ Change	% Change
Tax Requisition	26.4	28.1	(1.7)	(6.0%)
Payments in Lieu of Taxes (PILT)	0.9	0.9	-	-
Lease and Other Property Revenue	4.4	4.4	-	-
Other Revenue	0.5	0.5	-	-
Transfers from Reserve	1.5	1.8	(0.3)	(16.7%)
Surplus – MCP Bylaw Expiry	0.1	0.4	(0.3)	(75.0%)
Total	\$33.8	\$36.1	(\$2.3)	(6.4%)

The decrease in revenue requirements is primarily driven by a reduction in requisition of \$1.7 million or 6.0%. The balance is driven by the MCP Bylaw surplus and in transfers from reserves to fund operating and equipment grants; both are lower by \$0.3 million when compared to 2021.

Requisition

The 2022 CRHD requisition is \$26.4 million, a decrease of \$1.7 million or 6.0% from prior year. Table 3 illustrates the cost per average household and change based on the current average residential assessment of \$811,623.

Table 3: Change in Requisition

Description	2022 Provisional	2021 Final	\$ Change	% Change
Requisition (\$ millions)	\$26.4	\$28.1	(\$1.7)	(6.0%)
Cost / Average Household (2021 = \$811,623)	\$137.97	\$146.75	(\$8.78)	(6.0%)

The decrease of (\$8.78) equates to an annual requisition reduction of (6.0%) per average household; moving from \$146.75 in 2021 to an estimated \$137.97 for 2022.

Table 4 below provides a summary of CRHD’s forecasted requisition per average household for the previous and future five years.

Table 4: Forecast Requisition per Average Household

Budget Year	Residential Assessment	2021	2022	2023	2024	2025	2026
2017 ^f	\$625,883	149.91					
2018 ^f	\$724,009	150.07	146.95				
2019 ^f	\$779,233	155.98	155.38	154.03			
2020 ^f	\$778,883	145.78	143.24	138.54	128.02		
2021 ^f	\$811,623	146.75	138.50	133.75	129.47	130.62	
2022 ^p	\$811,623	n/a	137.97	138.62	140.69	142.34	147.55

^fFinal Budget

^pProvisional Budget

As a result of changes to the 10-year capital plan by Island Health, the cost per average household in the 5-year operating plan has increased significantly. Staff are developing a CRHD reserve guideline to mitigate and smooth requisition increases driven by the 10-year capital plan. This work is underway and includes assessment of long term capital investment and funding. Results will be reported through the Hospital and Housing Committee in 2022.

For additional detail regarding future budget projections, refer to Appendix B, 2022-2026 Future Budget Projections.

Capital Plan

The CRHD 10-year capital plan is the basis of expenditures and related debt servicing included in the provisional budget. 2022 capital expenditures total \$21.4 million, a decrease of \$13.6 million

from 2021. Expenditures summarized in Table 5 include CRHD lead initiatives, Island Health major capital initiatives, and Island Health minor capital and equipment.

Table 5: Capital Plan Summary (\$ millions)

Description	2022 Provisional	2021 Final	\$ Change	% Change
CRHD Initiatives	10.9	23.7	(12.8)	(117.4)
Island Health Minor Capital and Equipment	6.7	6.7	-	-
Island Health Initiatives	3.8	4.6	(0.8)	(21.1%)
Total	\$21.4	\$35.0	(\$13.6)	(63.6%)

Appendix C details planned capital expenditures by project and the related cost sharing commitment.

Reserves

Appendix D details five-year cashflow by reserve fund while Table 6 provides a summary of planned activity through the end of 2022. The \$19.0 million opening balance is projected to decrease by (\$8.3 million) to \$10.7 million through 2022. The net decrease is driven by funding the \$10 million RHFP contribution from reserve.

Table 6: Changes in Reserves (\$ millions) (in order of Appendix D)

Description	2022 Opening (Estimate)	2022 Plan Activity		2022 Ending (Projection)
		Funding	Expenses	
Admin & Feasibility Studies Reserve	1.3	-	(1.1)	0.2
Non-Traditional Projects Reserve	1.1	-	-	1.1
Minor Capital Projects Reserve	4.8	3.8	(4.0)	4.6
Land Holdings Management Reserve	1.0	0.2	(0.4)	0.8
Debt Management Reserve	-	3.0	-	3.0
RHFP Projects Reserve	10.0	-	(10.0)	-
Summit Management Reserve	0.8	0.3	(0.1)	1.0
Total	\$19.0	\$7.3	(\$15.6)	\$10.7

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 10-year capital plan, which is presented to the Board for approval in an accompanying staff report. The 10-year capital plan captures projects identified by the Vancouver Island Health Authority (Island Health) and incorporates CRHD identified capital initiatives. The recommendation is that the 2022 Capital Regional Hospital District Provisional Budget be approved as submitted. The Provisional Budget will be subject to change as a result of the final 2021 surplus/deficits, revised assessment information and any directed amendments prior to final budget approval by the Board as part of the annual budget bylaw by March 31, 2022.

RECOMMENDATION

That the 2022 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, FCPA, FCMA, Chief Financial Officer
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

ATTACHMENT(S)

- Appendix A: CRHD 2022 Provisional Budget
- Appendix B: CRHD 2022-2026 Future Budget Projections
- Appendix C: CRHD 2022 Capital Expenditures
- Appendix D: CRHD Reserve Summary Schedule 2021-2026



Capital Regional Hospital District > 2022 Provisional Budget

**Presentation to CRHD Board
Wednesday October 27, 2021**

	2022 Provisional	2021 Final	H/(L) \$	H/(L) %
Requisition	26.4	28.1	(1.7)	(6.0)
Other Revenue & Transfer Fr Reserve	7.4	8.0	(0.6)	(7.8)
Total Revenue	\$33.8M	\$36.1M	(\$2.3M)	(6.4%)
Debt Servicing	20.8	21.3	(0.5)	(2.2)
Capital Grants	3.0	4.3	(1.4)	(31.5)
Other Operating & Transfer To Reserve	10.0	10.5	(0.4)	(4.4)
Total Expenses	\$33.8M	\$36.1M	(\$2.3M)	(6.4%)

Revenue

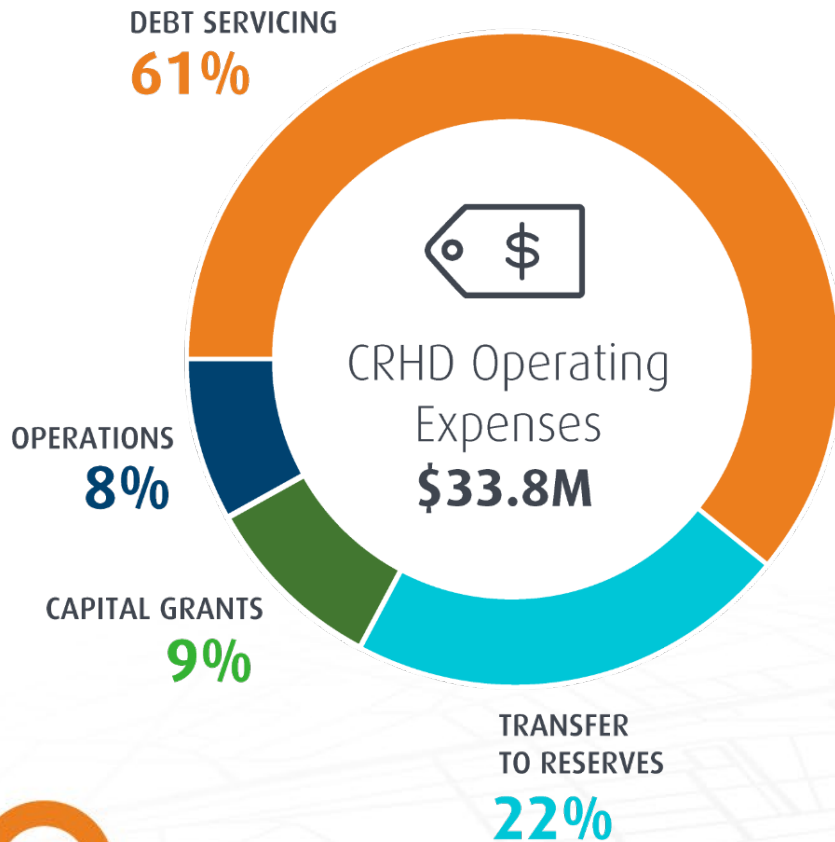
- Reduction in requisition driven by expiring debt obligations, lower MCP surplus and lower transfers to reserves in 2022

Expense

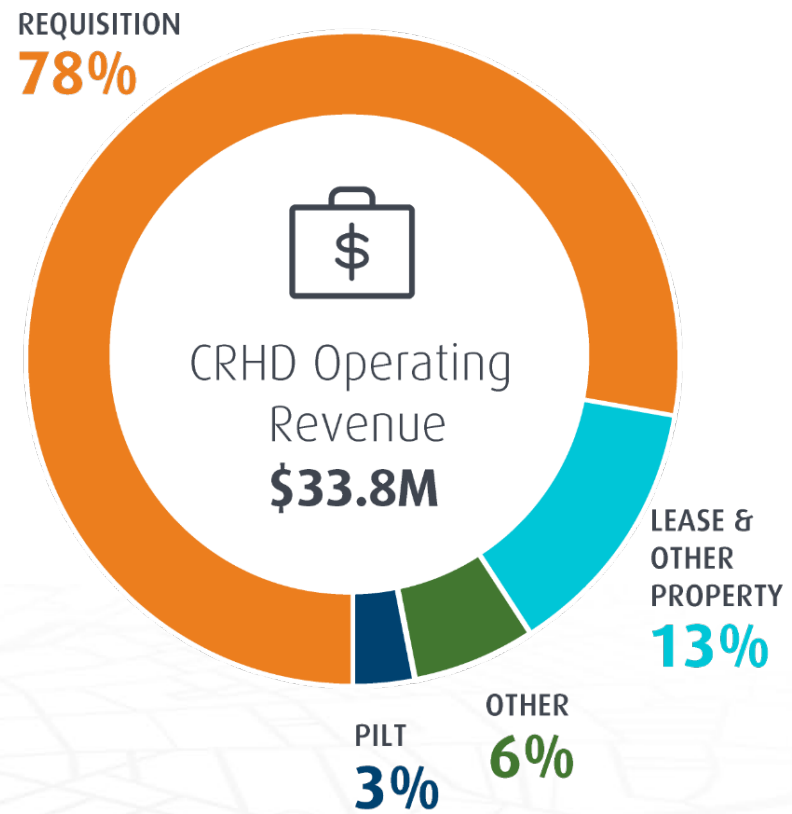
- Reduction in debt servicing costs are a result of maturing issuances
- Reduced capital grants due to higher NTP distributions in 2021



EXPENDITURES



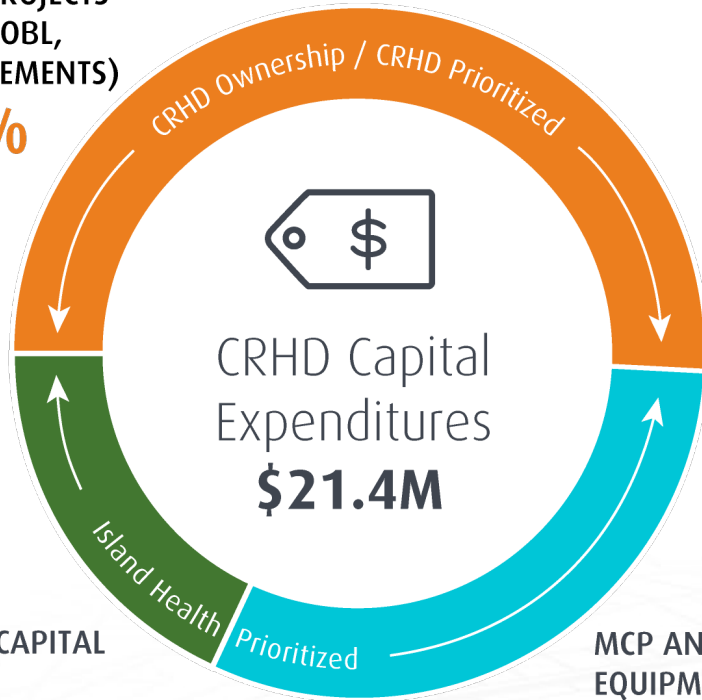
SOURCES OF REVENUE



EXPENDITURES

CRHD PROJECTS
(RHFP, OBL,
REPLACEMENTS)

51%



MAJOR CAPITAL
GRANTS

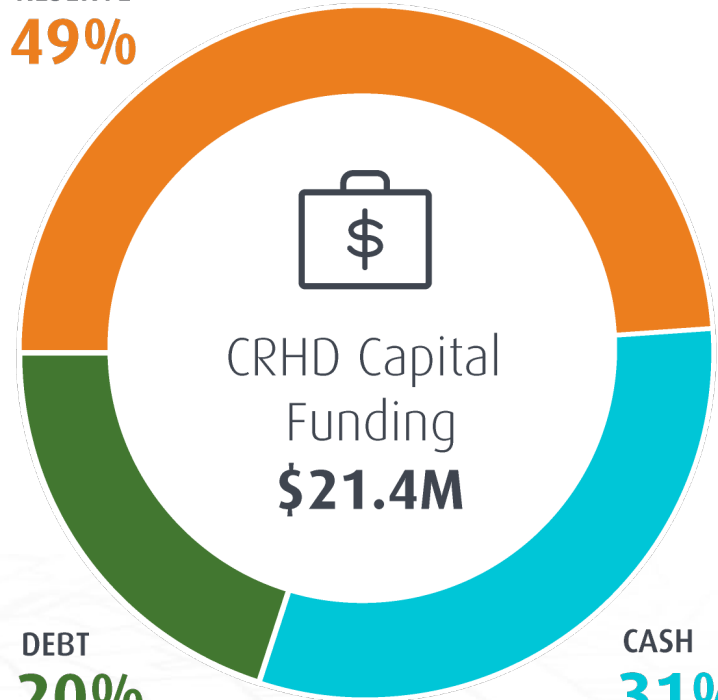
18%

MCP AND CAPITAL
EQUIPMENT GRANTS

31%

SOURCES OF REVENUE

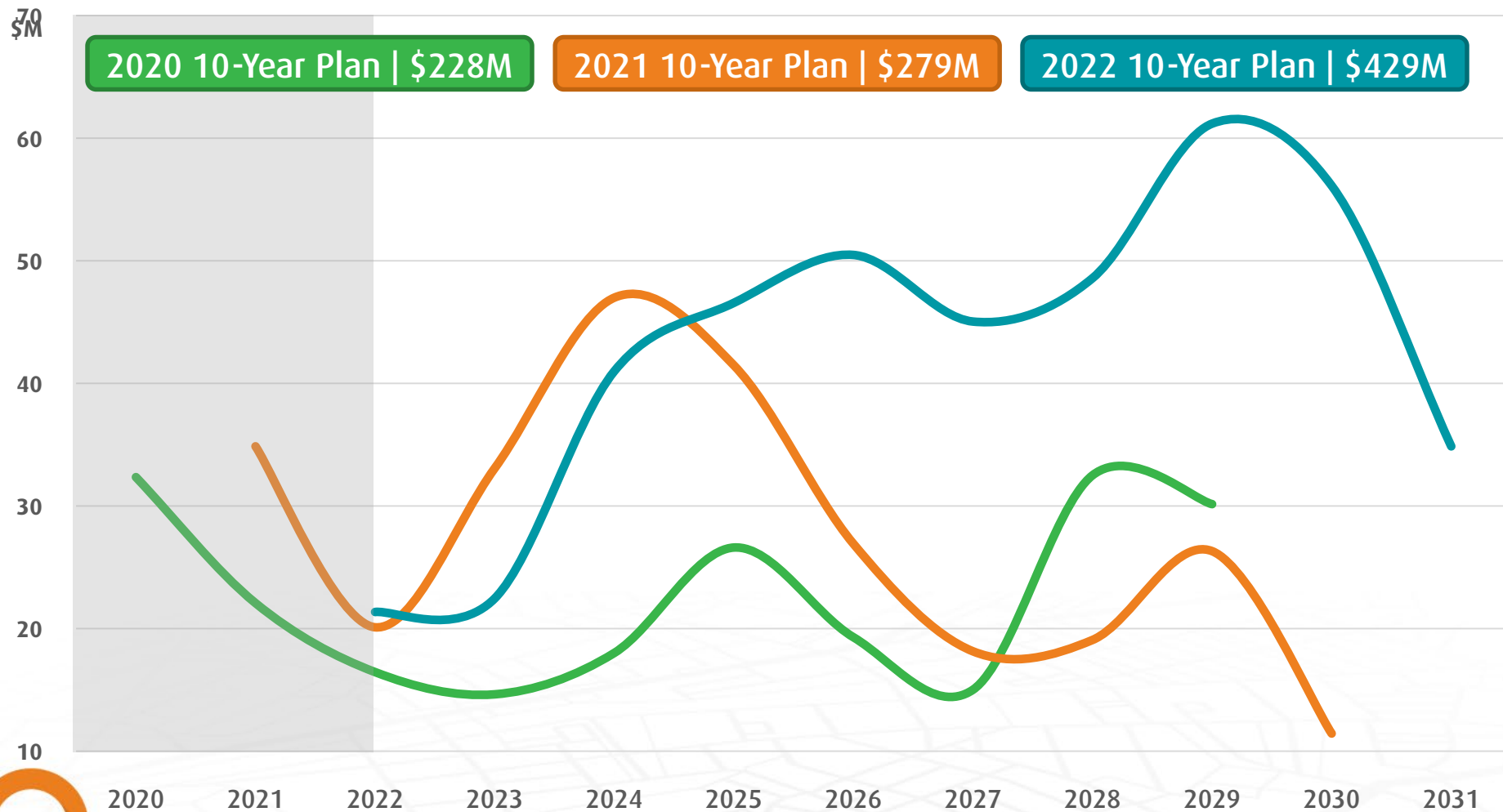
RESERVE
49%



DEBT
20%

CASH
31%

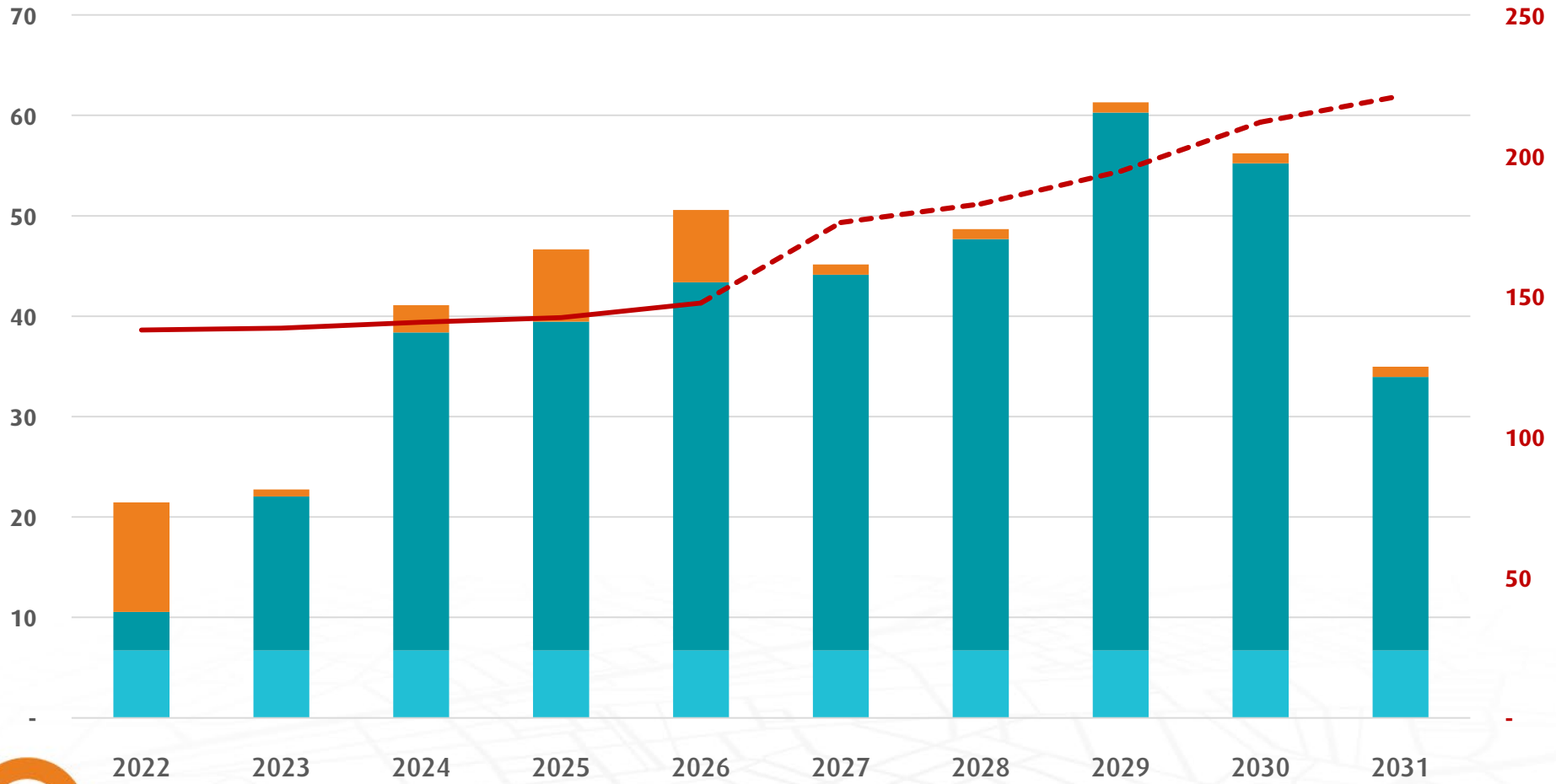
COMPARISON OF ANNUAL 10-YEAR CAPITAL PLAN



CRHD COST SHARE | 10-YEAR CAPITAL PLAN

CRHD Requisition \$Ms

\$Cost / Avg HH



Island Health, MCP & Equipment Island Health Initiatives CRHD Initiatives Cost per Average Household

Appendix A

CAPITAL REGIONAL HOSPITAL DISTRICT 2022 PROVISIONAL BUDGET

	2021 BOARD BUDGET	2021 ESTIMATED ACTUALS	2021 ESTIMATED VARIANCE	2022 ANNUAL BUDGET	2021-2022 BUDGET VARIANCE
REVENUE					
Tax Requisition Total	28,138,508	28,138,508	-	26,454,851	(1,683,657)
Payments in Lieu of Taxes	879,289	879,761	472	879,761	472
Lease and Other Property Revenue	4,410,678	4,404,688	(5,990)	4,376,178	(34,500)
Debt Reserve Fund Recovery	415,000	423,200	8,200	437,420	22,420
Interest Earnings	50,000	92,000	42,000	75,000	25,000
Surplus MCP Expiry	415,004	414,874	(130)	100,000	(315,004)
Transfer From Reserve	1,802,877	1,726,193	(76,684)	1,482,711	(320,166)
TOTAL REVENUE	36,111,356	36,079,224	(32,133)	33,805,921	(2,305,436)
EXPENDITURES					
Debt Servicing	21,288,654	21,146,257	(142,397)	20,823,123	(465,531)
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	910,841	910,841	-	1,010,437	99,596
Studies	263,978	293,600	29,622	1,068,287	804,309
Property Management	487,246	520,698	33,452	635,122	147,876
Total Expense	27,265,719	27,186,396	(79,323)	26,491,969	(773,750)
Transfer to Reserve					
Transfer to Minor Capital Projects Reserve	3,750,000	3,750,000	-	3,750,000	-
Transfer to RHFP Reserve	4,216,682	4,216,682	-	-	(4,216,682)
Transfer to Debt Management Reserve	-	-	-	3,000,000	3,000,000
Transfer to Land Holdings Management Reserve	200,000	200,000	-	200,000	-
Transfer to Summit Management Reserve	263,952	263,952	-	363,952	100,000
Transfer Non-Traditional Projects Reserve	415,004	414,874	(130)	-	(415,004)
Total Transfer to Reserve	8,845,638	8,845,508	(130)	7,313,952	(1,531,686)
TOTAL EXPENDITURES	36,111,356	36,031,904	(79,453)	33,805,921	(2,305,436)
Total Net Surplus (Deficit)	-	47,320	47,320	-	-

Requisition change over prior year increase/-decrease

-6.0%

APPENDIX B

**CAPITAL REGIONAL HOSPITAL DISTRICT
2022 - 2026 FUTURE BUDGET PROJECTIONS**

	2022 PROVISIONAL BUDGET	2023 BUDGET	2024 BUDGET	2025 BUDGET	2026 BUDGET
REVENUE					
Tax Requisition Total	26,454,851	26,579,045	26,976,612	27,291,440	28,290,390
Payments in Lieu of Taxes	879,761	879,761	879,761	879,761	879,761
Lease and Other Property Revenue	4,376,178	4,358,578	4,358,986	4,338,178	4,338,178
Debt Reserve Fund Recovery	437,420	429,000	584,000	812,000	377,000
Interest Earnings	75,000	50,000	50,000	50,000	50,000
Surplus MCP Expiry	100,000	-	-	-	-
Transfer From Reserve	1,482,711	613,120	143,055	-	-
TOTAL REVENUE	33,805,921	32,909,504	32,992,414	33,371,379	33,935,329
EXPENDITURES					
Debt Servicing	20,823,123	20,788,967	22,928,068	22,434,881	24,460,753
Capital Equipment Grants	2,955,000	2,955,000	2,955,000	2,955,000	2,955,000
Administration	1,010,437	1,030,953	934,891	953,986	973,467
Studies	1,068,287	320,653	120,000	120,000	120,000
Property Management	635,122	599,979	340,503	193,560	212,157
Total Expense	26,491,969	25,695,552	27,278,462	26,657,427	28,721,377
Transfer to Reserve					
Transfer to Minor Capital Projects Reserve	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000
Transfer to Debt Management Reserve	3,000,000	3,000,000	1,500,000	1,500,000	-
Transfer to Land Holdings Management Reserve	200,000	200,000	200,000	200,000	200,000
Transfer to Summit Management Reserve	363,952	263,952	263,952	263,952	263,952
Transfer Non-Traditional Projects Reserve	-	-	-	1,000,000	1,000,000
Total Transfer to Reserve	7,313,952	7,213,952	5,713,952	6,713,952	5,213,952
TOTAL EXPENDITURES	33,805,921	32,909,504	32,992,414	33,371,379	33,935,329
Tax impact on 2021 average residence (\$811,623)	137.97	138.62	140.69	142.34	147.55
Tax impact on \$100,000 of 2021 completed assessments	17.00	17.08	17.34	17.54	18.18
Tax requisition increase/-decrease	-6.0%	0.5%	1.5%	1.2%	3.7%

Appendix C

CAPITAL REGIONAL HOSPITAL DISTRICT 2022 CAPITAL EXPENDITURES

Capital Borrowing Bylaw#	Project Description	Cost Share %	Total CRHD Share	Funded in Prior Years	2022 Funding
<u>Island Health Initiatives</u>					
174	James Bay Urgent and Primary Care Centre	30%	1,500,000	690,000	30,000
175	Beacon Community Services Expansion	30%	1,350,000	1,269,300	80,700
177	Victoria Urgent and Primary Care Centre (Greater Victoria)	30%	1,500,000	1,395,000	30,000
TBD	Greater Victoria Urgent Care/Primary Care (TBD)	30%	1,499,592	1,140,000	359,592
TBD	Greater Victoria Urgent Care/Primary Care (Esquimalt)	30%	886,414	796,414	90,000
TBD	Emergency Department (Lady Minto) ²	30%	3,000,000	168,000	725,250
TBD	Medical Device Reprocessing Department Expansion (VGH)	30%	1,272,000	-	363,600
TBD	High Acuity Unit (VGH)	30%	975,000	-	967,500
TBD	High Acuity Unit (RJH)	30%	4,695,000	-	180,000
TBD	New Long Term Care (306 beds at Royal Bay)	30%	61,500,000	-	180,000
TBD	Energy Centre Replacement (VGH)	30%	5,505,000	-	305,250
TBD	Outpatient Rehabilitation Program (GRH)	30%	900,000	-	180,000
TBD	Mental Health & Substance Use Residential Program (TBD) ¹	30%	600,000	-	270,000
TBD	Pembroke Mental Health Substance Use Center ³ (VHU)	30%	6,600,000	-	30,000
TBD	Pneumatic to Electric Controls Conversion (GRH) ¹	30%	883,800	-	44,190
			92,666,806	5,458,714	3,836,082
<u>CRHD Initiatives</u>					
N/A	Regional Housing First Program Contribution	100%	10,000,000	-	10,000,000
160	Summit Scheduled Capital Replacements	100%	400,000	-	400,000
178	Oak Bay Lodge Demolition	100%	4,266,501	3,761,268	505,233
			14,666,501	3,761,268	10,905,233
Capital Expenditure Bylaw#	Project Description	Cost Share %	Total CRHD Share	Funded in Prior Years	2022 Funding
TBD	Sec 20 - 2022 Minor Capital Projects	40%	3,750,000	N/A	3,750,000
TBD	Sec 20 - 2022 Capital Equipment Projects	100%	2,955,000	N/A	2,955,000
			6,705,000		6,705,000
Total 2022 Capital Expenditures			114,038,307	9,219,982	21,446,315

¹New to the Capital Plan in 2022

²Project will be primarily funded by the Hospital Foundation; the CRHD contribution is capped at \$3 million

APPENDIX D

**CAPITAL REGIONAL HOSPITAL DISTRICT
RESERVE SCHEDULE 2022 - 2026***

	Budget Year					
	2021 Estimated Actual	2022	2023	2024	2025	2026
Administration & Feasibility Studies Reserve - to be spent on future studies or special projects						
Beginning Balance	1,359,325	1,329,325	268,675	73,889	73,889	73,889
Transfer from Operating	-	-	-	-	-	-
Transfer to Operating	(30,000)	(1,060,650)	(194,786)	-	-	-
	1,329,325	268,675	73,889	73,889	73,889	73,889
Non-Traditional Projects Reserve - non-profit healthcare facilities capital grant funding						
Beginning Balance	2,000,000	1,054,874	1,054,874	1,054,874	1,054,874	2,054,874
Transfer from Operating	414,874	-	-	-	1,000,000	1,000,000
Transfer to Operating	(1,360,000)	-	-	-	-	-
	1,054,874	1,054,874	1,054,874	1,054,874	2,054,874	3,054,874
Minor Capital Projects Reserve - MCP Capital Grants to VIHA that are cashflowed over 3 years and expire after 5 years						
Beginning Balance	3,438,752	4,803,764	4,581,657	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 from Capital	785,638	-	-	-	-	-
Transfer to Operating	(414,874)	(100,000)	-	-	-	-
Capital Grant Paid to Island Health	(2,755,751)	(3,872,107)	(4,331,657)	(3,750,000)	(3,750,000)	(1,250,000)
	4,803,764	4,581,657	4,000,000	4,000,000	4,000,000	6,500,000
Land Holdings Management Reserve - CRHD properties: 950 Kings, Oak Bay Lodge, Other						
Beginning Balance	1,193,652	1,057,459	835,398	617,064	674,009	874,009
Transfer from Operating	200,000	200,000	200,000	200,000	200,000	200,000
Interest Earnings	-	-	-	-	-	-
Transfer to Operating	(336,193)	(422,061)	(418,334)	(143,055)	-	-
	1,057,459	835,398	617,064	674,009	874,009	1,074,009
Debt Management Reserve - to mitigate future debt costs						
Beginning Balance	6,180,199	-	3,000,000	6,000,000	7,500,000	9,000,000
Interest Earnings	-	-	-	-	-	-
Transfer from Operating	-	3,000,000	3,000,000	1,500,000	1,500,000	-
Land Acquisition	(6,180,199)	-	-	-	-	-
	-	3,000,000	6,000,000	7,500,000	9,000,000	9,000,000
Regional Housing First Program Reserve - new program under development						
Beginning Balance	5,783,318	10,000,000	-	-	-	-
Transfer from Operating	4,216,682	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-
Capital Grant Paid	-	(10,000,000)	-	-	-	-
	10,000,000	-	-	-	-	-
Summit Management Reserve						
Beginning Balance	265,487	766,759	1,006,711	1,070,663	1,134,615	1,198,567
Transfer from Operating - lifecycle contribution	363,952	263,952	263,952	263,952	263,952	263,952
Transfer from Operating - 2017 MCP Surplus	-	100,000	-	-	-	-
Transfer from Operating - CRHD & HCPS Surplus	137,320	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-
Transfer to Capital	-	(124,000)	(200,000)	(200,000)	(200,000)	(200,000)
	766,759	1,006,711	1,070,663	1,134,615	1,198,567	1,262,519
Total	19,012,181	10,747,315	12,816,490	14,437,387	17,201,339	20,965,291

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