



Notice of Meeting and Meeting Agenda Capital Regional Hospital District Board

Wednesday, September 21, 2022

1:00 PM

6th Floor Boardroom
625 Fisgard Street
Victoria, BC

Special Meeting - Budget

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

The public are welcome to attend CRD Board meetings in-person.

Delegations will have the option to participate electronically. Please complete the online application at www.crd.bc.ca/address no later than 4:30 pm two days before the meeting and staff will respond with details.

Alternatively, you may email your comments on an agenda item to the CRD Board at crdboard@crd.bc.ca.

4. SPECIAL MEETING MATTERS

4.1. [22-550](#) Capital Regional Hospital District 2023-2032 Ten Year Capital Plan

Recommendation: That the Capital Regional Hospital District 2023-2032 Ten Year Capital Plan be approved as submitted.
(WA)

Attachments: [Staff Report: CRHD 2023-2032 Ten Year Capital Plan](#)
[Appendix A: 2023-2032 CRHD Capital Plan](#)
[Appendix B: 2023-2032 Capital Plan Debt Servicing Graph](#)
[Appendix C: Debt Svcng Impact 10-Year Cap'l Plan \(2023-2032\)](#)

4.2. [22-501](#) 2023 Capital Regional Hospital District Provisional Budget

Recommendation: That the 2023 Capital Regional Hospital District Provisional Budget be approved as submitted.
(WA)

- Attachments:**
- [Staff Report: 2023 CRHD Provisional Budget](#)
 - [Presentation: CRHD 2023 Financial Plan](#)
 - [Appendix A: CRHD 2023 Provisional Budget](#)
 - [Appendix B: CRHD 2023-2027 Future Budget Projections](#)
 - [Appendix C: CRHD 2023 Capital Expenditures](#)
 - [Appendix D: CRHD Reserve Summary Schedule 2022-2027](#)

5. 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, SEPTEMBER 21, 2022**

SUBJECT **Capital Regional Hospital District 2023-2032 Ten Year Capital Plan**

ISSUE SUMMARY

Approval of the Capital Regional Hospital District (CRHD) 2023-2032 Ten Year Capital Plan.

BACKGROUND

The 2023-2032 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 2023-2032 Major Capital projects list (greater than \$2 million) from the 2022 Amended Capital Plan include:

- The Emergency Department Redevelopment project at Lady Minto Hospital has increased \$2.5 million, the CRHD share is \$738,000.
- The Royal Bay Long Term Care project has increased \$18.7 million, the CRHD share is \$5.6 million.
- The Energy Centre Replacement project at Victoria General Hospital has increased \$12.2 million, the CRHD share is \$3.7 million.
- The Outpatient Rehabilitation program project at Gorge Road Hospital has increased \$5.1 million, the CRHD share is \$1.4 million.
- Acute Care Renovation project at Saanich Peninsula Hospital has been removed from the plan, \$5.0 million, the CRHD share was \$1.5 million.
- The MRI Replacement project at the Royal Jubilee Hospital has been added in for a total project cost of \$3.0 million, the CRHD share is \$0.9 million.
- The Community Health Centre project within Greater Victoria has been added in 2023 for a total project cost of \$5.0 million, the CRHD share is \$1.5 million.
- The Hospice Replacement at Royal Jubilee Hospital has been added in 2029 for a total project cost of \$20.0 million, the CRHD share reflected in this plan is \$5.4 million.
- The ED Imaging CT and X-Ray Expansion project at Victoria General Hospital has been added in 2029 for a total project cost of \$10.0 million, the CRHD share reflected in this plan is \$3.1 million.
- The Replacement of Food Services Production Kitchen at Royal Jubilee Hospital has been added in 2030 for a total project cost of \$100.0 million, the CRHD share reflected in this plan is \$14.5 million.
- The Acute Behavioural Stabilization Unit (ABSU) project at Royal Jubilee Hospital has been added in 2030 for a total project cost of \$10.0 million, the CRHD share reflected in this plan is \$1.6 million.

- The New Space Patient and Health Program Area project at Royal Jubilee Hospital has been added in 2030 for a total project cost of \$150.0 million, the CRHD share reflected in this plan is \$5.9 million.
- The Non-Traditional Project Grant Program is set to resume in 2025 and the program will be brought back to board for a decision on reimplementation in 2024. It is not reflected in this plan, resulting in a decrease of \$8.0 million in the CRHD share over the course of the 10 year capital plan.

ALTERNATIVES

Alternative 1

That the Capital Regional Hospital District 2023-2032 Ten Year Capital Plan be approved as submitted.

Alternative 2

That the Capital Regional Hospital District 2023-2032 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 2023 to 2032 is \$473 million on projects identified by Island Health as either 'planned' or 'possible'. Due to Island Health's prioritization of several new significant projects for the region, the CRHD's share over the planning horizon has increased by \$43 million over the plan previously presented to Board. Under the current funding framework, and based on these estimates, the projected annual debt servicing cost associated with the 2023-2032 Capital Plan is expected to be \$277 per average residential assessment in 2032, increasing by \$134 or 94% over current funding levels of \$143 per average residential assessment.

Total project costs are estimates and are subject to change upon further scope refinement and economic conditions at project timing. Future projects are also subject to the annual Island Health prioritization process, and approval from both the Ministry of Health and CRHD.

Appendix B graphically illustrates the existing and estimated debt service implications of the 2023-2032 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 2023 Provisional Budget incorporates the financial implications of the 2023-2032 Ten Year Capital Plan.

RECOMMENDATION

That the Capital Regional Hospital District 2023-2032 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: 2023-2032 CRHD Capital Plan
- Appendix B: 2023-2032 Capital Plan Debt Servicing Graph
- Appendix C: Debt Servicing Impact of 10-Year Capital Plan (2023-2032)

CAPITAL REGIONAL HOSPITAL DISTRICT CAPITAL PLAN
For Years 2023 to 2032 at August 3, 2022

Project Type / Status	Project Description	Year	Facility / Site	CRHD Share (%)	CRHD Share Total Project (\$)	Total Project Budget (\$)	Estimated Completed at Year-End (\$)	Total Project Remaining Balance (\$)
Major Project - Approved	Emergency Department ¹	2021	Lady Minto Hospital	29%	3,738,000	12,800,000	2,483,733	10,316,267
Major Project - Planned	High Acuity Unit	2022	Victoria General Hospital	30%	1,019,155	3,397,183	3,225,000	172,183
Major Project - Planned	High Acuity Unit	2022	Royal Jubilee Hospital	30%	4,695,000	15,650,000	400,000	15,250,000
Major Project - Planned	New Long Term Care (306 beds)	2022	South Island - Royal Bay	30%	67,108,200	223,694,000	313,000	223,381,000
Major Project - Planned	Energy Centre Replacement	2022	Victoria General Hospital	30%	9,169,500	30,565,000	450,000	30,115,000
Major Project - Planned	Outpatient Rehabilitation Program	2022	Gorge Road Hospital	30%	2,430,000	8,100,000	300,000	7,800,000
Major Project - Planned	Mental Health & Substance Use Residential Program	2022	To be determined	30%	600,000	2,000,000	150,000	1,850,000
Major Project - Planned	Pembroke Mental Health Substance Use Center	2022	Victoria Health Unit-Cook Street	30%	6,600,000	22,000,000	250,000	21,750,000
Major Project - Planned	Medical Device Reprocessing Department Expansion	2023	Victoria General Hospital	30%	1,272,000	4,240,000	-	4,240,000
Major Project - Planned	Pneumatic to Electric Controls Conversion	2023	Gorge Road Hospital	30%	883,800	2,946,000	-	2,946,000
Major Project - Possible	Child Youth Mental Health Stabilization Unit	2023	Victoria General Hospital	30%	2,250,000	7,500,000	-	7,500,000
Major Project - Possible	Energy Centre Replacement	2023	Saanich Peninsula Hospital	30%	2,400,000	8,000,000	-	8,000,000
Major Project - Possible	Oak Bay Lodge Redevelopment	2023	Former Oak Bay Lodge Site	30%	90,000,000	300,000,000	-	300,000,000
Major Project - Possible	Relocate SSI MHSU Integrated Team	2023	Salt Spring Island	30%	600,000	2,000,000	-	2,000,000
Major Project - Possible	Pre-admission Clinic Consolidation VGH only, RJH removed	2023	Victoria General Hospital	30%	600,000	2,000,000	-	2,000,000
Major Project - Possible	1.5T MRI replacement	2023	Royal Jubilee Hospital	30%	913,875	3,046,250	-	3,046,250
Major Project - Possible	Community Health Centre	2023	Greater Victoria - TBD	30%	1,500,000	5,000,000	-	5,000,000
Major Project - Possible	Electronic Health Record	2024	South Island - TBD	30%	900,000	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
Major Project - Possible	Elevator Refurbishment	2024	Victoria General Hospital	30%	630,000	2,100,000	-	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
Major Project - Possible	VGH Pediatric Intensive Care Unit	2025	Victoria General Hospital	30%	1,500,000	5,000,000	-	5,000,000
Major Project - Possible	10G Fibre Expansion (IMIT)	2025	Royal Jubilee Hospital	30%	900,000	3,000,000	-	3,000,000
Major Project - Possible	RJH DT Cooling System Replacement	2025	Royal Jubilee Hospital	30%	600,000	2,000,000	-	2,000,000
Major Project - Possible	QAC Electrical Distribution \$2m	2025	Queen Alexandra	30%	600,000	2,000,000	-	2,000,000
Major Project - Possible	Endoscopy - create 4th Procedure Room	2025	Royal Jubilee Hospital	30%	600,000	2,000,000	-	2,000,000
Major Project - Possible	Surgical Day Care Unit Renovation	2026	Victoria General Hospital	30%	3,180,000	10,600,000	-	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
Major Project - Possible	Restorative Health Center	2026	To be determined	30%	60,000,000	200,000,000	-	200,000,000
Major Project - Possible	Morgue Expansion	2026	Victoria General Hospital	30%	600,000	2,000,000	-	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
Major Project - Possible	Electrical Infrastructure Upgrade	2026	Lady Minto Hospital	30%	3,000,000	10,000,000	-	10,000,000
Major Project - Possible	New Long Term Care (50 beds)	2027	Greater Victoria - TBD	30%	9,900,000	33,000,000	-	33,000,000
Major Project - Possible	Westshore Mental Health Team	2027	Westshore	30%	974,700	3,249,000	-	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
Major Project - Possible	Endoscopy - create 4th Procedure Room	2028	Victoria General Hospital	30%	600,000	2,000,000	-	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
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
Major Project - Possible	Long Term Care (50 beds)	2029	Lady Minto Hospital	30%	15,000,000	50,000,000	-	50,000,000
Major Project - Possible	Multidisciplinary Pain Clinic	2029	Royal Jubilee Hospital	30%	900,000	3,000,000	-	3,000,000
Major Project - Possible	Hospice Replacement	2029	Royal Jubilee Hospital	30%	6,000,000	20,000,000	-	20,000,000
Major Project - Possible	ED Imaging CT and XRay Expansion	2029	Victoria General Hospital	30%	3,000,000	10,000,000	-	10,000,000
Major Project - Possible	Replace Food Services Production Kitchen	2030	Royal Jubilee Hospital	30%	30,000,000	100,000,000	-	100,000,000
Major Project - Possible	ABSU Unit	2030	Royal Jubilee Hospital	30%	3,000,000	10,000,000	-	10,000,000
Major Project - Possible	New Space - Patient and Health Program Areas	2030	Royal Jubilee Hospital	30%	45,000,000	150,000,000	-	150,000,000
Major Project - Possible	Operating Room Upgrade	2030	Victoria General Hospital	30%	1,500,000	5,000,000	-	5,000,000
Major Project - Possible	(VASC/CARD) Hybrid OR	2030	Royal Jubilee Hospital	30%	1,620,000	5,400,000	-	5,400,000
ISLAND HEALTH TOTAL*					434,954,230	1,450,187,433	7,571,733	1,442,615,700
CRHD SHARE of ISLAND HEALTH MAJOR PROJECTS - including inflation in future years²								

2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	10-Year Total
10,317,634	-	-	-	-	-	-	-	-	-	10,317,634
172,183	-	-	-	-	-	-	-	-	-	172,183
6,000,000	9,650,000	-	-	-	-	-	-	-	-	15,650,000
12,687,000	95,000,000	105,000,000	11,007,000	-	-	-	-	-	-	223,694,000
2,325,000	13,372,500	7,835,000	6,467,500	565,000	-	-	-	-	-	30,565,000
4,000,000	3,800,000	-	-	-	-	-	-	-	-	7,800,000
1,100,000	750,000	-	-	-	-	-	-	-	-	1,850,000
900,000	6,000,000	7,500,000	6,500,000	850,000	-	-	-	-	-	21,750,000
2,440,000	1,800,000	-	-	-	-	-	-	-	-	4,240,000
1,554,100	1,539,200	-	-	-	-	-	-	-	-	3,093,300
1,450,000	4,300,000	1,750,000	-	-	-	-	-	-	-	7,500,000
200,000	1,500,000	4,000,000	2,300,000	-	-	-	-	-	-	8,000,000
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
300,000	1,700,000	-	-	-	-	-	-	-	-	2,000,000
300,000	1,700,000	-	-	-	-	-	-	-	-	2,000,000
646,250	1,700,000	700,000	-	-	-	-	-	-	-	3,046,250
350,000	3,750,000	900,000	-	-	-	-	-	-	-	5,000,000
-	3,000,000	-	-	-	-	-	-	-	-	3,000,000
-	1,500,000	1,500,000	-	-	-	-	-	-	-	3,000,000
-	1,050,000	1,050,000	-	-	-	-	-	-	-	2,100,000
-	1,000,000	1,000,000	-	-	-	-	-	-	-	2,000,000
-	-	250,000	2,250,000	2,250,000	250,000	-	-	-	-	5,000,000
-	-	1,500,000	1,500,000	-	-	-	-	-	-	3,000,000
-	-	250,000	1,250,000	500,000	-	-	-	-	-	2,000,000
-	-	200,000	1,200,000	600,000	-	-	-	-	-	2,000,000
-	-	200,000	1,200,000	600,000	-	-	-	-	-	2,000,000
-	-	-	100,000	500,000	5,000,000	5,000,000	-	-	-	10,600,000
-	-	-	250,000	2,500,000	15,000,000	15,000,000	6,000,000	250,000	-	39,000,000
-	-	-	250,000	2,500,000	25,000,000	50,000,000	50,000,000	50,000,000	22,250,000	200,000,000
-	-	-	150,000	1,500,000	350,000	-	-	-	-	2,000,000
-	-	-	150,000	3,000,000	3,000,000	3,000,000	850,000	-	-	10,000,000
-	-	-	150,000	3,000,000	3,000,000	3,000,000	850,000	-	-	10,000,000
-	-	-	-	350,000	650,000	11,000,000	11,000,000	10,000,000	-	33,000,000
-	-	-	-	100,000	1,800,000	1,349,000	-	-	-	3,249,000
-	-	-	-	-	150,000	2,000,000	2,000,000	850,000	-	5,000,000
-	-	-	-	-	150,000	1,500,000	350,000	-	-	2,000,000
-	-	-	-	-	250,000	12,500,000	25,000,000	25,000,000	37,250,000	100,000,000
-	-	-	-	-	150,000	1,500,000	1,750,000	1,500,000	-	4,900,000
-	-	-	-	-	-	200,000	800,000	5,000,000	44,000,000	50,000,000
-	-	-	-	-	-	250,000	1,750,000	1,000,000	-	3,000,000
-	-	-	-	-	-	250,000	3,000,000	6,500,000	8,000,000	17,750,000
-	-	-	-	-	-	150,000	1,500,000	5,000,000	3,350,000	10,000,000
-	-	-	-	-	-	-	450,000	12,000,000	35,000,000	47,450,000
-	-	-	-	-	-	-	175,000	1,500,000	3,500,000	5,175,000
-	-	-	-	-	-	-	325,000	4,000,000	15,000,000	19,325,000
-	-	-	-	-	-	-	250,000	1,500,000	3,250,000	5,000,000
-	-	-	-	-	-	-	250,000	2,000,000	3,150,000	5,400,000
44,842,167	154,111,700	138,635,000	69,724,500	78,815,000	124,750,000	176,699,000	165,200,000	126,100,000	174,750,000	1,253,627,367
13,370,109	46,272,810	41,626,200	20,968,050	23,748,900	37,753,500	53,649,894	50,197,800	38,586,600	53,473,500	379,647,363

**CAPITAL REGIONAL HOSPITAL DISTRICT CAPITAL PLAN
For Years 2023 to 2032 at August 3, 2022**

Project Type / Status	Project Description	Year	Facility / Site	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	2023	Various	40%	3,750,000	9,375,000	-	9,375,000
Minor Project - Anticipated	Minor Capital Projects Future Budget Years	2024-2032	Various	40%	33,750,000	84,375,000	-	84,375,000
Minor Equipment Grants	CRHD Section 20 Equipment Grants	2023-2032	Various	100%	29,550,000	29,550,000	-	29,550,000
CRHD Project	Regional Housing First Program (RHFP) Contribution - \$10M contribution from reserve	2023	TBD	100%	10,000,000	10,000,000	-	10,000,000
CRHD Project	Summit Scheduled Capital Replacements	2023	955 Hillside Ave.	100%	2,286,971	2,286,971	-	2,286,971
CRHD Project	Hillside/Kings Licensed Residential Care Facility	2024	950 Kings Rd.	100%	15,000,000	15,000,000	-	15,000,000
CRHD TOTAL					94,336,971	150,586,971	-	150,586,971
PROJECT TOTAL - before inflation					529,291,201	1,600,774,404	7,571,733	1,593,202,671
Inflation² 2.00% - excluding approved/pending Capital Bylaws								15,944,980
PROJECT TOTAL - including inflation								1,609,147,651
CRHD SHARE TOTAL ESTIMATED ANNUAL CAPITAL CASH FLOW								473,984,334

2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	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
10,000,000	-	-	-	-	-	-	-	-	-	10,000,000
80,000	-	-	-	10,260	-	-	-	1,797,769	398,942	2,286,971
-	3,000,000	6,000,000	6,000,000	-	-	-	-	-	-	15,000,000
22,410,000	15,330,000	18,330,000	18,330,000	12,340,260	12,330,000	12,330,000	12,330,000	14,127,769	12,728,942	150,586,971
67,252,167	169,441,700	156,965,000	88,054,500	91,155,260	137,080,000	189,029,000	177,530,000	140,227,769	187,478,942	1,404,214,338
-	131,000	119,000	169,000	348,000	1,095,000	2,133,980	2,126,000	2,522,000	3,495,000	12,138,980
67,252,167	169,572,700	157,084,000	88,223,500	91,503,260	138,175,000	191,162,980	179,656,000	142,749,769	190,973,942	1,416,353,318
30,155,109	55,977,810	54,331,200	33,673,050	30,464,160	44,458,500	60,354,894	56,902,800	47,089,369	60,577,442	473,984,334

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 2023-2032 and applied to forecasted projects if applicable (approved bylaws, current year projects and land acquisitions are not subject to inflation)

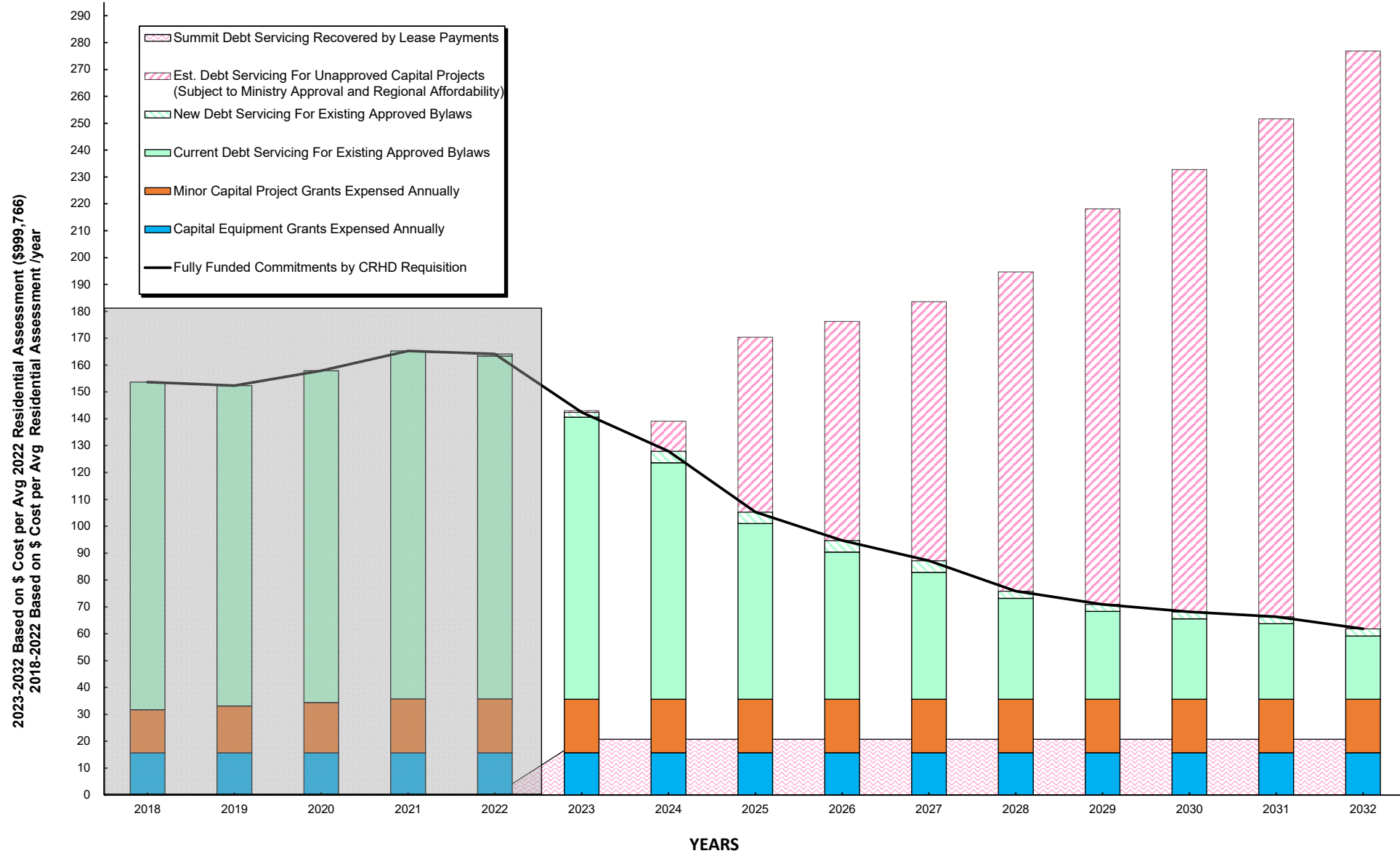
³If this project does not proceed, a renovation to the Intensive Care Unit will be required

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
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 (2018-2032)
MFA Borrowing Terms 5-25yrs**

APPENDIX B



Debt Servicing costs have not been adjusted for PILTs, Other income, Admin & Other Operating Costs

APPENDIX C

CAPITAL REGIONAL HOSPITAL DISTRICT
Debt Servicing Impact of 10 Year Capital Plan (2023-2032)
Cost per Average 2022 Residential Assessment (\$999,766)
Based on MFA Borrowing Terms of 5, 10, 15, 25 Years

Year	Existing Debt Servicing	Estimated Debt Servicing ¹	Total Debt Servicing	Section 20 Expensed		Total Requisition ²	Total Requisition \$ Value ²
				Capital Equipment	Minor Capital Projects		
2023	104.98	2.46	107.43	15.70	19.92	143.06	26,924,612
2024	88.04	15.45	103.49	15.70	19.92	139.11	26,182,623
2025	65.39	69.31	134.70	15.70	19.92	170.32	32,056,508
2026	54.80	85.86	140.66	15.70	19.92	176.29	33,179,010
2027	47.24	100.77	148.01	15.70	19.92	183.63	34,561,199
2028	37.56	121.50	159.06	15.70	19.92	194.69	36,642,275
2029	32.70	149.80	182.50	15.70	19.92	218.13	41,053,341
2030	29.92	167.22	197.14	15.70	19.92	232.77	43,808,526
2031	28.13	187.91	216.04	15.70	19.92	251.66	47,365,134
2032	23.56	217.70	241.25	15.70	19.92	276.88	52,110,990
							373,884,217

¹Future projects are subject to the Island Health/CRHD annual prioritization process and funding availability from both the the Ministry of Health and CRHD.

²Requisition values are calculated based on forecasted debt servicing costs only and vary from budgeted requisition due to other budgetary drivers

**REPORT TO CAPITAL REGIONAL HOSPITAL DISTRICT BOARD
MEETING OF WEDNESDAY, SEPTEMBER 21, 2022**

SUBJECT **2023 Capital Regional Hospital District Provisional Budget**

ISSUE SUMMARY

This report presents the 2023 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, maintenance and replacement for 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 marked the fourth and final year of the four-year strategic and corporate planning cycle. The four year planning cycle is designed to ensure alignment and implementation of Board strategic objectives during the election term. A new Corporate Plan will be prepared to incorporate new Board strategic and corporate priorities following the local government elections this fall. Any changes to service levels and financial plans will be brought forward in the next planning cycle.

As part of the planning process, the Executive Leadership Team (ELT) met in August 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 constraints, organizational 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 2023 Capital Regional Hospital District Provisional Budget be approved as submitted.

Alternative 2

That the 2023 Capital Regional Hospital District Provisional Budget be given provisional approval with specific directions on amendments.

IMPLICATIONS

Financial Implications

The 2023 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 2022 forecasted actuals are expected to be on budget for the year with an estimated net surplus of \$0.03 million or 0.1%. The difference is largely a result of savings on planned debt servicing costs due to timing of capital expenditures. The surplus has been carried forward to reduce 2023 budgeted revenue.

Operating Expenditures

The 2023 provisional budget includes \$32.8 million in operating expenditures, a decrease of \$1.1 million or 3.2% from the prior year. The detailed 2023 Provisional Budget with comparison to the 2022 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	2023 Provisional	2022 Final	\$ Change	% Change
Debt Servicing	20.4	20.8	(0.4)	(1.9%)
Capital Funding	3.0	3.0	-	-
Operations	2.0	3.0	(1.0)	(33.3%)
Transfers to Reserves	7.4	7.1	0.3	4.2%
Total	\$32.8	\$33.9	(\$1.1)	(3.2%)

The Debt Servicing budget includes existing and projected incremental debt requirements based on 2023 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 2023 is \$20.4 million, a decrease of \$0.4 million or 1.9% over 2022 as a result of debt repayment on historical issuances.

The Capital Funding budget includes grant expenditures for medical equipment. The CRHD's annual contribution towards medical equipment in the Capital Region is \$3.0 million and remains unchanged from the prior year.

The Operations budget includes costs for administration, feasibility studies and property management. The net decrease of \$1.0 million or 33.3% is driven by the following:

- (\$0.9) million less for planned feasibility studies in support of development of properties at Oak Bay Lodge and 950 Kings. Island Health will fund feasibility studies related to the Royal Bay development.
- (\$0.2) million decrease in property management expenses due to completion of the abatement and demolition project at Oak Bay Lodge in July 2022.

The CRHD property holdings and related cost estimates for 2023 include the Summit, 950 Kings, Oak Bay Lodge and Royal Bay. All four properties incur holding costs such as insurance, security and maintenance.

Transfers to Reserves includes funding for Minor Capital Projects, Debt Management, Land Holdings Management and Summit Management Reserves. Transfers to reserve total \$7.4 million in 2023, an increase of \$0.3 million or 4.2% over prior year. The increase is primarily related to an increase of \$0.4 million in contributions to the Debt Management Reserve, net of a \$0.1 reduction in transfers to the Summit Management Reserve.

A transfer of \$3.2 million to the Debt Management Reserve is in response to mitigating future revenue requirements where significant investments are identified in the 10-year capital plan. The CRHD portion of the capital plan increased by \$43 million to a total \$474 million to be funded through 2032. The Debt Management reserve will be used to help fund capital investment while mitigating impact to requisition.

Annual Revenue

Total revenue is \$32.8 million, a decrease of \$1.1 million or 3.2% from the prior year. The detailed 2023 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	2023 Provisional	2022 Final	\$ Change	% Change
Tax Requisition	26.4	26.4	-	-
Payments in Lieu of Taxes (PILT)	0.8	0.8	-	-
Lease and Other Property Revenue	4.4	4.4	-	-
Other Revenue	0.7	0.5	0.2	40.0%
Transfers from Reserve	0.5	1.7	(1.2)	(70.6%)
Surplus – MCP Bylaw Expiry	-	0.1	(0.1)	(100.0%)
Surplus – Operating	0.0	-	-	-
Total	\$32.8	\$33.9	(\$1.1)	(3.2%)

The decrease in revenue is primarily driven by a reduction in transfers from reserve of \$1.2 million or 70.6%. Fewer reserve funds will be required to support property management and feasibility studies as discussed above in the operating expenditures section. The balance is driven by increased debt reserve fund recovery, increased interest earnings and carry-forward of the 2022 estimated operating surplus, offset by lower MCP Bylaw surplus. The combined revenue decrease is \$1.1 million or 3.2% when compared to 2022.

Requisition

The 2023 CRHD requisition is \$26.4 million, consistent with the prior year. Table 3 illustrates the cost per average household based on the current average residential assessment of \$999,766.

Table 3: Change in Requisition

Description	2023 Provisional	2022 Final	\$ Change	% Change
Requisition (\$ millions)	\$26.4	\$26.4	\$0.0	0.0%
Cost / Average Household	\$140.63	\$140.50	\$0.13	(0.0%)
Average Household (\$M)	\$1.0	\$1.0	-	-

The estimated cost per average household for 2023 is 140.63 consistent with the 2022 final budget. 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	2022	2023	2024	2025	2026	2027
2018 ^f	\$724,009	146.95					
2019 ^f	\$779,233	155.38	154.03				
2020 ^f	\$778,883	143.24	138.54	128.02			
2021 ^f	\$811,623	138.50	133.75	129.47	130.62		
2022 ^f	\$1,002,606	140.50	142.92	144.30	145.88	151.09	
2023 ^p	\$999,766	n/a	140.63	145.53	150.78	158.55	165.40

^fFinal Budget

^pProvisional Budget

In the 10-year capital plan, Island Health has identified several significant projects ramping up in the next 5 years. If all projects advance as forecasted by Island Health, the cost per average household is expected to increase significantly. Beginning in 2025 transfers from the Debt Management Reserve fund will be used to reduce borrowing and mitigate revenue requirements.

For additional detail regarding future budget projections, refer to Appendix B, 2023-2027 Future Budget Projections.

Capital Plan

The CRHD 10-year capital plan is the main driver of debt servicing and capital reserve transfers included in the provisional budget. 2023 capital expenditures total \$30.2 million, an increase of \$6.2 million from 2022. Expenditures summarized in Table 5 include CRHD led initiatives, Island Health major capital initiatives, and Island Health minor capital and equipment.

Table 5: Capital Plan Summary (\$ millions)

Description	2023 Provisional	2022 Final	\$ Change	% Change
Island Health Initiatives	13.4	3.8	\$9.6	252.6%
CRHD Initiatives	10.1	13.5	(\$3.4)	(25.2%)
Island Health Minor Capital and Equipment	6.7	6.7	-	-
Total	\$30.2	\$24.0	\$6.2	25.8%

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

Reserves

Appendix D details the five-year cashflow by reserve fund while Table 6 provides a summary of planned activity through the end of 2023. The \$24.1 million opening balance is projected to decrease by (\$5.6) million to \$18.5 million through 2023. The net decrease is primarily driven by funding the \$10 million RHFP contribution from reserve and funding \$2.8 million in contributions to Island Health minor capital projects

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

Description	2023 Opening (Estimate)	2023 Plan Activity		2023 Ending (Projection)
		Funding	Expenses	
Operating Reserves	1.0	-	(0.1)	0.9
Capital Grant Reserves	8.0	3.8	(2.8)	9.0
CRHD Capital Reserves	12.3	0.4	(10.3)	2.4
Financing Reserves	2.8	3.4	-	6.2
Total	\$24.1	\$7.6	(\$13.2)	\$18.5

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 Island Health and incorporates CRHD identified capital initiatives. The recommendation is that the 2023 Capital Regional Hospital District Provisional Budget be approved as submitted. The Provisional Budget will be subject to change as a result of the final 2022 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, 2023.

RECOMMENDATION

That the 2023 Capital Regional Hospital District Provisional Budget be approved as submitted.

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

ATTACHMENT(S)

- Appendix A: CRHD 2023 Provisional Budget
- Appendix B: CRHD 2023-2027 Future Budget Projections
- Appendix C: CRHD 2023 Capital Expenditures
- Appendix D: CRHD Reserve Summary Schedule 2022-2027



Capital Regional Hospital District > 2023 Provisional Budget

**Presentation to CRHD Board
Wednesday September 21, 2022**

	2023 Provisional	2022 Final	H/(L) \$	H/(L) %
Requisition	26.4	26.4	-	-
Other Revenue & Transfer Fr Reserve	6.4	7.5	(1.1)	(14.7)
Total Revenue	\$32.8M	\$33.9M	(\$1.1M)	(3.2%)
Debt Servicing	20.4	20.8	(0.4)	(1.9)
Capital Grants	3.0	3.0	-	-
Other Operating & Transfer To Reserve	9.4	10.1	(0.7)	(6.9)
Total Expenses	\$32.8M	\$33.9M	(\$1.1M)	(3.2%)

Revenue

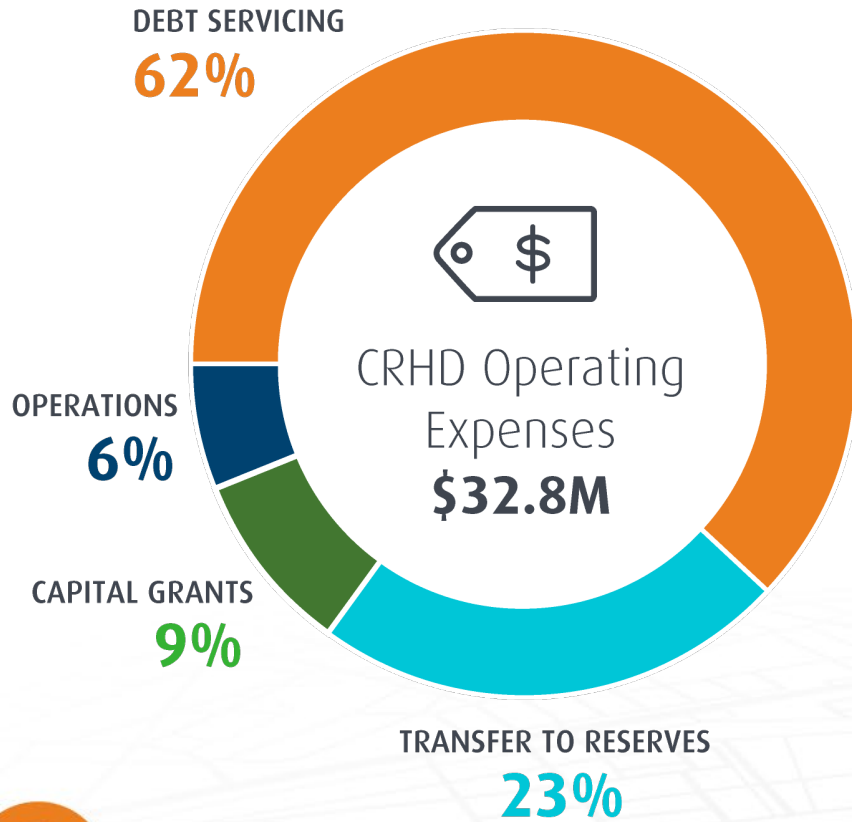
- Reduction in transfers from reserve due to fewer planned feasibility studies and lower property management fees at Oak Bay Lodge

Expense

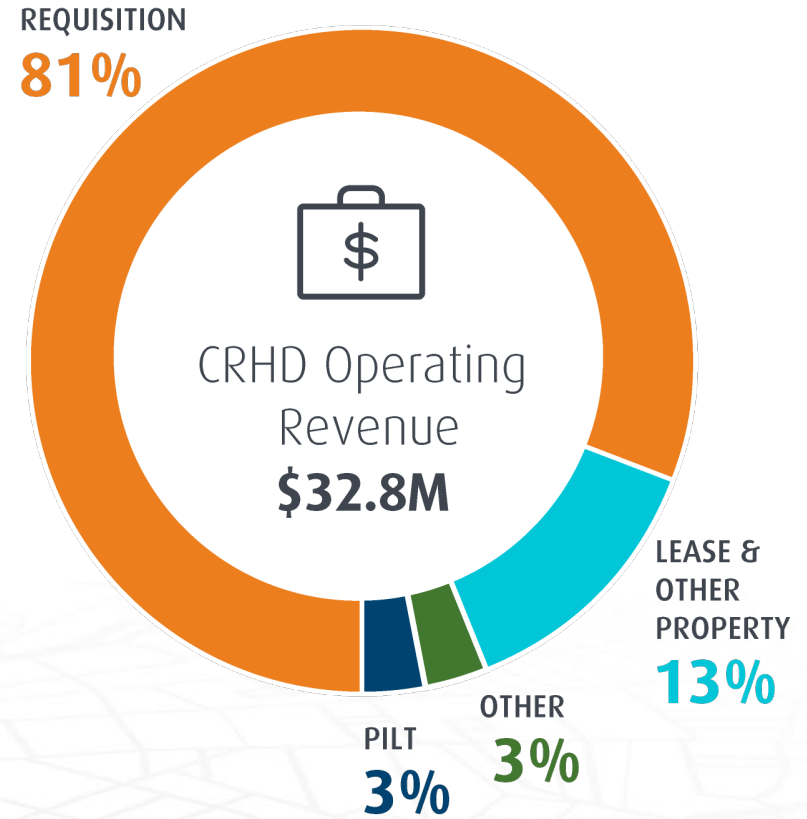
- Reduction in debt servicing costs are a result of maturing issuances
- Reduced other operating expenses due to lower property management fees at Oak Bay Lodge in addition to transfer of feasibility study costs to Island Health for Royal Bay



EXPENDITURES



SOURCES OF REVENUE



EXPENDITURES

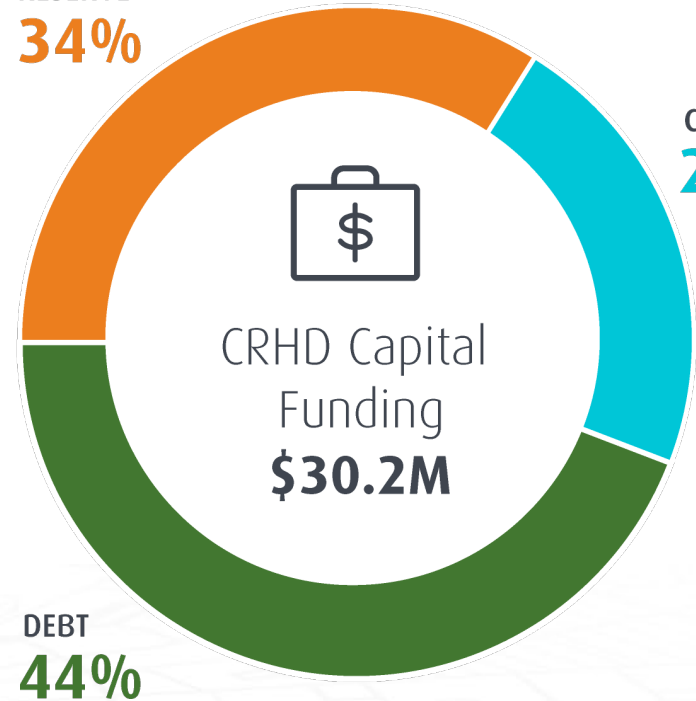
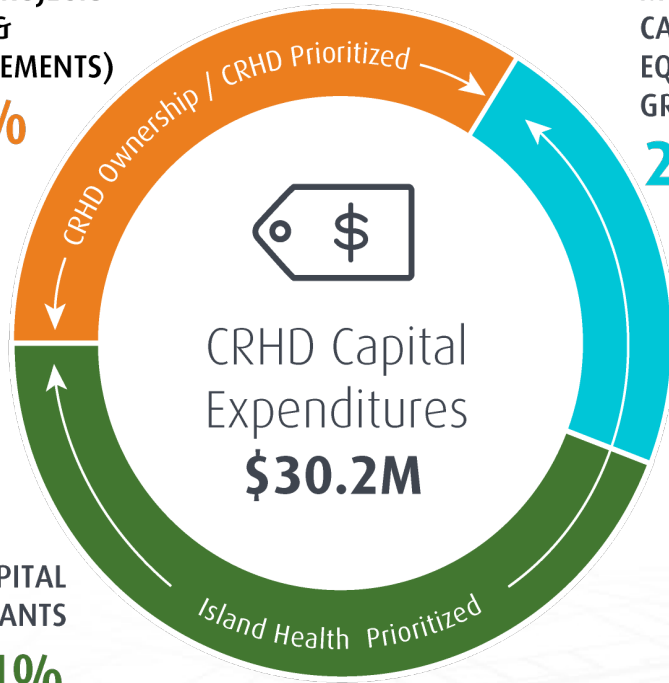
SOURCES OF REVENUE

CRHD PROJECTS
(RHFP &
REPLACEMENTS)
34%

MCP AND
CAPITAL
EQUIPMENT
GRANTS
22%

RESERVE
34%

CASH
22%

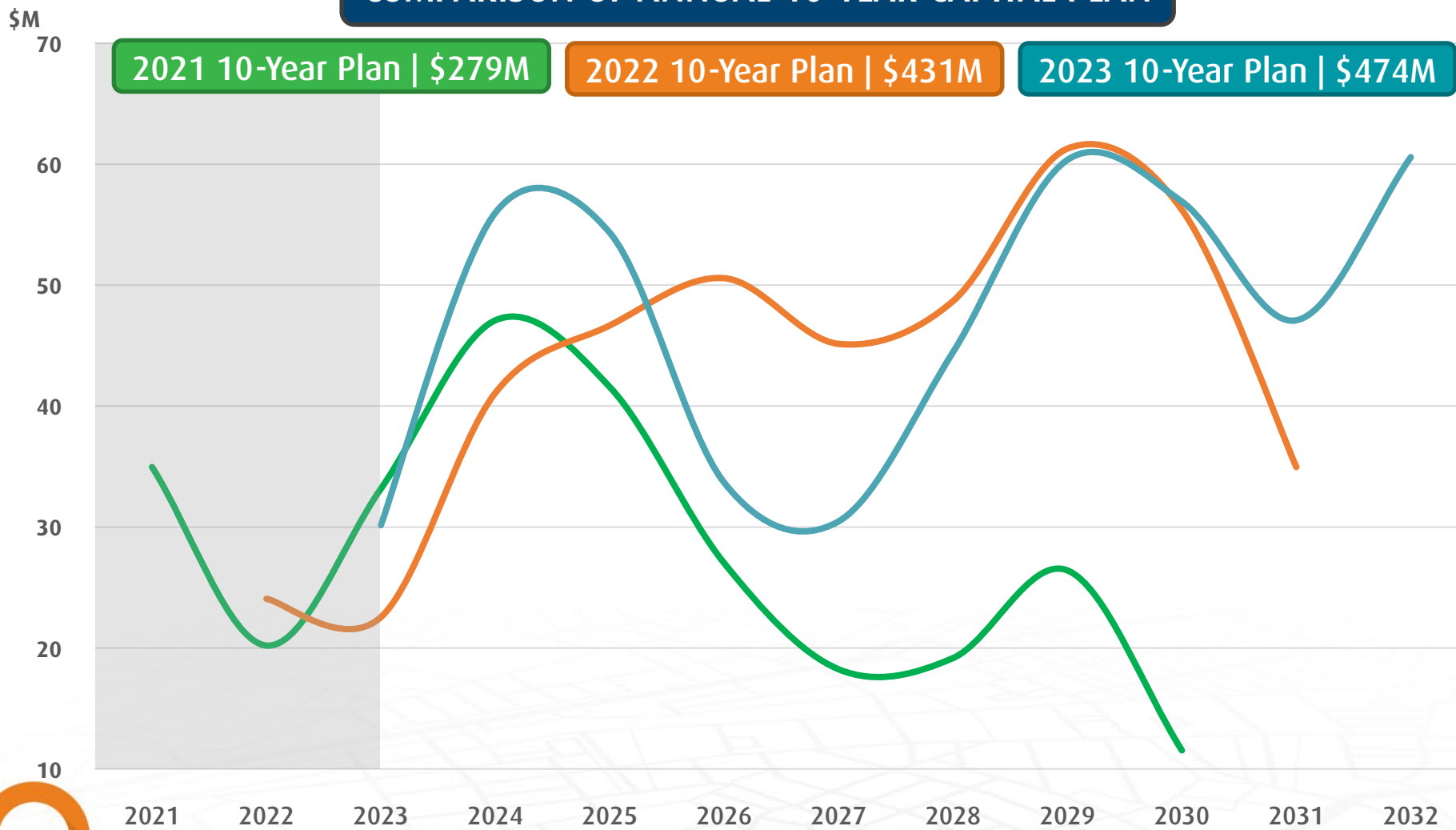


MAJOR CAPITAL
GRANTS
44%

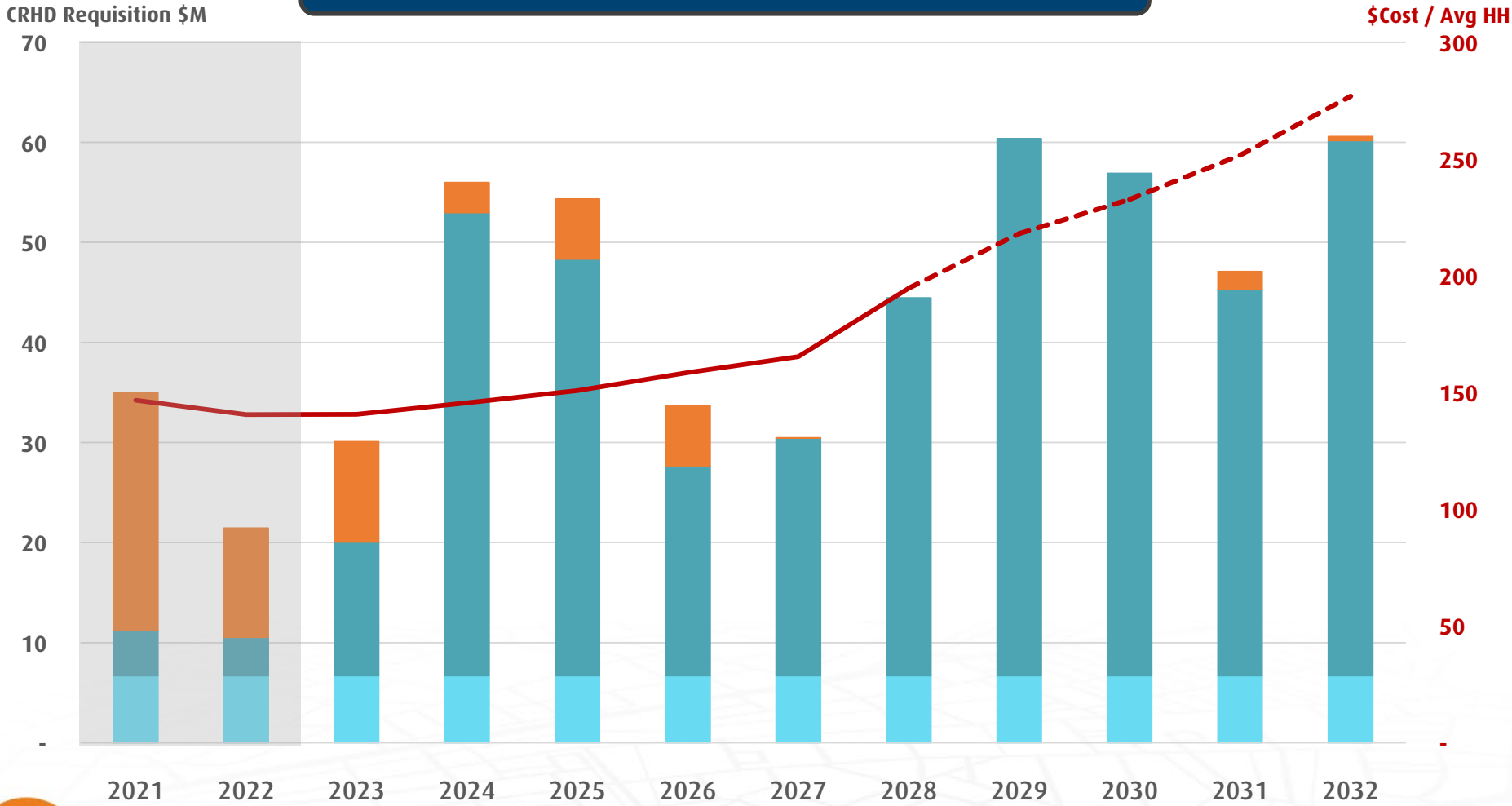
DEBT
44%



COMPARISON OF ANNUAL 10-YEAR CAPITAL PLAN



CRHD COST SHARE | 10-YEAR CAPITAL PLAN



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



Appendix A

CAPITAL REGIONAL HOSPITAL DISTRICT 2023 PROVISIONAL BUDGET

	2022 BOARD BUDGET	2022 ACTUALS	2022 VARIANCE	2023 ANNUAL BUDGET	2022-2023 BUDGET VARIANCE
REVENUE					
Tax Requisition Total	26,460,836	26,460,836	-	26,468,700	7,864
Payments in Lieu of Taxes	834,368	834,368	-	834,368	-
Lease and Other Property Revenue	4,393,178	4,393,178	-	4,393,178	-
Debt Reserve Fund Recovery	437,420	443,200	5,780	603,000	165,580
Interest Earnings	75,000	91,000	16,000	85,000	10,000
Surplus MCP Expiry	71,335	70,617	(718)	-	(71,335)
Surplus Previous Year	-	-	-	39,730	39,730
Transfer From Reserve	1,678,253	1,090,034	(588,219)	409,789	(1,268,464)
TOTAL REVENUE	33,950,389	33,383,232	(567,157)	32,833,764	(1,116,625)
EXPENDITURES					
Debt Servicing	20,842,352	20,824,402	(17,950)	20,426,112	(416,240)
Capital Equipment Grants	2,955,000	2,955,000	-	2,955,000	-
Non-Traditional Projects Capital Grant	-	-	-	-	-
Administration	1,010,437	1,010,437	-	1,097,222	86,785
Studies	1,368,287	801,600	(566,687)	427,653	(940,634)
Property Management	664,026	642,494	(21,532)	513,825	(150,201)
Total Expense	26,840,102	26,233,933	(606,169)	25,419,812	(1,420,290)
Transfer to Reserve					
Transfer to Minor Capital Projects Reserve	3,750,000	3,750,000	-	3,750,000	-
Transfer to Debt Management Reserve	2,825,000	2,825,000	-	3,200,000	375,000
Transfer to Land Holdings Management Reserve	200,000	200,000	-	200,000	-
Transfer to Summit Management Reserve	335,287	334,569	(718)	263,952	(71,335)
Total Transfer to Reserve	7,110,287	7,109,569	(718)	7,413,952	303,665
TOTAL EXPENDITURES	33,950,389	33,343,502	(606,887)	32,833,764	(1,116,625)
Total Net Surplus (Deficit)	-	39,730	39,730	-	-

Requisition change over prior year % (increase/-decrease)

0.0%

APPENDIX B

**CAPITAL REGIONAL HOSPITAL DISTRICT
2023 - 2027 FUTURE BUDGET PROJECTIONS**

	2023 PROVISIONAL BUDGET	2024 BUDGET	2025 BUDGET	2026 BUDGET	2027 BUDGET
REVENUE					
Tax Requisition Total	26,468,700	27,389,915	28,378,692	29,841,148	31,129,300
Payments in Lieu of Taxes	834,368	834,368	834,368	834,368	834,368
Lease and Other Property Revenue	4,393,178	4,358,178	4,358,178	4,343,178	4,338,178
Debt Reserve Fund Recovery	603,000	838,000	391,000	73,000	189,000
Interest Earnings	85,000	75,000	75,000	75,000	75,000
Surplus Previous Year	39,730	-	-	-	-
Transfer From Reserve	409,789	410,127	673,275	462,732	430,366
TOTAL REVENUE	32,833,764	33,905,587	34,710,513	35,629,426	36,996,212
EXPENDITURES					
Debt Servicing	20,426,112	20,031,384	25,889,938	26,841,957	28,163,961
Capital Equipment Grants	2,955,000	2,955,000	2,955,000	2,955,000	2,955,000
Administration	1,097,222	1,121,688	1,023,742	1,045,696	1,067,659
Studies	427,653	300,000	300,000	300,000	300,000
Property Management	513,825	483,563	327,881	272,821	295,640
Total Expense	25,419,812	24,891,635	30,496,561	31,415,474	32,782,260
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	3,200,000	4,800,000	-	-	-
Transfer to Land Holdings Management Reserve	200,000	200,000	200,000	200,000	200,000
Transfer to Summit Management Reserve	263,952	263,952	263,952	263,952	263,952
Transfer Non-Traditional Projects Reserve	-	-	-	-	-
Total Transfer to Reserve	7,413,952	9,013,952	4,213,952	4,213,952	4,213,952
TOTAL EXPENDITURES	32,833,764	33,905,587	34,710,513	35,629,426	36,996,212
Tax impact on 2022 revised average residence (\$999,766)	140.63	145.53	150.78	158.55	165.40
Tax impact on \$100,000 of 2022 completed assessments	14.07	14.56	15.08	15.86	16.54
Tax requisition increase/-decrease	0.0%	3.5%	3.6%	5.2%	4.3%

APPENDIX C

CAPITAL REGIONAL HOSPITAL DISTRICT 2023 CAPITAL EXPENDITURES

Capital Borrowing Bylaw#	Project Description	Cost Share %	Total CRHD Share of Project Budget	2023 Funding
<u>Island Health Initiatives</u>				
183	Emergency Department (Lady Minto) ¹	29%	3,738,000	3,012,749
TBD	High Acuity Unit (VGH)	30%	1,018,155	51,655
TBD	High Acuity Unit (RJH)	30%	4,695,000	1,800,000
TBD	New Long Term Care (306 beds at Royal Bay)	30%	67,108,200	3,806,100
TBD	Energy Centre Replacement (VGH)	30%	9,169,500	697,500
TBD	Outpatient Rehabilitation Program (GRH)	30%	2,430,000	1,200,000
TBD	Mental Health & Substance Use Residential Program (TBD)	30%	600,000	330,000
TBD	Pembroke Mental Health Substance Use Center 3 (VHU)	30%	6,600,000	270,000
TBD	Medical Device Reprocessing Department Expansion (VGH)	30%	1,272,000	732,000
TBD	Pneumatic to Electric Controls Conversion (GRH)	30%	883,800	466,230
TBD	Child Youth Mental Health Stabilization Unit (VGH)	30%	2,250,000	435,000
TBD	Energy Centre Replacement (SPH)	30%	2,400,000	60,000
TBD	Oak Bay Lodge Redevelopment	30%	90,000,000	30,000
TBD	Relocate SSI MHSU Integrated Team (SSI)	30%	600,000	90,000
TBD	Pre-admission Clinic Consolidation (VGH only, RJH removed)	30%	600,000	90,000
TBD	1.5T MRI replacement (RJH) ²	30%	913,875	193,875
TBD	Community Health Centre (TBD) ²	30%	1,500,000	105,000
			195,778,530	13,370,109
<u>CRHD Initiatives</u>				
N/A	Regional Housing First Program Contribution	100%	10,000,000	10,000,000
160	Summit Scheduled Capital Replacements	100%	80,000	80,000
			10,080,000	10,080,000
Capital Expenditure Bylaw#	Project Description	Cost Share %	Total CRHD Share	2023 Funding
TBD	Sec 20 - 2022 Minor Capital Projects	40%	3,750,000	3,750,000
TBD	Sec 20 - 2022 Capital Equipment Projects	100%	2,955,000	2,955,000
			6,705,000	6,705,000
Total 2023 Capital Expenditures			212,563,530	30,155,109

¹Project will be primarily funded by the Hospital Foundation; the CRHD contribution is capped at \$3.738 million

²New to the Capital Plan in 2023

APPENDIX D

**CAPITAL REGIONAL HOSPITAL DISTRICT
RESERVE SCHEDULE 2023 - 2027***

	Budget Year					
	2022 Estimated Actual	2023	2024	2025	2026	2027
OPERATING:						
Administration & Feasibility Studies Reserve - to be spent on future studies or special projects						
Beginning Balance	1,557,997	992,421	868,421	748,821	748,821	748,821
Surplus transfer from HCPS	110,000	-	-	-	-	-
Transfer to Operating	(675,576)	(124,000)	(119,600)	-	-	-
	992,421	868,421	748,821	748,821	748,821	748,821
CAPITAL GRANTS:						
Non-Traditional Projects Reserve - non-profit healthcare facilities capital grant funding						
Beginning Balance	1,054,874	1,054,874	1,054,874	1,054,874	1,054,874	1,054,874
Transfer from Operating	-	-	-	-	-	-
Transfer to Operating	-	-	-	-	-	-
	1,054,874	1,054,874	1,054,874	1,054,874	1,054,874	1,054,874
Minor Capital Projects Reserve - MCP Capital Grants to VIHA that are cashflowed over 3 years and expire after 5 years						
Beginning Balance	4,630,407	6,897,272	7,816,745	5,500,000	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	-	-	-	-	-	-
Transfer to Operating	(70,617)	-	-	-	-	-
Capital Grant Paid to Island Health	(1,412,518)	(2,830,527)	(6,066,745)	(5,250,000)	(3,750,000)	(3,750,000)
	6,897,272	7,816,745	5,500,000	4,000,000	4,000,000	4,000,000
CRHD CAPITAL:						
Land Holdings Management Reserve - CRHD properties: 950 Kings, Oak Bay Lodge, Royal Bay, Summit						
Beginning Balance	1,286,761	1,107,601	1,021,812	931,285	996,440	1,101,655
Transfer from Operating	200,000	200,000	200,000	200,000	200,000	200,000
Interest Earnings	35,298	-	-	-	-	-
Transfer to Operating	(414,458)	(285,789)	(290,527)	(134,845)	(94,785)	(122,604)
	1,107,601	1,021,812	931,285	996,440	1,101,655	1,179,051
Summit Management Reserve						
Beginning Balance	533,340	885,487	1,144,439	1,408,391	1,672,343	1,936,295
Transfer from Operating - lifecycle contribution	263,952	263,952	263,952	263,952	263,952	263,952
Transfer from Operating - 2017 MCP Surplus	70,617	-	-	-	-	-
Transfer from Operating	-	-	-	-	-	-
Interest Earnings	17,578	-	-	-	-	-
Transfer to Capital	-	(5,000)	-	-	-	(10,260)
	885,487	1,144,439	1,408,391	1,672,343	1,936,295	2,189,987
Regional Housing First Program Reserve - new program under development						
Beginning Balance	10,068,435	10,305,540	305,540	305,540	305,540	305,540
Transfer from Operating	-	-	-	-	-	-
Interest Earnings	237,105	-	-	-	-	-
Capital Grant Paid	-	(10,000,000)	-	-	-	-
	10,305,540	305,540	305,540	305,540	305,540	305,540
FINANCING:						
Debt Management Reserve - to mitigate future debt costs						
Beginning Balance	-	2,855,337	6,250,745	11,406,006	1,867,577	799,630
Transfer from Operating	2,825,000	3,200,000	4,800,000	-	-	-
Interest Earnings	30,337	195,408	355,261	-	-	-
Transfer to Capital	-	-	-	(9,000,000)	(700,000)	-
Transfer to Operating	-	-	-	(538,430)	(367,947)	(307,762)
	2,855,337	6,250,745	11,406,006	1,867,577	799,630	491,868
TOTAL	24,098,531	18,462,575	21,354,917	10,645,594	9,946,814	9,970,141

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