



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

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Wednesday, October 25, 2023

1:00 PM

6th Floor Boardroom  
625 Fisgard Street  
Victoria, BC

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### Special Meeting - Provisional 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](http://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](mailto:crdboard@crd.bc.ca).*

#### 4. SPECIAL MEETING MATTERS

##### 4.1. [23-801](#) Capital Regional Hospital District 2024-2033 Ten Year Capital Plan

**Recommendation:** That the Capital Regional Hospital District 2024-2033 Ten Year Capital Plan be approved as submitted.  
(WA)

**Attachments:** [Staff Report: CRHD 2024-2033 Ten Year Capital Plan](#)  
[Appendix A: 2024-2033 CRHD 10-Year Capital Plan](#)  
[Appendix B: 2024-2033 Capital Plan Debt Servicing Graph](#)  
[Appendix C: Debt Svcng Impact of 10-Year Capital Plan \(2024-2033\)](#)

##### 4.2. [23-653](#) 2024 Capital Regional Hospital District Provisional Budget

**Recommendation:** That the 2024 Capital Regional Hospital District Provisional Budget be approved as submitted.  
(WA)

**Attachments:**      [Staff Report: 2024 CRHD Provisional Budget](#)  
[Presentation: 2024 Financial Plan - CRHD](#)  
[Appendix A: 2024 CRHD Provisional Budget](#)  
[Appendix B: 2024-2028 Future Budget Projections](#)  
[Appendix C: 2024 Capital Expenditures](#)  
[Appendix D: Reserve Summary Schedule 2024-28](#)

## 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)**

**REPORT TO CAPITAL REGIONAL HOSPITAL DISTRICT BOARD  
MEETING OF WEDNESDAY, OCTOBER 25, 2023**

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**SUBJECT**     **Capital Regional Hospital District 2024-2033 Ten Year Capital Plan**

**ISSUE SUMMARY**

Approval of the Capital Regional Hospital District (CRHD) 2024-2033 Ten Year Capital Plan.

**BACKGROUND**

The 2024-2033 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 2024-2033 Major Capital projects list (greater than \$2 million (M)) from the 2023 Amended Capital Plan include:

- The Magnetic Resonance Imaging (MRI) replacement projects in 2023 (\$3,046,250) and 2024 (\$2,696,250) have been combined into MRI scanner replacement/refurbishing for a total project cost of \$2M with a CRHD share of \$600,000. The Foundation will also be paying equipment costs of \$3.87M bringing the total project cost to \$5.87M.
- Child Youth Mental Health Stabilization Unit increased from \$13.8M to \$15M with a CRHD share of \$4.5M.
- Network Upgrades project \$4.9M, CRHD share \$1.47M removed from capital plan as it did not qualify for cost sharing.
- Inpatient Outpatient Rehabilitation Program project \$9.637M, CRHD share \$2.891M removed from capital plan due to reprioritization.
- Peninsula Primary Care Centre project \$3M, CRHD share \$900,000; removed from capital plan having secured alternate funding.
- West Shore Mental Health Team project removed from capital plan due to total project cost not meeting CRHD \$2M threshold.
- In addition, five projects shifted timing to later years within the capital plan and one (Vascular Cardiac Hybrid Operating Room) moved up from 2025 to 2024.
- Island Health also provided updated cashflow information for several large projects in 2033 including new space for patient and health areas and replacing the food service production kitchen which will result in an increase in overall capital plan costs.

**ALTERNATIVES**

*Alternative 1*

That the Capital Regional Hospital District 2024-2033 Ten Year Capital Plan be approved as submitted.

*Alternative 2*

That the Capital Regional Hospital District 2024-2033 Ten Year Capital Plan be referred back to staff for additional information.

**IMPLICATIONS**

*Financial Implications*

Alternative 1 reflects the CRHD's continued commitment to fund Major and Minor Capital Projects, as well as healthcare equipment. Major Capital Projects are currently cost shared on a 30% CRHD/70% Provincial funding basis. The total CRHD estimated cash flow for 2024 to 2033 is \$445M 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 \$48M over the plan previously presented to the Board. The total CRHD capital plan for 2024-2033, including CRHD's capital projects, is \$530M.

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 2024-2033 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 2024 Provisional Budget incorporates the financial implications of the 2024-2033 Ten Year Capital Plan.

**RECOMMENDATION**

That the Capital Regional Hospital District 2024-2033 Ten Year Capital Plan be approved as submitted.

Submitted by:	Michael Barnes, MPP, Senior Manager, Health and Capital Planning Strategies
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

**ATTACHMENTS**

Appendix A: 2024-2033 CRHD 10-Year Capital Plan  
Appendix B: 2024-2033 Capital Plan Debt Servicing Graph  
Appendix C: Debt Servicing Impact of 10-Year Capital Plan (2024-2033)

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 <sup>1</sup>	2021	Lady Minto Hospital	29.2%	3,738,000	12,800,000	10,542,061	2,257,939
Major Project - Planned	New Long Term Care (306 beds)	2023	South Island - Royal Bay	30%	67,108,200	223,694,000	200,000	223,494,000
Major Project - Planned	High Acuity Unit	2024	Royal Jubilee Hospital	30%	5,756,400	19,188,000	-	19,188,000
Major Project - Possible	Medical Device Reprocessing Department Expansion	2023	Victoria General Hospital	30%	1,272,000	4,240,000	59,310	4,180,690
Major Project - Possible	Relocate MHSU ACT Teams	2023	Royal Jubilee Hospital	30%	673,049	2,243,497	752,440	1,491,057
Major Project - Possible	MRI Scanner replacement	2023	Royal Jubilee Hospital & Victoria General Hospital	30%	600,000	2,000,000	1,500	1,998,500
Major Project - Possible	Energy Centre Replacement	2024	Victoria General Hospital	30%	15,000,000	50,000,000	-	50,000,000
Major Project - Possible	Pembroke Mental Health Substance Use Center	2024	Victoria Health Unit-Cook Street	30%	6,600,000	22,000,000	-	22,000,000
Major Project - Possible	Child Youth Mental Health Stabilization Unit	2024	Victoria General Hospital	30%	4,500,000	15,000,000	-	15,000,000
Major Project - Possible	Administrative Building Decant/Eric Martin Pavilion Asbestos Abatement	2024	Royal Jubilee Hospital	30%	2,550,000	8,500,000	-	8,500,000
Major Project - Possible	(VASC/CARD) Hybrid OR	2024	Royal Jubilee Hospital	30%	1,620,000	5,400,000	-	5,400,000
Major Project - Possible	VGH High Performance Controls Upgrade	2024	Victoria General Hospital	30%	1,110,992	3,703,305	-	3,703,305
Major Project - Possible	RJH DT Controls Upgrade	2024	Royal Jubilee Hospital	30%	1,078,376	3,594,588	-	3,594,588
Major Project - Possible	Elevator Refurbishment	2024	Victoria General Hospital	30%	616,715	2,055,718	-	2,055,718
Major Project - Possible	Oak Bay Lodge Redevelopment	2025	Former Oak Bay Lodge Site	30%	90,000,000	300,000,000	-	300,000,000
Major Project - Possible	Community Health Centre	2025	Greater Victoria - TBD	30%	1,500,000	5,000,000	-	5,000,000
Major Project - Possible	Pneumatic to Electric Controls Conversion	2025	Gorge Road Hospital	30%	1,065,452	3,551,508	-	3,551,508
Major Project - Possible	Electronic Health Record	2025	South Island - TBD	30%	900,000	3,000,000	-	3,000,000
Major Project - Possible	10G Fibre Expansion (IMIT)	2025	Royal Jubilee Hospital	30%	900,000	3,000,000	-	3,000,000
Major Project - Possible	Relocate SSI MHSU Integrated Team	2025	Salt Spring Island	30%	600,000	2,000,000	-	2,000,000
Major Project - Possible	Convert obsolete 480 distribution system with 600V	2025	Royal Jubilee Hospital	30%	600,000	2,000,000	-	2,000,000
Major Project - Possible	RJH DT Cooling System Replacement	2025	Royal Jubilee Hospital	30%	600,000	2,000,000	-	2,000,000
Major Project - Possible	OAC 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	Morgue Expansion	2025	Victoria General Hospital	30%	600,000	2,000,000	-	2,000,000
Major Project - Possible	Restorative Health Center	2026	To be determined	30%	60,000,000	200,000,000	-	200,000,000
Major Project - Possible	Intensive Care & High Acuity Unit Redevelopment <sup>3</sup>	2026	Victoria General Hospital	30%	11,700,000	39,000,000	-	39,000,000
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	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	VGH Pediatric Intensive Care Unit	2026	Victoria General Hospital	30%	1,500,000	5,000,000	-	5,000,000
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	Child Youth and Family Services Redevelopment	2028	To be determined	30%	30,000,000	100,000,000	-	100,000,000
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	Long Term Care (50 beds)	2029	Lady Minto Hospital	30%	15,000,000	50,000,000	-	50,000,000
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	Multidisciplinary Pain Clinic	2029	Royal Jubilee Hospital	30%	900,000	3,000,000	-	3,000,000
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	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	Energy Centre Replacement	2030	Saanich Peninsula Hospital	30%	2,400,000	8,000,000	-	8,000,000
Major Project - Possible	Operating Room Upgrade	2030	Victoria General Hospital	30%	1,500,000	5,000,000	-	5,000,000
Major Project - Possible	Mental Health & Substance Use Residential Program	2030	To be determined	30%	600,000	2,000,000	-	2,000,000
ISLAND HEALTH TOTAL*					441,969,185	1,473,570,616	11,555,312	1,462,015,304
CRHD SHARE of ISLAND HEALTH MAJOR PROJECTS - including inflation in future years <sup>2</sup>								

2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	10-Year Total
2,257,939	-	-	-	-	-	-	-	-	-	2,257,939
5,500,000	75,000,000	89,500,000	53,494,000	-	-	-	-	-	-	223,494,000
250,000	4,188,000	10,750,000	4,000,000	-	-	-	-	-	-	19,188,000
750,000	3,430,690	-	-	-	-	-	-	-	-	4,180,690
1,491,057	-	-	-	-	-	-	-	-	-	1,491,057
1,998,500	-	-	-	-	-	-	-	-	-	1,998,500
1,340,000	10,835,000	7,467,500	7,565,000	6,500,000	6,500,000	5,760,000	4,032,500	-	-	50,000,000
250,000	7,750,000	6,500,000	7,500,000	-	-	-	-	-	-	22,000,000
150,000	3,000,000	6,000,000	5,850,000	-	-	-	-	-	-	15,000,000
1,500,000	4,000,000	3,000,000	-	-	-	-	-	-	-	8,500,000
250,000	2,000,000	3,150,000	-	-	-	-	-	-	-	5,400,000
703,305	3,000,000	-	-	-	-	-	-	-	-	3,703,305
594,588	3,000,000	-	-	-	-	-	-	-	-	3,594,588
450,000	1,025,718	580,000	-	-	-	-	-	-	-	2,055,718
-	1,500,000	39,600,000	60,000,000	70,000,000	70,000,000	58,900,000	-	-	-	300,000,000
-	-	-	500,000	1,500,000	3,000,000	-	-	-	-	5,000,000
-	3,551,508	-	-	-	-	-	-	-	-	3,551,508
-	1,000,000	1,000,000	1,000,000	-	-	-	-	-	-	3,000,000
-	1,500,000	1,500,000	-	-	-	-	-	-	-	3,000,000
-	2,000,000	-	-	-	-	-	-	-	-	2,000,000
-	1,000,000	1,000,000	-	-	-	-	-	-	-	2,000,000
-	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
-	-	150,000	1,500,000	350,000	-	-	-	-	-	2,000,000
-	-	250,000	2,500,000	25,000,000	50,000,000	50,000,000	50,000,000	22,250,000	-	200,000,000
-	-	250,000	2,500,000	15,000,000	15,000,000	6,000,000	250,000	-	-	39,000,000
-	-	100,000	500,000	5,000,000	5,000,000	-	-	-	-	10,600,000
-	-	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
-	-	2,250,000	2,250,000	500,000	-	-	-	-	-	5,000,000
-	-	-	350,000	650,000	11,000,000	11,000,000	10,000,000	-	-	33,000,000
-	-	-	-	250,000	12,500,000	25,000,000	25,000,000	37,250,000	-	100,000,000
-	-	-	-	150,000	2,000,000	2,000,000	850,000	-	-	5,000,000
-	-	-	-	150,000	1,500,000	350,000	-	-	-	2,000,000
-	-	-	-	-	200,000	800,000	5,000,000	44,000,000	-	50,000,000
-	-	-	-	-	250,000	3,000,000	6,500,000	8,000,000	2,250,000	20,000,000
-	-	-	-	-	150,000	1,500,000	5,000,000	3,350,000	-	10,000,000
-	-	-	-	-	250,000	1,750,000	1,000,000	-	-	3,000,000
-	-	-	-	-	-	325,000	4,000,000	15,000,000	130,675,000	150,000,000
-	-	-	-	-	-	450,000	12,000,000	35,000,000	52,550,000	100,000,000
-	-	-	-	-	-	175,000	1,500,000	3,500,000	4,825,000	10,000,000
-	-	-	-	-	-	2,000,000	2,000,000	2,000,000	2,000,000	8,000,000
-	-	-	-	-	-	250,000	1,500,000	3,250,000	-	5,000,000
-	-	-	-	-	-	2,000,000	-	-	-	2,000,000
17,485,389	128,430,916	176,997,500	157,209,000	131,050,000	183,350,000	172,960,000	128,632,500	173,600,000	192,300,000	1,462,015,305
5,227,553	38,596,484	53,399,550	47,635,500	40,062,300	56,066,100	52,891,200	39,337,350	53,121,600	58,843,800	445,181,437



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 - Anticipated	Minor Capital Projects Future Budget Years	2024-2033	Various	40%	3,750,000	9,375,000	-	9,375,000
Minor Equipment Grants	CRHD Section 20 Equipment Grants	2024-2033	Various	100%	2,955,000	2,955,000	-	2,955,000
CRHD Project	Summit Scheduled Capital Replacements - funded by capital funds on hand and reserve	2023	955 Hillside Ave.	100%	2,659,202	2,659,202	360,000	2,299,202
CRHD Project	Hillside/Kings Licensed Residential Care Facility	2024	950 Kings Rd.	100%	15,000,000	15,000,000	-	15,000,000
CRHD TOTAL					24,364,202	29,989,202	360,000	29,629,202
PROJECT TOTAL - before inflation					466,333,387	1,503,559,818	11,915,312	1,491,644,506
Inflation <sup>2</sup>	2.00%	- excluding approved/pending Capital Bylaws						22,283,030
PROJECT TOTAL - including inflation								1,513,927,537
CRHD SHARE TOTAL ESTIMATED ANNUAL CAPITAL CASH FLOW								530,190,639

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.

<sup>1</sup>Project will be primarily funded by the Hospital Foundation

<sup>2</sup>Inflation is calculated at a rate of 2% for years 2024-2033 and applied to forecasted projects if applicable (approved bylaws, current year projects and land acquisitions are not subject to inflation)

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

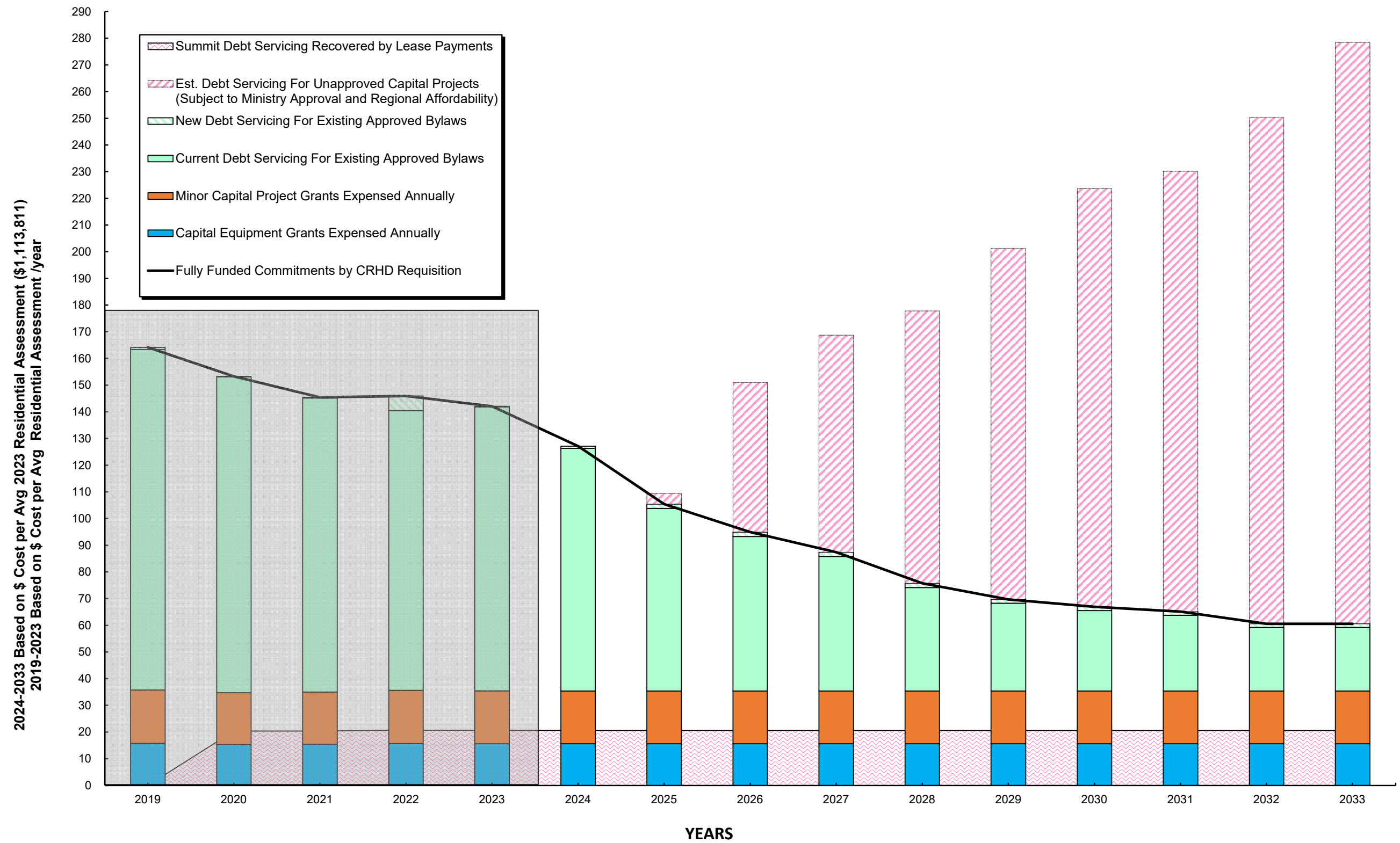
2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	10-Year Total
9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	9,375,000	93,750,000
2,955,000	2,955,000	2,955,000	2,955,000	2,955,000	2,955,000	2,955,000	2,955,000	2,955,000	2,955,000	29,550,000
450,000	200,000	200,000	210,260	200,000	200,000	200,000	200,000	598,942	200,000	2,659,202
3,000,000	6,000,000	6,000,000	-	-	-	-	-	-	-	15,000,000
15,780,000	18,530,000	18,530,000	12,540,260	12,530,000	12,530,000	12,530,000	12,530,000	12,928,942	12,530,000	140,959,202
33,265,389	146,960,916	195,527,500	169,749,260	143,580,000	195,880,000	185,490,000	141,162,500	186,528,942	204,830,000	1,602,974,507
60,000	344,030	1,121,000	1,576,000	2,491,000	3,537,000	3,344,000	2,492,000	3,472,000	3,846,000	22,283,030
33,325,389	147,304,946	196,648,500	171,325,260	146,071,000	199,417,000	188,834,000	143,654,500	190,000,942	208,676,000	1,625,257,537
15,442,553	51,621,484	66,424,550	54,550,760	46,967,300	62,971,100	59,796,200	46,242,350	60,425,542	65,748,800	530,190,639

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 (2019-2033)**  
**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 11, 2023

APPENDIX C

**CAPITAL REGIONAL HOSPITAL DISTRICT**  
**Debt Servicing Impact of 10 Year Capital Plan (2024-2033)**  
**Cost per Average 2023 Residential Assessment (\$1,113,811)**  
**Based on MFA Borrowing Terms of 5, 10, 15, 25 Years**

Year	Existing Debt Servicing	Estimated Debt Servicing <sup>1</sup>	Total Debt Servicing	Section 20 Expensed		Total Requisition <sup>2</sup>	Total Requisition \$ Value <sup>2</sup>
				Capital Equipment	Minor Capital Projects		
2024	90.91	0.90	91.81	15.59	19.78	127.18	24,110,293
2025	68.42	5.60	74.02	15.59	19.78	109.39	20,737,850
2026	57.91	57.76	115.67	15.59	19.78	151.04	28,632,826
2027	50.40	82.93	133.33	15.59	19.78	168.70	31,979,764
2028	38.76	103.70	142.46	15.59	19.78	177.83	33,711,788
2029	32.92	132.90	165.82	15.59	19.78	201.19	38,140,273
2030	30.16	158.03	188.19	15.59	19.78	223.56	42,380,919
2031	28.38	166.40	194.78	15.59	19.78	230.15	43,629,393
2032	23.84	191.04	214.88	15.59	19.78	250.25	47,440,894
2033	23.84	219.25	243.09	15.59	19.78	278.46	52,788,563
							<u>363,552,563</u>

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

<sup>2</sup>Requisition 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, OCTOBER 25, 2023**

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**SUBJECT**     **2024 Capital Regional Hospital District Provisional Budget**

**ISSUE SUMMARY**

This report presents the 2024 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 each year by the CRHD Board before March 31. 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, purpose-built health care facilities, replacement of owned assets and maintenance.

In addition to supporting the capital plan, the provisional budget delivers initiatives identified in the 2023-2026 corporate plan specific to the health community need. The 2024 service planning process marks the first full 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 following the local government elections in fall 2022.

As part of the planning process, the Executive Leadership Team (ELT) met in September to review individual service plans, initiative business cases (IBCs) and financial implications in alignment with the corporate plan and approved financial planning guidelines. The 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 2024 Capital Regional Hospital District Provisional Budget be approved as submitted.

*Alternative 2*

That the 2024 Capital Regional Hospital District Provisional Budget be given provisional approval with specific directions on amendments.

## **IMPLICATIONS**

### *Financial Implications*

The 2024 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 2023 forecasted actuals are expected to be on budget for the year with an estimated net surplus of \$0.05 million or 0.2%. 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 revenue requirements in 2024.

### **Operating Expenditures**

The 2024 provisional budget includes \$33.4 million in operating expenditures, an increase of \$0.7 million or 2.1% from the prior year. The detailed 2024 provisional budget with comparison to the 2023 final budget is included in Appendix A. Table 1 summarizes the year over year change in operating expenditures.

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

Expense Type	2024 Provisional	2023 Final	\$ Change	% Change
Debt Servicing	17.4	20.1	(2.7)	(13.4%)
Capital Grants	3.0	3.0	-	-
Operations	2.2	2.1	0.1	4.8%
Transfers to Reserves	10.8	7.5	3.3	44.0%
<b>Total</b>	<b>\$33.4</b>	<b>\$32.7</b>	<b>\$0.7</b>	<b>2.1%</b>

Debt servicing includes existing and projected incremental debt requirements based on 2024 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 2024 is \$17.4 million, a decrease of \$2.7 million or 13.4% over 2023 primarily due to a net pay down of historical debt issuances.

Capital funding represents grant expenditures specified 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.

Operational costs include administration, feasibility studies and property management. The net increase of \$0.1 million or 4.8% is driven primarily by the deferral of feasibility studies supporting development properties at Oak Bay Lodge and 950 Kings. The CRHD property management cost estimates include insurance, security and maintenance on four properties: Summit, 950 Kings, Oak Bay Lodge and Royal Bay.

Transfers to reserves includes funding Minor Capital Projects, Debt Management, Land Holdings Management and Summit Management. Transfers to reserves total \$10.8 million in 2024, an

increase of \$3.3 million or 44% from prior year and is primarily driven by increased contributions to the Debt Management Reserve.

A transfer of \$6.6 million to the Debt Management Reserve in 2024 will set aside funds to mitigate future revenue requirements where significant investments are identified in the 10-year Island Health capital plan. The CRHD portion of the capital plan increased by \$38 million to a total of \$530 million to be funded through 2033. The Debt Management Reserve will be used to help fund capital investment while mitigating impact to requisition.

## **Annual Revenue**

Total revenue is \$33.4 million, an increase of \$0.7 million or 2.1% from the prior year. The detailed 2024 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	2024 Provisional	2023 Final	\$ Change	% Change
Requisition	26.5	26.5	-	-
Payments in Lieu of Taxes (PILT)	0.7	0.7	-	-
Lease and Other Property Revenue	4.4	4.4	-	-
Other Revenue	1.1	0.7	0.4	57.1%
Transfers from Reserve	0.6	0.4	0.2	50.0%
Surplus – Operating	0.1	-	0.1	100.0%
<b>Total</b>	<b>\$33.4</b>	<b>\$32.7</b>	<b>\$0.7</b>	<b>2.1%</b>

The increase in revenue is primarily driven by other revenue related to higher debt reserve fund recovery on debt retirements and increased interest earnings on investments. The total increase is \$0.4 million or 57.1% over prior year.

The balance of changes in revenue are driven by minor increased transfers from reserves to support feasibility studies, and the carry-forward of the 2023 estimate operating surplus.

## **Requisition**

The 2024 CRHD requisition is \$26.5 million, no change from the prior year. Table 3 illustrates the cost per average household based on the current average residential assessment of \$1,113,811.

*Table 3: Change in Requisition*

Description	2024 Provisional	2023 Final	\$ Change	% Change
Requisition (\$ millions)	\$26.5	\$26.5	-	-
Cost / Average Household	\$139.59	\$139.86	(\$0.27)	(0.2%)
Average Household (\$M)	\$1.1	\$1.1	-	-

The estimated cost per average household for 2024 is \$139.59, a slight decrease from the 2023 final budget. Table 4 below provides a summary of the 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	2023	2024	2025	2026	2027	2028
2019 <sup>f</sup>	\$779,233	\$154.03	-	-	-	-	-
2020 <sup>f</sup>	\$778,883	\$138.54	\$128.02	-	-	-	-
2021 <sup>f</sup>	\$811,623	\$133.75	\$129.47	\$130.62	-	-	-
2022 <sup>f</sup>	\$1,002,606	\$142.92	\$144.30	\$145.88	\$151.09	-	-
2023 <sup>f</sup>	\$1,115,965	\$139.86	\$142.18	\$145.43	\$149.49	\$154.94	-
2024 <sup>p</sup>	\$1,113,811	n/a	\$139.59	\$143.88	\$151.18	\$158.88	\$169.35

<sup>f</sup> Final Budget

<sup>p</sup> Provisional Budget using 2023 revised assessed value.

In the 10-year Capital Plan, Island Health has identified several significant projects beginning in the next five years. If all projects advance as forecasted by Island Health, the cost per average household is expected to increase significantly. Beginning in 2024, 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, 2024-2028 Future Budget Projections.

## Capital Plan

The CRHD 10-year Capital Plan is the main driver of debt servicing and capital reserve transfers in the provisional budget. The 2024 capital expenditures total \$15.4 million, a decrease of \$5.7 million from 2023. Expenditures summarized in Table 5 include CRHD-managed initiatives, Island Health major capital initiatives and Island Health minor capital and equipment.

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

Description	2024 Provisional	2023 Final	\$ Change	% Change
Island Health Initiatives	5.2	3.9	1.3	33.3%
CRHD Initiatives	3.5	10.5	(7.0)	(66.7%)
Island Health Minor Capital and Equipment	6.7	6.7	-	-
<b>Total 9</b>	<b>\$15.4</b>	<b>\$21.1</b>	<b>(\$5.7)</b>	<b>(27.0%)</b>

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 2024. The \$21.6 million opening balance is projected to increase by \$5.2 million to \$26.8 million through 2024.

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

Description	2024 Opening (Estimate)	2024 Plan Activity		2024 Ending (Projection)
		Funding	Expenses	
Operating Reserves	2.1	-	(0.3)	1.8
Capital Grant Reserves	9.9	3.8	(2.1)	11.6
CRHD Capital Reserves	2.7	0.6	(0.7)	2.6
Financing Reserves	6.9	7.0	(3.1)	10.8
<b>Total</b>	<b>\$21.6</b>	<b>\$11.4</b>	<b>(\$6.2)</b>	<b>\$26.8</b>

Operating reserve expenditures include feasibility studies deferred to 2024 to support development of properties at Oak Bay Lodge and 950 Kings.

Capital grant reserve activity includes the annual contribution of \$3.75 million to the Minor Capital Projects reserve (MCP) and expenditures on minor capital as directed by Island Health. The MCP reserve is forecasted to increase by \$1.7 million in 2024.

CRHD capital reserves includes the ongoing management of CRHD land holdings such as 950 Kings, Oak Bay Lodge, Royal Bay and Summit.

Financing reserves refers to the Debt Management Reserve (DMR) which is used to fund capital investment and mitigate impact to requisition. The DMR is forecasted to increase by \$3.9 million in 2024 as the CRHD continues to implement a financing strategy to mitigate future requisition impacts driven to by the 10-Year Island Health Capital Plan.

## **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 Island Health and incorporates CRHD-identified capital initiatives. The Provisional Budget will be subject to change as a result of the final 2024 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, 2024.



**RECOMMENDATION**

That the 2024 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:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

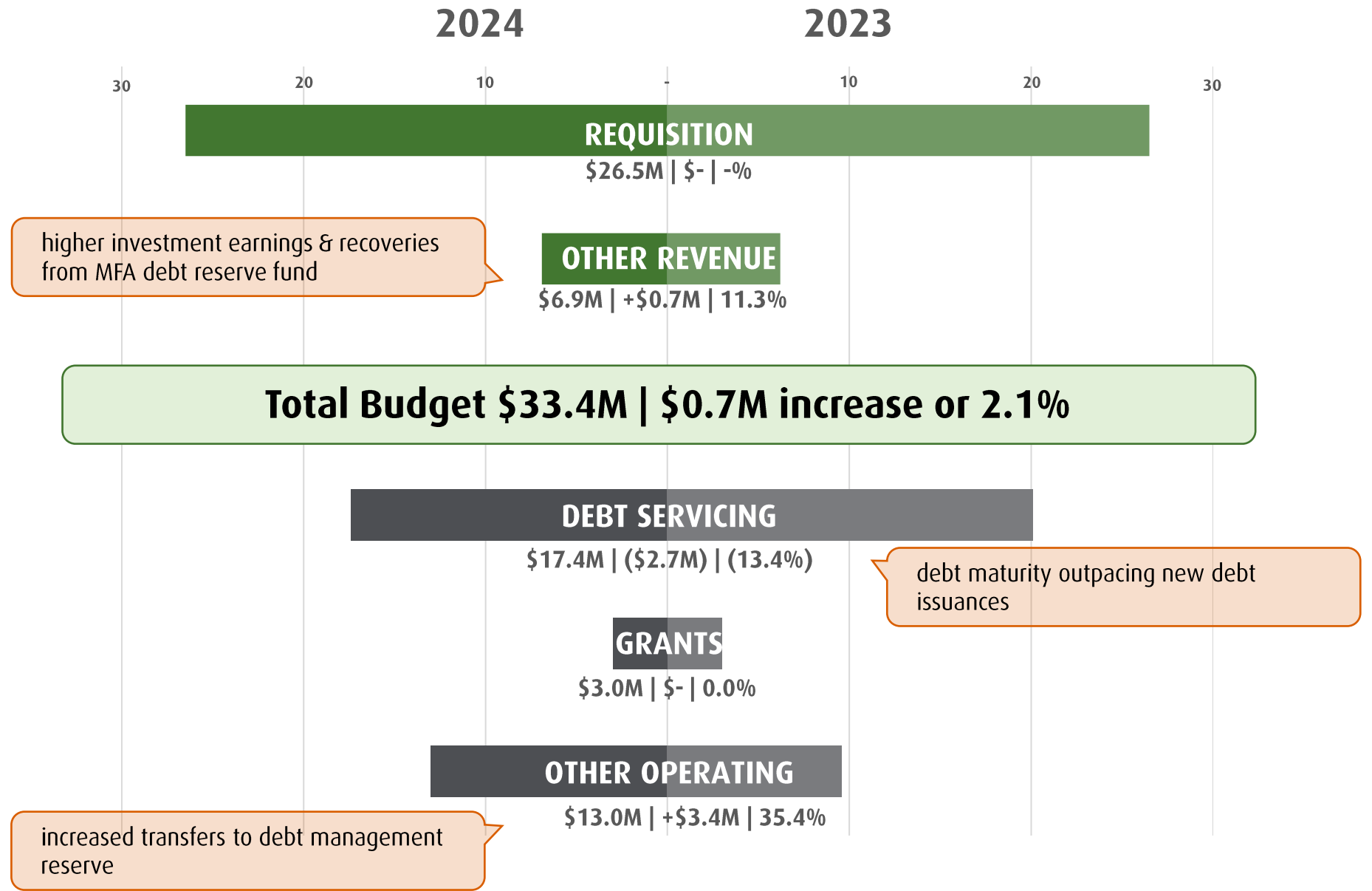
**ATTACHMENTS**

Presentation: 2024 Provisional Budget - CRHD  
Appendix A: CRHD 2024 Provisional Budget  
Appendix B: CRHD 2024-2028 Future Budget Projections  
Appendix C: CRHD 2024 Capital Expenditures  
Appendix D: CRHD Reserve Summary Schedule 2024-2028

# 2024 Provisional Budget

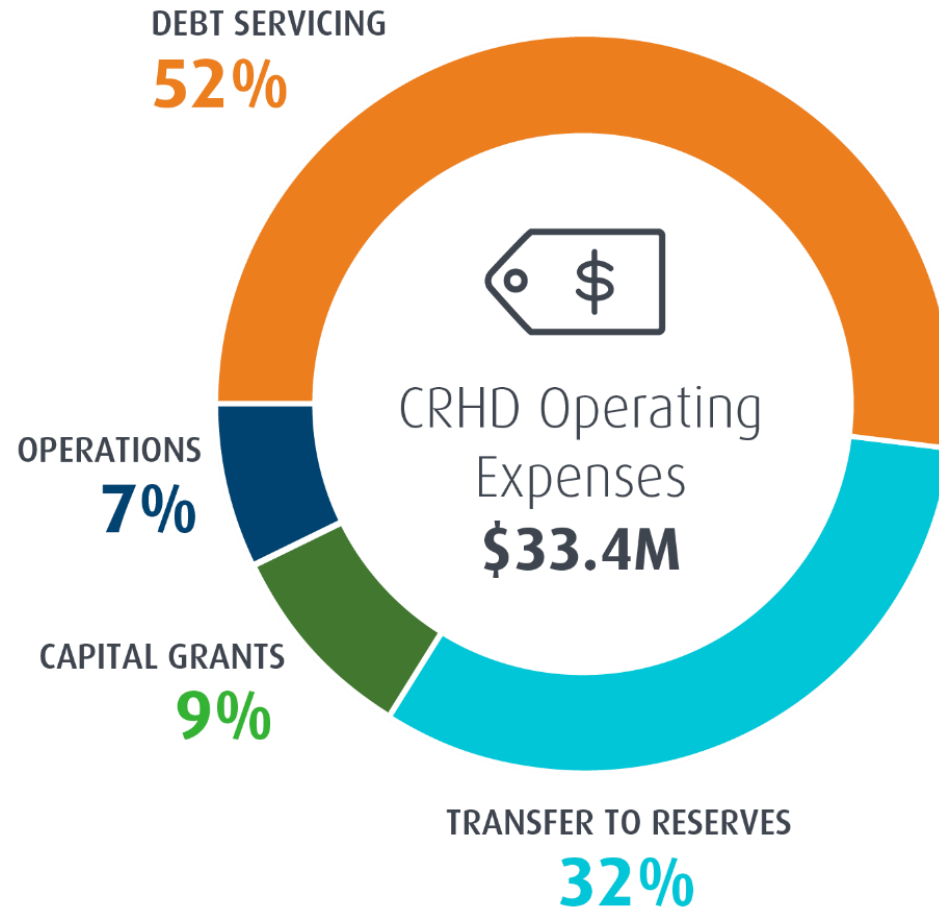
Capital Regional Hospital District  
Wednesday October 25, 2023

# 2024 Provisional Budget Summary

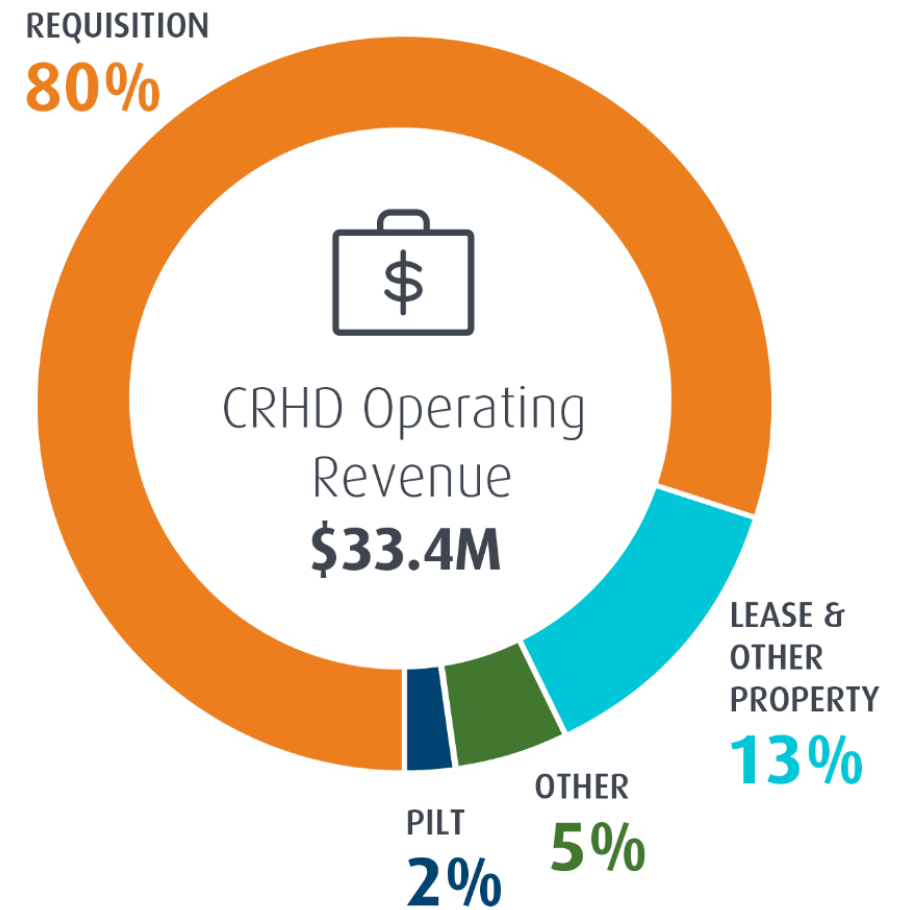


# 2024 Operating Budget

## WHERE THE MONEY GOES

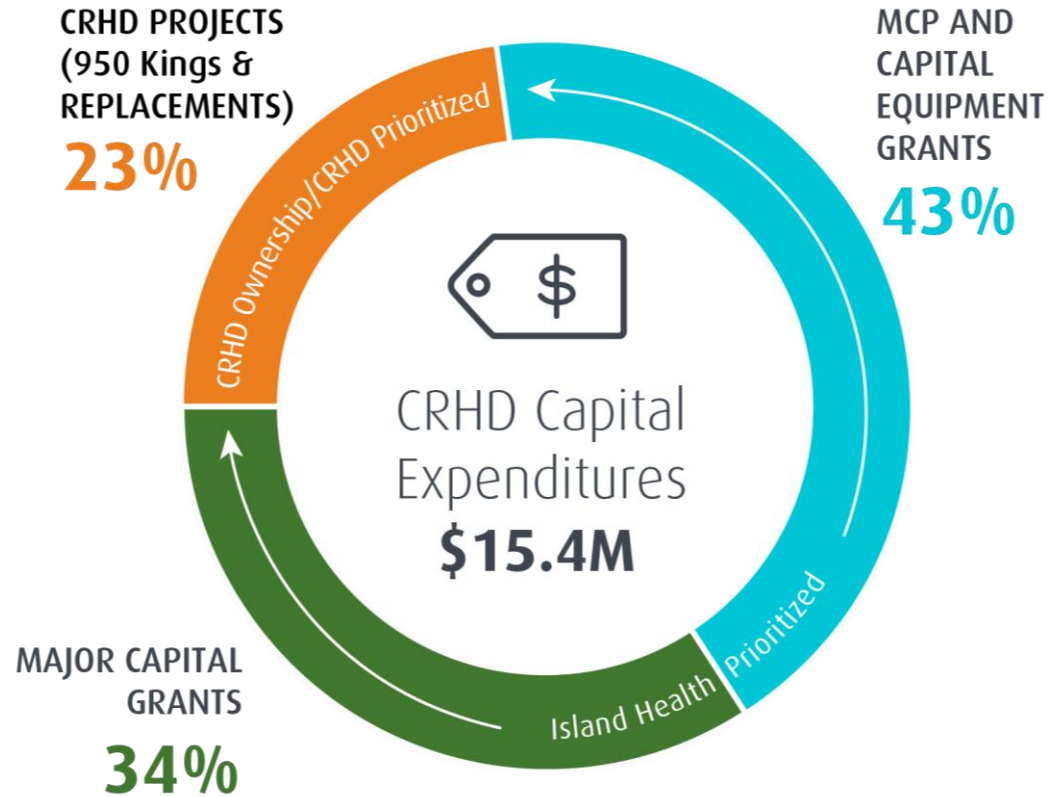


## WHERE THE MONEY COMES FROM

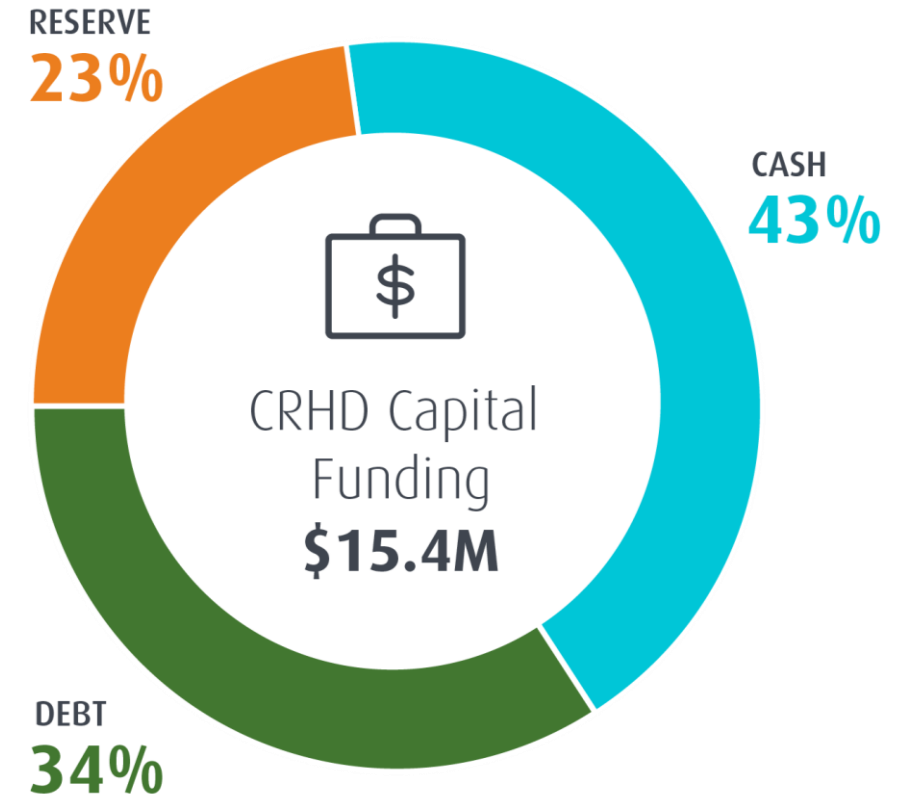


# 2024 Capital Budget

## WHERE THE MONEY GOES

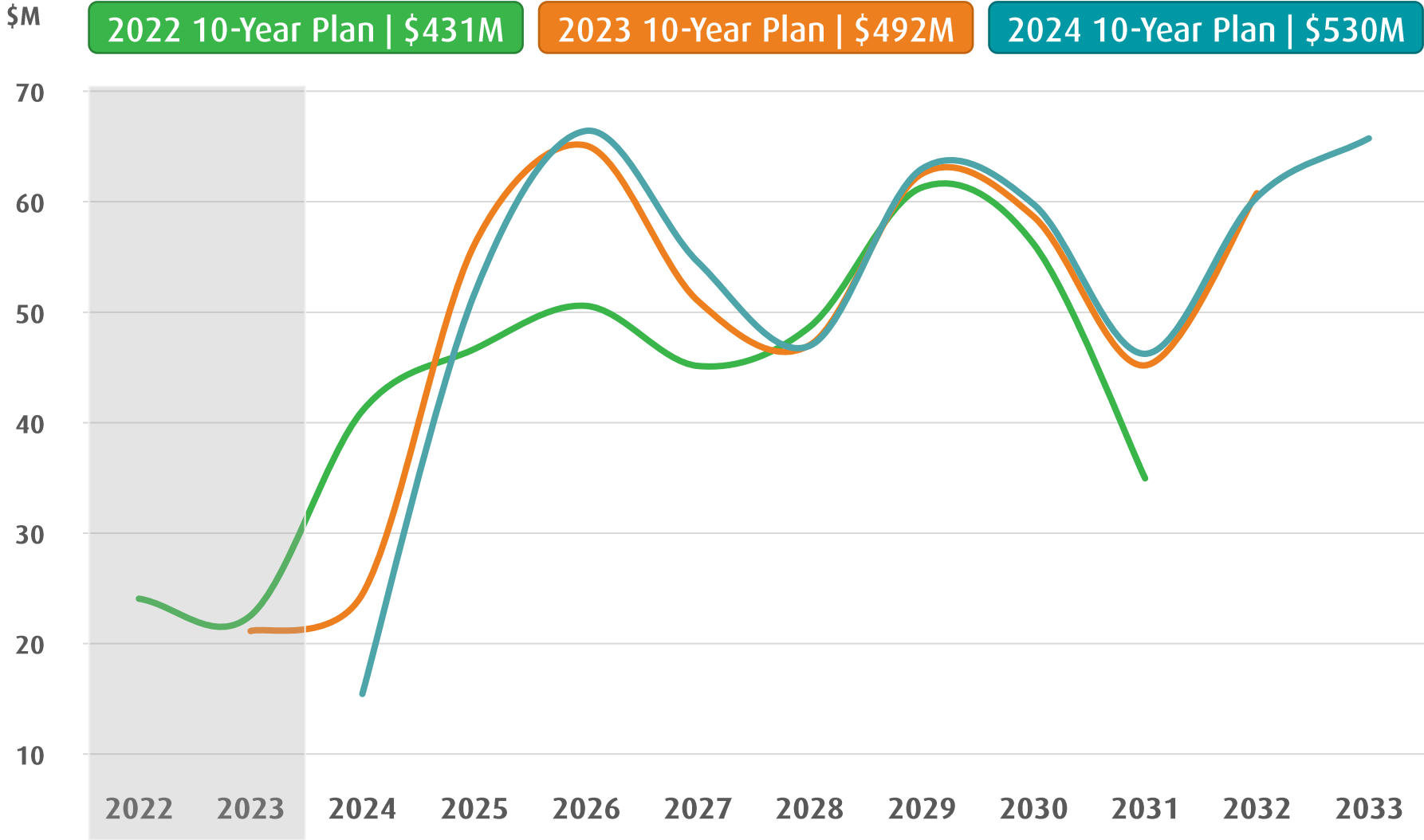


## WHERE THE MONEY COMES FROM





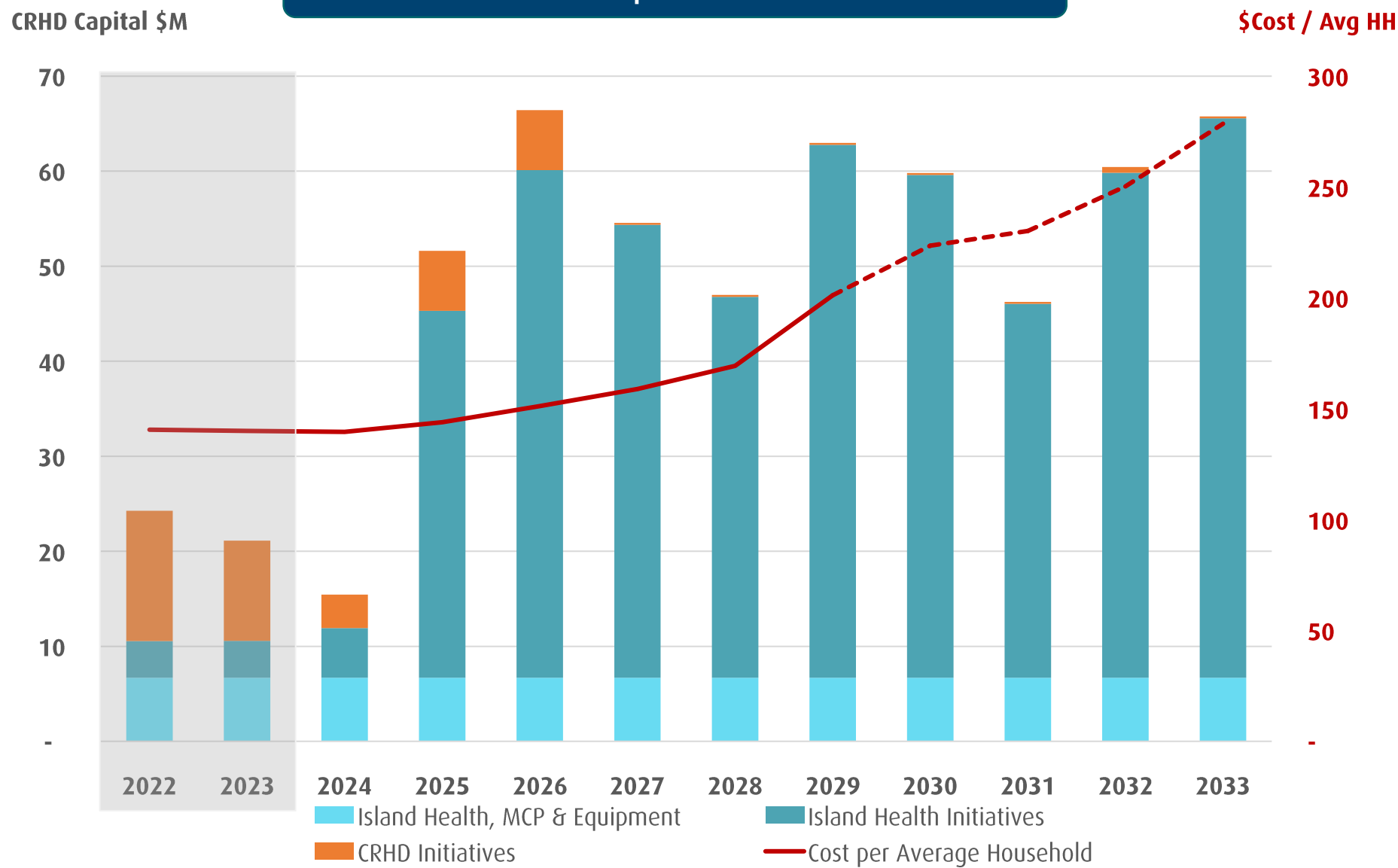
COMPARISON OF ANNUAL ISLAND HEALTH 10-YEAR CAPITAL PLANS



Island  
Health  
10-Year  
Capital  
Plan

# CRHD 10-Year Forecast

## CRHD COST SHARE | 10-YEAR CAPITAL PLAN





# Thank you



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## APPENDIX A

### CAPITAL REGIONAL HOSPITAL DISTRICT 2024 PROVISIONAL BUDGET

	2023 BOARD BUDGET	2023 ESTIMATED ACTUALS	2023 VARIANCE	2024 ANNUAL BUDGET	2023-2024 BUDGET VARIANCE
<b>REVENUE</b>					
Tax Requisition Total	26,462,552	26,462,552	-	26,462,903	351
Payments in Lieu of Taxes	699,157	699,157	-	699,157	-
Lease and Other Property Revenue	4,419,813	4,421,249	1,437	4,421,046	1,234
Debt Reserve Fund Recovery	603,000	619,200	16,201	862,000	259,001
Interest Earnings	100,000	370,000	270,000	250,000	150,000
Surplus Previous Year	-	-	-	53,692	53,692
Transfer From Reserve	394,052	256,504	(137,548)	607,650	213,598
<b>TOTAL REVENUE</b>	<b>32,678,573</b>	<b>32,828,662</b>	<b>150,089</b>	<b>33,356,448</b>	<b>677,875</b>
<b>EXPENDITURES</b>					
Debt Servicing	20,131,582	20,059,240	(72,342)	17,354,194	(2,777,388)
Capital Equipment Grants	2,955,000	2,955,000	-	2,955,000	-
Administration	1,105,663	1,105,663	-	1,150,748	45,085
Studies	427,653	177,653	(250,000)	550,000	122,347
Property Management	524,723	512,611	(12,112)	492,554	(32,169)
<b>Total Expense</b>	<b>25,144,621</b>	<b>24,810,167</b>	<b>(334,454)</b>	<b>22,502,496</b>	<b>(2,642,125)</b>
<b>Transfer to Reserve</b>					
Transfer to Minor Capital Projects Reserve	3,750,000	3,750,000	-	3,750,000	-
Transfer to Debt Management Reserve	3,320,000	3,320,000	-	6,640,000	3,320,000
Transfer to Capital Fund	-	7,851	7,851	-	-
Transfer to Land Holdings Management Reserve	200,000	200,000	-	200,000	-
Transfer to Administration and Feasibility Reserve	-	243,000	243,000	-	-
Transfer to Summit Management Reserve	263,952	443,952	180,000	263,952	-
<b>Total Transfer to Reserve</b>	<b>7,533,952</b>	<b>7,964,803</b>	<b>430,851</b>	<b>10,853,952</b>	<b>3,320,000</b>
<b>TOTAL EXPENDITURES</b>	<b>32,678,573</b>	<b>32,774,970</b>	<b>96,397</b>	<b>33,356,448</b>	<b>677,875</b>
<b>Total Net Surplus (Deficit)</b>	<b>-</b>	<b>53,692</b>	<b>53,692</b>	<b>-</b>	<b>-</b>

Requisition change over prior year % increase/(decrease)

0.0%

## APPENDIX B

### CAPITAL REGIONAL HOSPITAL DISTRICT 2024 - 2028 FUTURE BUDGET PROJECTIONS

	2024 Provisional BUDGET	2025 BUDGET	2026 BUDGET	2027 BUDGET	2028 BUDGET
<b>REVENUE</b>					
Tax Requisition Total	26,462,903	27,275,513	28,659,528	30,118,822	32,104,308
Payments in Lieu of Taxes	699,157	699,157	699,157	699,157	699,157
Lease and Other Property Revenue	4,421,046	4,358,178	4,343,178	4,338,178	4,338,178
Debt Reserve Fund Recovery	862,000	403,000	75,000	208,000	115,000
Interest Earnings	250,000	250,000	250,000	250,000	250,000
Surplus Previous Year	53,692	-	-	-	-
Transfer From Reserve	607,650	120,213	95,879	1,048,720	2,123,754
<b>TOTAL REVENUE</b>	<b>33,356,448</b>	<b>33,106,061</b>	<b>34,122,742</b>	<b>36,662,877</b>	<b>39,630,397</b>
<b>EXPENDITURES</b>					
Debt Servicing	17,354,194	15,120,566	23,453,036	26,617,217	28,135,754
Capital Equipment Grants	2,955,000	2,955,000	2,955,000	2,955,000	2,955,000
Administration	1,150,748	1,053,294	1,076,839	1,099,952	1,123,901
Studies	550,000	300,000	300,000	300,000	300,000
Property Management	492,554	313,249	273,915	296,756	321,790
<b>Total Expense</b>	<b>22,502,496</b>	<b>19,742,109</b>	<b>28,058,790</b>	<b>31,268,925</b>	<b>32,836,445</b>
<b>Transfer to Reserve</b>					
Transfer to Minor Capital Projects Reserve	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000
Transfer to Debt Management Reserve	6,640,000	9,150,000	1,850,000	1,180,000	2,580,000
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
<b>Total Transfer to Reserve</b>	<b>10,853,952</b>	<b>13,363,952</b>	<b>6,063,952</b>	<b>5,393,952</b>	<b>6,793,952</b>
<b>TOTAL EXPENDITURES</b>	<b>33,356,448</b>	<b>33,106,061</b>	<b>34,122,742</b>	<b>36,662,877</b>	<b>39,630,397</b>
Tax impact on 2023 revised average residence (\$1,113,811)	139.59	143.88	151.18	158.88	169.35
Tax impact on \$100,000 of 2023 completed assessments	12.53	12.92	13.57	14.26	15.20
Tax requisition increase/-decrease	0.0%	3.1%	5.1%	5.1%	6.6%



## APPENDIX C

### CAPITAL REGIONAL HOSPITAL DISTRICT 2024 CAPITAL EXPENDITURES

Capital Borrowing Bylaw#	Project Description	Cost Share %	Total CRHD Share of Project Budget	2024 Funding
	<u>Island Health Initiatives</u>			
183	Emergency Department (Lady Minto) <sup>1</sup>	29%	3,738,000	<b>659,318</b>
	New Long Term Care (306 beds)	30%	67,108,200	<b>1,650,000</b>
	High Acuity Unit	30%	5,756,400	<b>75,000</b>
189	Medical Device Reprocessing Department Expansion	30%	1,272,000	<b>225,000</b>
	Relocate MHSU ACT Teams	30%	673,049	<b>447,317</b>
	MRI Scanner replacement <sup>2</sup>	30%	600,000	<b>599,550</b>
	Energy Centre Replacement	30%	15,000,000	<b>402,000</b>
	Pembroke Mental Health Substance Use Center	30%	6,600,000	<b>75,000</b>
	Child Youth Mental Health Stabilization Unit	30%	4,500,000	<b>45,000</b>
	Administrative Building Decant/Eric Martin Pavilion Asbestos Abatement	30%	2,550,000	<b>450,000</b>
	(VASC/CARD) Hybrid OR	30%	1,620,000	<b>75,000</b>
	VGH High Performance Controls Upgrade	30%	1,110,992	<b>210,992</b>
	RJH DT Controls Upgrade	30%	1,078,376	<b>178,376</b>
	Elevator Refurbishment	30%	616,715	<b>135,000</b>
			<b>112,223,732</b>	<b>5,227,553</b>
	<u>CRHD Initiatives</u>			
160	Summit Scheduled Capital Replacements	100%	2,659,202	<b>450,000</b>
	Hillside/Kings Licensed Residential Care Facility	100%	15,000,000	<b>3,060,000</b>
			<b>17,659,202</b>	<b>3,510,000</b>
Capital Expenditure Bylaw#	Project Description	Cost Share %	Total CRHD Share	2024 Funding
TBD	Sec 20 - 2024 Minor Capital Projects	40%	3,750,000	<b>3,750,000</b>
TBD	Sec 20 - 2024 Capital Equipment Projects	100%	2,955,000	<b>2,955,000</b>
			<b>6,705,000</b>	<b>6,705,000</b>
<b>Total 2024 Capital Expenditures</b>			<b>136,587,934</b>	<b>15,442,553</b>

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

<sup>2</sup>MRI Scanner Replacement is the combination of *1.5T MRI replacement* and *MRI Replacement* projects

APPENDIX D

CAPITAL REGIONAL HOSPITAL DISTRICT  
RESERVE SCHEDULE 2024 - 2028\*

	Budget Year					
	2023 Estimate	2024	2025	2026	2027	2028
<b><u>OPERATING:</u></b>						
<b>Administration &amp; Feasibility Studies Reserve</b> <b>- to be spent on future studies or special projects</b>						
Beginning Balance	1,684,858	2,078,797	1,828,797	1,828,797	1,828,797	1,828,797
Surplus transfer from HCPS	150,939	-	-	-	-	-
Transfer from Operating	243,000	-	-	-	-	-
Transfer to Operating	-	(250,000)	-	-	-	-
	2,078,797	1,828,797	1,828,797	1,828,797	1,828,797	1,828,797
<b><u>CAPITAL GRANTS:</u></b>						
<b>Non-Traditional Projects Reserve</b> <b>- non-profit healthcare facilities capital grant funding</b>						
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
<b>Minor Capital Projects Reserve</b> <b>- MCP Capital Grants to VIHA that are cashflowed over 3 years and expire after 5 years</b>						
Beginning Balance	6,771,595	8,819,801	10,512,290	7,396,185	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
Capital Grant Paid to Island Health	(1,701,794)	(2,057,511)	(6,866,105)	(7,146,185)	(3,750,000)	(3,750,000)
	8,819,801	10,512,290	7,396,185	4,000,000	4,000,000	4,000,000
<b><u>CRHD CAPITAL:</u></b>						
<b>Land Holdings Management Reserve</b> <b>- CRHD properties: 950 Kings, Oak Bay Lodge, Royal Bay, Summit</b>						
Beginning Balance	1,405,013	1,395,707	1,406,624	1,538,435	1,700,046	1,838,497
Transfer from Operating	200,000	200,000	200,000	200,000	200,000	200,000
Interest Earnings	47,198	47,567	52,024	57,489	62,171	66,141
Transfer to Operating	(256,504)	(236,650)	(120,213)	(95,879)	(123,720)	(148,754)
	1,395,707	1,406,624	1,538,435	1,700,046	1,838,497	1,955,884
<b>Summit Management Reserve</b>						
Beginning Balance	891,288	903,803	742,877	835,068	930,485	1,018,624
Transfer from Operating - lifecycle contribution	263,952	263,952	263,952	263,952	263,952	263,952
Transfer from Operating - 2023 Surplus	180,000	-	-	-	-	-
Interest Earnings	30,563	25,121	28,239	31,466	34,446	37,890
Transfer to Capital	(462,000)	(450,000)	(200,000)	(200,000)	(210,260)	(200,000)
	903,803	742,877	835,068	930,485	1,018,624	1,120,466
<b>Regional Housing First Program Reserve</b> <b>- new program under development</b>						
Beginning Balance	10,383,057	396,464	410,340	424,702	439,567	454,952
Interest Earnings	13,407	13,876	14,362	14,865	15,385	15,923
Capital Grant Paid	(10,000,000)	-	-	-	-	-
	396,464	410,340	424,702	439,567	454,952	470,875
<b><u>FINANCING:</u></b>						
<b>Debt Management Reserve</b> <b>- to mitigate future debt costs</b>						
Beginning Balance	3,359,413	6,913,192	10,860,453	14,376,619	10,460,351	11,090,388
Transfer from Operating	3,320,000	6,640,000	9,150,000	1,850,000	1,180,000	2,580,000
Interest Earnings	233,779	367,262	486,166	353,732	375,037	409,339
Transfer to Capital	-	(3,060,000)	(6,120,000)	(6,120,000)	-	-
Transfer to Operating	-	-	-	-	(925,000)	(1,975,000)
	6,913,192	10,860,453	14,376,619	10,460,351	11,090,388	12,104,727
<b>TOTAL</b>	<b>21,562,638</b>	<b>26,816,255</b>	<b>27,454,680</b>	<b>20,414,120</b>	<b>21,286,131</b>	<b>22,535,622</b>

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