



Notice of Meeting and Meeting Agenda Capital Regional Hospital District Board

Wednesday, March 12, 2025

12:05 PM

6th Floor Boardroom
625 Fisgard Street
Victoria, BC

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. ADOPTION OF MINUTES

- 3.1. [25-0243](#) Minutes of the January 8, 2025 Capital Regional Hospital District Board Meeting

Recommendation: That the minutes of the Capital Regional Hospital District Board meeting of January 8, 2025 be adopted as circulated.

Attachments: [Minutes - January 8, 2025](#)

4. REPORT OF THE CHAIR

5. PRESENTATIONS/DELEGATIONS

The public are welcome to attend CRD 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.

6. CONSENT AGENDA

- 6.1. [25-0060](#) Capital Regional Hospital District Investment Portfolio Holdings and Performance Annual Update

Recommendation: There is no recommendation. This report is for information only.

Attachments: [Staff Report: CRHD Investment Portfolio Annual Update](#)

[Appendix A: Investment Policy](#)

[Appendix B: Market Analysis](#)

[Appendix C: Investment Holdings and Performance](#)

6.2. [25-0199](#) 3690 Richmond Road - Road Dedication to District of Saanich

Recommendation: The Hospitals and Housing Committee recommends to the Capital Regional Hospital District Board:
That the Capital Regional Hospital District dedicate an 8.8 square metre portion of the 3690 Richmond Road property as District of Saanich municipal road for infrastructure and road safety improvements.
(NWA)

Attachments: [Staff Report: 3690 Richmond Rd - Rd Dedic'n to Dist of Saanich](#)
[Appendix A: Reference Plan](#)

7. ADMINISTRATION REPORTS

7.1. [25-0002](#) Capital Regional Hospital District Bylaw No. 429 Annual Budget 2025

Recommendation: 1. That Bylaw No. 429, "Annual Budget Bylaw, 2025", be introduced and read a first, second and third time; and
(WA)
2. That Bylaw No. 429 be adopted.
(WA, 2/3rds on adoption)

Attachments: [Staff Report: CRHD Bylaw No. 429 Annual Budget 2025](#)
[Presentation: 2025 Final Budget CRHD](#)
[Appendix A: Bylaw 429, Annual Budget Bylaw, 2025 - Schedules A & B](#)
[Appendix B: CRHD 2025 Provisional Final Budget Comparison](#)
[Appendix C: CRHD 2025-29 Future Budget Projections](#)
[Appendix D: CRHD 2025-29 Reserve Schedule](#)

8. REPORTS OF COMMITTEES

9. BYLAWS

10. NOTICE(S) OF MOTION

11. NEW BUSINESS

12. 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)

Meeting Minutes

Capital Regional Hospital District Board

Wednesday, January 8, 2025

12:05 PM

6th Floor Boardroom
625 Fisgard Street
Victoria, BC

PRESENT

DIRECTORS: K. Murdoch (Chair), S. Goodmanson, (Acting Chair), P. Brent, S. Brice, J. Brownoff, J. Caradonna, C. Coleman, Z. de Vries, B. Desjardins, C. Harder, G. Holman, P. Jones, S. Kim (for M. Alto) (EP), D. Kobayashi, M. Little, C. McNeil-Smith, D. Murdock, C. Plant (EP), M. Tait (EP), D. Thompson, S. Tobias, A. Wickheim, K. Williams, R. Windsor (EP)

STAFF: T. Robbins, Chief Administrative Officer; N. Chan, Chief Financial Officer; A. Fraser, General Manager, Integrated Water Services; G. Harris, Acting General Manager, Parks, Recreation & Environmental Services; K. Lorette, General Manager, Planning and Protective Services; K. Morley, General Manager, Corporate Services; S. Henderson, Senior Manager Real Estate and SGI Administration; M. Lagoa, Deputy Corporate Officer; S. Orr, Senior Committee Clerk (Recorder)

EP - Electronic Participation

Guest: L. Lee, Lead Audit Engagement Partner, KPMG

Regrets: Director M. Alto

The meeting was called to order at 12:22 pm.

1. TERRITORIAL ACKNOWLEDGEMENT

A Territorial Acknowledgement was provided in the preceding meeting.

2. APPROVAL OF THE AGENDA

MOVED by Director Brice, **SECONDED** by Director McNeil-Smith,
That the agenda for the January 8, 2025 Session of the Capital Regional Hospital District Board be approved.
CARRIED

3. ADOPTION OF MINUTES

- 3.1. [24-1367](#) Minutes of the October 30, 2024 and the minutes of the November 13, 2024 Capital Regional Hospital District Board Meetings

MOVED by Director Brice, **SECONDED** by Director McNeil-Smith,
That the minutes of the Capital Regional Hospital District Board meetings of October 30, 2024 and November 13, 2024 be adopted as circulated.
CARRIED

4. REPORT OF THE CHAIR

There were no Chair's remarks.

5. PRESENTATIONS/DELEGATIONS

5.1. Presentations

- 5.1.1. [24-1368](#) Presentation: CRHD 2024 Audit Planning, Lenora Lee, Lead Audit Engagement Partner, KPMG (Verbal)

L. Lee presented the 2024 Audit Planning Presentation.

Discussion ensued regarding:

- risks associated with multiple funding sources
- minor capital expenses

5.2. Delegations

There were no delegations.

6. CONSENT AGENDA

**MOVED by Director Brice, SECONDED by Director McNeil-Smith,
That consent agenda item 6.1. be approved.
CARRIED**

- 6.1. [24-1294](#) Capital Regional Hospital District 2024 Audit Planning Discussion

**That the Capital Regional Hospital District 2024 Audit Plan developed by KPMG
be approved.
CARRIED**

7. ADMINISTRATION REPORTS

There were no Administration Reports.

8. REPORTS OF COMMITTEES

There were no Reports of Committees.

9. BYLAWS

There were no bylaws for consideration.

10. NOTICE(S) OF MOTION

There were no notice(s) of motion.

11. NEW BUSINESS

There was no new business.

12. ADJOURNMENT

MOVED by Director Brice, **SECONDED** by Director McNeil-Smith,
That the January 8, 2025 Capital Regional Hospital District Board meeting be
adjourned at 12:32 pm.
CARRIED

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER

**REPORT TO THE HOSPITALS AND HOUSING COMMITTEE
MEETING OF WEDNESDAY, MARCH 05, 2025**

SUBJECT **Capital Regional Hospital District Investment Portfolio Holdings and Performance Annual Update**

ISSUE SUMMARY

To provide an annual update on Capital Regional Hospital District (CRHD) investment holdings and performance for the period ended December 31, 2024.

BACKGROUND

The Capital Regional District (CRD) invests operating, capital and reserve funds in accordance with the *Local Government Act*, *Community Charter* and Board approved Investment Policy (Appendix A). The Investment Policy applies to the investment activities for all funds maintained by the CRD, the Capital Region Housing Corporation (CRHC) and the CRHD. The types and terms of investments purchased are evaluated on four fundamental objectives: safety of principal, liquidity, responsible investing and return on investment in alignment with the policy.

The policy also provides the minimum ratings of investment vehicles that can be purchased. Currently, investments in chartered banks or savings institutions must be rated R-1 (low) or higher for short-term investment and A- for long-term as published by major credit rating agencies. Both ratings indicate a superior credit rating on all investments.

Investments are continuously monitored to ensure the appropriate strategy through current and forecasted economic conditions. The CRHD invests net working capital and reserves in a mix of products including High-Interest Savings Accounts (HISA), fixed term Guaranteed Investment Certificates (GICs) and Municipal Finance Authority (MFA) pooled funds. The placement or divestiture of investments are timed with forecasted cash requirements.

Investments through 2024 have been made in alignment with the Board approved Investment Policy. Although economic and market conditions drove fluctuations and uncertainty in the portfolio, performance exceeded the benchmark rate as detailed in the report.

IMPLICATIONS

Financial Implications

Portfolio Holdings

As of December 31, 2024, the CRHD investment portfolio totaled \$28.3 million invested in short-term investments, as outlined in Table 1.

Table 1: CRHD Investment Holdings – as of December 31, 2024

Investments	Balance (\$millions)	% Share
Investments Short-Term (less than 2 years)	28.3	100.0%
Investments Long-Term (more than 2 years)	0.0	0.0%
Total Investments:	\$28.3	100.0%

As noted in Table 1, the CRHD investment portfolio on December 31, 2024 was distributed 100% to short-term investments. Investments with maturities less than two years are classified as short-term.

Performance

The total effective return on investments during 2024 was \$1.8 Million or 5.6%, driven by higher interest rates in 2024 impacting returns on HISAs and GICs.

Table 2 below shows the three-year trend on investment income.

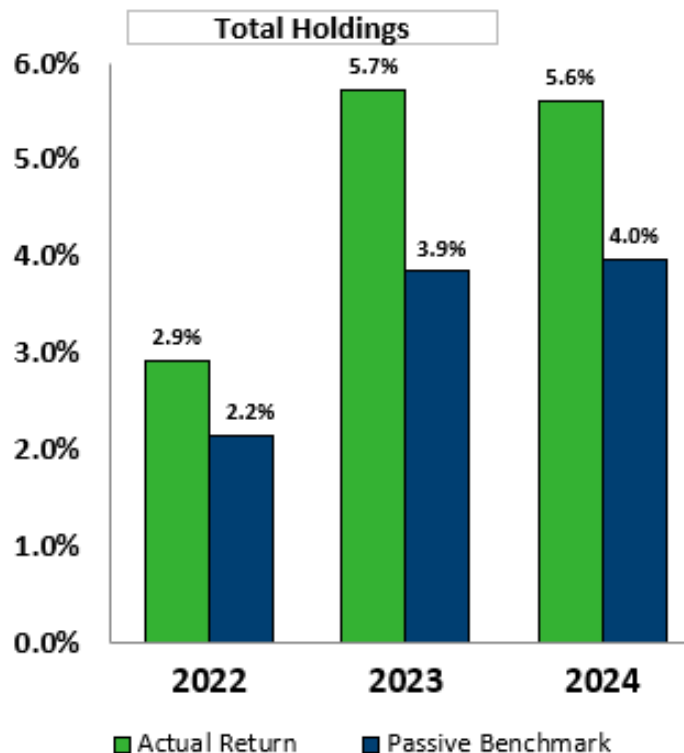
Table 2: CRHD Investment Income Three-Year Trend (\$ Millions)

	2022		2023		2024	
Passive Income	2.2%	\$0.5	3.9%	\$1.0	4.0%	\$1.3
Active Management	0.7%	\$0.1	1.8%	\$0.4	1.6%	\$0.5
Total	2.9%	\$0.6	5.7%	\$1.4	5.6%	\$1.8

The passive benchmark approach, which reflects investment returns without active management, underwent a methodology update effective 2024. Previously, the passive income benchmark was calculated using an average of bank deposit rates through the year, weighted by cash flow timing. The new approach calculates the benchmark using weighted average holdings across investment categories (GICs, HISAs, and MFA pooled funds). This adjustment ensures a more accurate representation of portfolio holdings, accounting for differences in passive investment returns based on their respective category. Table 2 above reflects this updated approach.

Graph 1 provides a summary report on investment returns in 2024.

Graph 1: CRHD Investment Results - 2024:



In 2024, the Bank of Canada lowered the overnight interest rate five times from elevated historic levels. Additional information can be found in Appendix B.

In 2024, the CRHD recorded average monthly cash outflows of \$3.4 million for operating, capital, and financing activities. Significant investments included acquiring Mt. Tolmie Hospital, expanding the Lady Minto Emergency Department, remediating the Fire Suppression System at the Summit, and funding minor equipment purchases and capital grants.

Strong cash flow forecasting and an active investment management strategy led to the rebalancing of the portfolio throughout the year to manage performance. Further details regarding investment holdings and performance can be found in Appendix C.

CONCLUSION

Overall, the CRHD portfolio of investments reflects the four fundamental objectives of safety of principal, liquidity, responsible investing and return on investment. Investments have been made in alignment with the Board approved Investment Policy and investment performance was in line with expectations for the year ended December 31, 2024.

RECOMMENDATION

There is no recommendation. This report is for information only.

Submitted by:	Andrew Hoge, CFA, CPA, CGA, Mgr., Corporate Finance & Treasury
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer, GM Finance & IT
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENTS

Appendix A: Investment Policy
Appendix B: Market Analysis
Appendix C: Investment Holdings and Performance



CAPITAL REGIONAL DISTRICT

Making a difference...together

INVESTMENT POLICY

Policy Type	Board [Corporate]		
Title	INVESTMENT POLICY		
Adopted Date	September 22, 2013	Policy Number	BRD07
Amendment #1	May 10, 2017		
Amendment #2	March 10, 2021 (Approved)		
Amendment #3	March 9, 2022 (Approved)		
Policy Owner	Financial Services		

1. PURPOSE

This investment policy provides the framework for investment portfolio management for the Capital Regional District (CRD), Capital Regional Hospital District (CRHD) and Capital Region Housing Corporation (CRHC).

It is the policy of the CRD, CRHD and CRHC to invest funds in a manner that provides the optimal blend of investment security and return while meeting the short and long term cash flow requirements in support of the corporate plan priorities while maintaining compliance with statutory requirements.

2. SCOPE

The investment policy applies to all cash operating funds, capital funds and reserve funds. It does not apply to funds held in trust or which have a specific legal or statutory requirement for cash management, disbursement, or investment.

3. PRINCIPLES

The investment of funds must reflect a management philosophy based on the fundamental objectives of

3.1 Safety of Principal

Investments shall be made to ensure preservation of principal within the portfolio. Preservation of principal is accomplished through placement of funds with creditworthy institutions and through portfolio diversification. Diversification is required to minimize potential losses on financial products.

3.2 Liquidity

The investment portfolio shall remain sufficiently liquid to meet all reasonably anticipated cash flow requirements.

3.3 Responsible Investing

The investment program will consider socially responsible investment products that adhere to statutory requirements and meet the objectives laid out in this policy.

Organizations that adopt a socially responsible investment platform in alignment with the published MFA ESG framework are preferred

3.4 Return on Investment

The investment portfolio shall be designed with the objective of maximizing market rate of return subject to the investment risk constraints, liquidity requirements and responsible investing objectives.

4. INVESTMENT PARAMETERS

4.1 Safety of Principal

The program will diversify cash reserve investments by security type and institution, taking into consideration the impact on return on investment. Section 5.4 outlines the authorized and suitable investments permissible to ensure optimal portfolio diversification.

4.2 Liquidity

To the extent possible, portfolio management will align investments with anticipated cash flow requirements. However, a portion of the portfolio shall be continuously invested in fully-liquid investments to meet ongoing obligations.

A long-term financial plan will be established for major capital reserves. The long-term financial plan will inform the term decision when placing timed investments in order to meet liquidity requirements.

4.3 Responsible Investing

Where responsible investment options provide comparable risk, return and liquidity, these facilities will be a priority. Investments are considered in alignment with responsible investing objectives when identified as meeting criteria as defined by MFA within the published MFA ESG Framework.

4.4 Return on Investment

The investment program will seek to maximize the total return on all funds under management after considering protection of principal, liquidity and responsible investing. Return will be monitored through performance benchmarks to ensure program activities are providing benefits in excess of costs and with the goal to preserve capital against inflation over time. Due to the nature of the CRHC business activities, delivering affordable housing within the social service sector, CRHC will be excluded from holding lower return products.

4.5 Authorized and Suitable Investments

Money held may be invested or reinvested according to section 183 of the *Community Charter* subject to the following conditions:

1. Investments in marketable securities of a chartered bank or savings institution or any province must have a DBRS risk rating of R-1 (low) or higher for short-term debt and a rating of A (low) for long-term debt or comparable ratings of another rating organization, indicating equal or superior credit quality (see Appendix A of this policy).

2. Investment placements will conform to the portfolio diversification constraints listed in Appendix B. Exceptions to constraints listed in Appendix A require Chief Financial Officer approval and shall be reported to the Board through Standing Committee at the next available meeting.
3. Internal projects under CRD service authority are considered allowable investment options when capital reserves are not immediately required and can be accessed through inter-service borrowing. Inter-service borrowing will be in compliance with legislation and the CRD Inter-Service Borrowing Guidelines.

5. STANDARD OF CARE

5.1 Prudence

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs. Investments will not be made for speculation. Foremost will be consideration for the safety of capital. Staff must be aware of reasonably foreseeable risks, trends and fluctuations in the market, and be able to recognize unreasonable risks whilst ensuring the liquidity of the investment portfolio.

5.2 Ethics and Conflict of Interest

Staff responsible for investing activities shall comply with the CRD Conflict of Interest Policy and shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair the ability to make impartial investment decisions.

5.3 Delegation of Authority

Authority to manage the investment program ("the Program") is granted to the Chief Financial Officer and is derived from section 237 of the *Local Government Act*.

5.4 Credit Risk Monitoring

To meet the objectives of this policy and ensure suitability of offerings, credit risk monitoring must be conducted by CRD Staff independent of vendor representations. The following due-diligence shall be performed:

1. In-house credit analysis shall be conducted on all financial institutions and investment counter-parties.
2. Credit reports and analysis, published by DBRS, S&P, Fitch or Moody's, will be obtained from financial institutions, investment dealers and rating institutions and reviewed.
3. Credit reports and analysis are recognized as opinions and not a guarantee for safety of principal.
4. When placing investments in individual marketable securities and more than one credit rating is available, the average of two or more available credit ratings shall be used.

5.5 Consolidated Basis

All funds covered by this policy will be managed on a consolidated basis to ensure the best possible return by providing economies of scale.

5.6 Program Requirements

The Program shall abide by the following reporting requirements:

1. The Chief Financial Officer must report to the Finance Committee annually. The report must identify investment holdings and any deviations from this policy; and
2. An appropriate portfolio performance benchmark will be set and reported in the annual investment performance report.

6. POLICY REVIEW

Review Date	Description:
March 2026, unless legislative change or new MFA finance product	To ensure ongoing relevance, this policy shall be reviewed the earlier of: <ol style="list-style-type: none">1. If a change in the relevant legislation governing the investment activities of local governments occurs;2. If the Municipal Finance Authority of British Columbia establishes a new pooled fund investment product; or3. Every five calendar years.

7. RELATED POLICY, PROCEDURE AND GUIDELINES

- Conflict of Interest Policy

Appendix A
Dominion Bond Rating Service (DBRS) Credit Quality Ratings

Commercial Paper & Short-Term Debt	Bond & Long-term Debt	Bond & Long-term Debt	Description	CRD/CRHD/CRHC Investment Policy
R-1 (high)	AAA	Investment Grade ↑	Superior	Permissible
R-1 (high)	AA (high)			
R-1 (middle)	AA			
R-1 (middle)	AA (low)			
R-1 (low)	A (high)			
R-1 (low)	A			
R-1 (low)	A (low)			
R-2 (high)	BBB (high)	Speculative Grade	Adequate	Not Permissible
R-2 (middle)	BBB			
R-2 (low) / R-3	BBB (low)			
R-4	BB (high)			
R-4	BB			
R-4	BB (low)			
R-4	B (high)			
R-5	B			
R-5	B (low)			
R-5	CCC			
R-5	CCC			
R-5	CCC			
R-5	CC			
R-5	C			
D	D			

Appendix B

Portfolio Diversification Constraints

Exposure constraints target protection of principal and return and set a maximum allowable share of the total portfolio that can be invested.

Due to market fluctuations and / or the timing of investment deposit transfers, maximum percentages in Appendix C may be exceeded at a point in time. Securities need not be liquidated to rebalance the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.

The portfolio diversification constraints are found in Table 1 below:

Table 1: **Portfolio Diversification Constraints**

Investment Type	MAXIMUM of Total Reserves	MAXIMUM by Institution/product/ pooled fund
<u>Short-Term (< 2 year holding period)</u>		
Canadian Banks (Schedule 1) Deposits and/or GIC's	65%	35%
MFA Pooled Fund Products	50%	50%
Credit Unions (Rated/Insured) Deposits and/or GIC's	35%	20%
<u>Long-Term (> 2 year holding period)</u>		
Canadian Banks (Schedule 1) Deposits and/or GIC's	65%	35%
MFA Pooled Fund Products	60%	30%
Credit Unions (Rated/Insured) Deposits and/or GIC's	35%	20%
Internal Projects (5+ years)	30%	-
Federal Bonds	20%	10%
Municipal Finance Authority of BC Bonds	20%	20%
Provincial Bonds	15%	15%
Municipal, Regional District or Greater Board Bonds	15%	15%

Market Analysis

Applies to the Capital Regional District (CRD), the Capital Regional Hospital District (CRHD), and the Capital Region Housing Corporation (CRHC)

As part of overall portfolio management, staff regularly monitor market trends and key metrics such as the Bank of Canada overnight interest rate, the Government of Canada bond rates and other market commentary issued by banks and investment brokers. Additionally, the Municipal Finance Authority (MFA) provides regular market commentary on new product developments and based on outlook reports provided by Phillips, Hager & North Investment Management (PH&N).

The 2024 economic landscape in Canada saw a shift towards lower interest rates after an extended period of monetary tightening. Interest rates, which began the year at elevated levels, started to decline after April 2024 as inflationary pressures eased.

The Bank of Canada cut its overnight policy rate five times throughout the year, bringing it down from 5.0% in January to 3.25% by December. These rate cuts were in response to significant declines in inflation, which approached the Bank's 2% target by year-end. With inflation nearing the Bank of Canada's target, future rate cuts will be considered on a case-by-case basis.

Table 1 below presents key economic indicator rates as of December 31, 2022-2024.

Table 1: Indicative Market Rates 2022 to 2024

Rate	2022	2023	2024
Bank of Canada - Overnight Rate	0.25% - 4.25%	4.25% - 5.00%	3.25% - 5.00%
HISA	0.72% - 4.80%	4.80% - 5.75%	3.75% - 5.50%
RBC - Bank Rate	0.70% - 4.70%	4.70% - 5.55%	3.80% - 5.55%
Fixed GIC - 180 Day / 1 Year (sample)	2.22% - 3.06%	5.30% - 5.60%	5.40% - 5.50%

Investment Marketplace

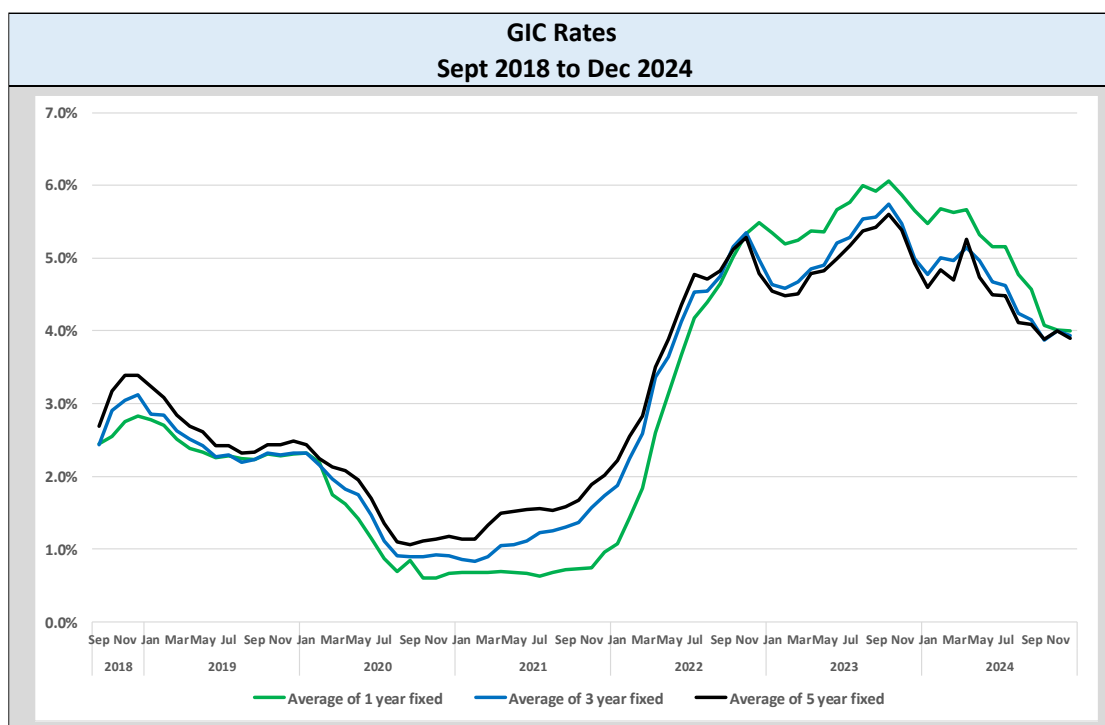
Fixed GIC rates followed a similar trajectory to the Bank of Canada overnight rate, reflecting the broader decline in interest rates across one to five-year GIC terms. These changes led to lower borrowing costs and reduced returns on deposit products.

Despite falling yields, fixed MFA pooled fund income returns remained positive in 2024, bolstered by capital gains from declining interest rates in the latter half of the year. Equity markets in Canada, the US, and globally delivered exceptional returns, rebounding strongly from weaker performance in prior years. These trends contributed to overall positive returns for MFA pooled funds, including the Diversified Multi-Asset Class (DMAC) fund, which benefited from both bond income and equity growth.

In 2024, High Interest Savings Account (HISA) rates decreased but remained competitive compared to Guaranteed Investment Certificate (GIC) rates across most terms. Consequently, by year-end allocations to HISAs were enhanced to optimize interest earnings.

As shown in Graph 1, GIC rates were at their highest late in 2023, and have been moving lower ever since.

Graph 1: GIC Historical Rates



The CRD continues to hold units in the MFA Bond Fund, MFA Fossil Fuel-Free (FFF) Bond Fund, the MFA DMAC Fund and the MFA Mortgage Fund. The FFF Bond Fund invests in securities similar to the existing bond fund except that the FFF option excludes those holdings directly related to non-renewable energy extraction, processing and transportation. This additional screening is estimated to exclude approximately 4% of the population of investible securities compared to the existing bond fund.

For the calendar 2024 year, the FFF Bond Fund underperformed the MFA Bond Fund on an annual basis by 0.14% (5.53% versus 5.39% respectively). The FFF Fund's underweight position in the positively performing energy sector and overweight positions in Real Estate and Financial sectors, which experienced comparative spread widening, negatively impacted its returns over the year. The MFA Mortgage Fund returned 6.13% while the MFA DMAC returned 17.4% for 2024.

Staff will assess investment placements in existing and new MFA pooled funds in the future, for the CRD, the CRHD, and the CRHC, as the need to place long-term funds arises.

Investment Holdings and Performance

Portfolio Holdings

On December 31, 2024, the Capital Regional Hospital District (CRHD) held \$28.3 million in long-term investments, as detailed in Table 1 below.

Table 1: CRHD Investment Holdings – December 31, 2024

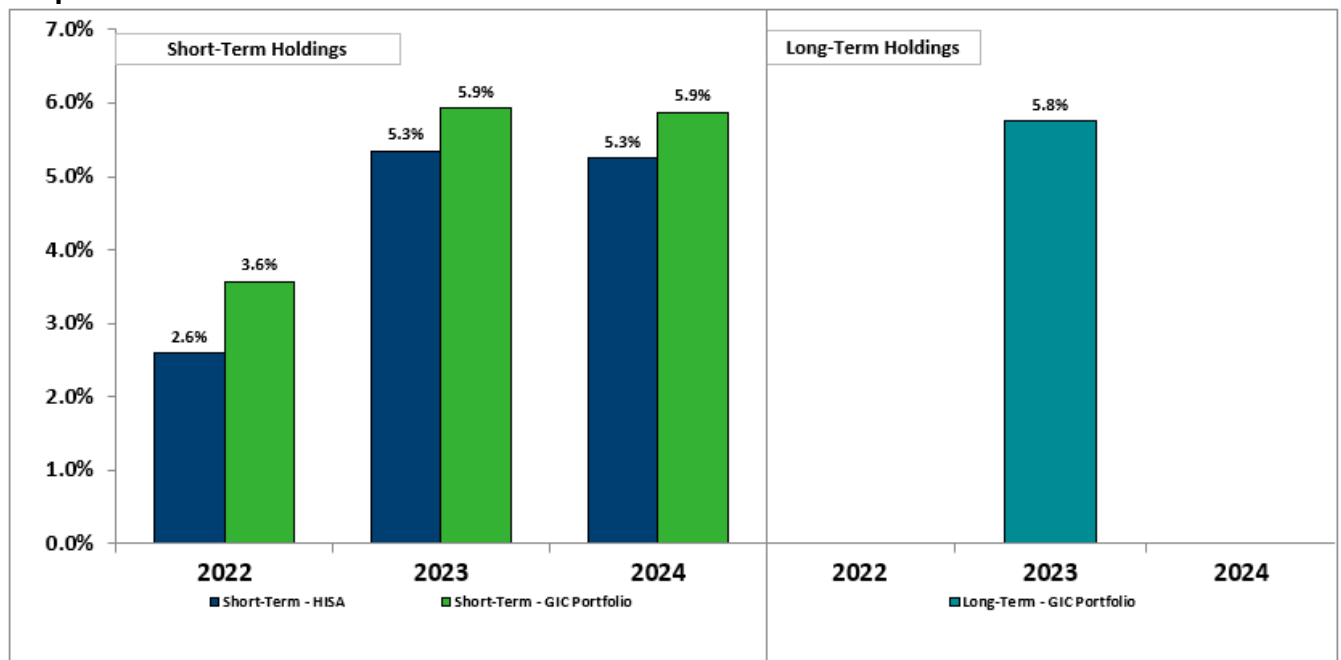
Investments	Balance (\$millions)	% Share
Investments Short-Term (less than 2 years)		
High Interest Savings Accounts	8.8	31.1%
Guaranteed Investment Certificates	19.5	68.9%
Total Short-term:	28.3	100.0%
Total Investments:	\$28.3	100.0%

The portfolio was distributed between short-term and long-term investments in a 100%/0% split. As per Investment Policy, investments with maturities or approaching maturities less than two years are classified as short-term and investments with maturity and divestiture dates beyond two years are classified as long term.

Performance

Graph 1 (page 2) provides a detailed report on investment returns in 2024.

Graph 1: CRHD Investment Results



Short-Term Investments

For short-term holdings (terms less than two years), the short-term Guaranteed Investment Certificate (GIC) portfolio yielded a 5.9% return, outperforming the 3.7% benchmark. The HISA accounts exceed their benchmark of 4.7% with a 5.3% return. The combined short-term portfolio (HISAs plus GICs under 2-years in remaining term) returned 5.6% versus a benchmark of 4.3%.

Long-Term Investments

In 2024, no long-term investments (holdings with terms exceeding two years) were held, as the portfolio was comprised exclusively of short-term instruments.

**REPORT TO HOSPITALS AND HOUSING COMMITTEE
MEETING OF WEDNESDAY, MARCH 05, 2025**

SUBJECT **3690 Richmond Road - Road Dedication to District of Saanich**

ISSUE SUMMARY

The Capital Regional Hospital District (CRHD) intends to dedicate an 8.8 square metre (m²) portion of the 3690 Richmond Road property as District of Saanich municipal road for the purpose of municipal infrastructure and road safety improvements.

BACKGROUND

The CRHD acquired the 3690 Richmond Road property on December 6, 2024, and since then has entered into a 20-year lease with BC Housing. The District of Saanich requires obtaining an 8.8 m² portion of 3690 Richmond Road for infrastructure and road safety improvements on Shelbourne Street and Richmond Road. This includes utility rights-of-way or road rights-of-way, and replacement of existing utility service connection[s] up to the property line; installation of a new storm drain service connection; new concrete curb along the road edge; new driveway letdown; new grass boulevard with periodic street trees; new asphalt bike lane and associated curbs; new concrete sidewalk; cutting and removal of hedges/shrubs/plantings or other objects or landscape features. The CRHD will convey the Dedication Area (see Appendix A) as road to the District of Saanich and grant the District of Saanich the right to carry out the works on the property.

ALTERNATIVES

Alternative 1

The Hospitals and Housing Committee recommends to the Capital Regional Hospital District Board:

That the Capital Regional Hospital District dedicate an 8.8 square metre portion of the 3690 Richmond Road property as District of Saanich municipal road for infrastructure and road safety improvements.

Alternative 2

That this report be referred back to staff for additional information.

IMPLICATIONS

Financial Implications

The District of Saanich had an appraisal done to determine compensation value and through negotiations with CRHD agreed to pay \$156 a ft² as compensation. CRHD will receive \$15,912.00 for the dedication area, along with \$1,022.16 in compensation for items to be replaced or restored and \$500 for disposition notice costs for a total of \$17,434.16. Funds will be transferred to the Debt Management Reserve to help mitigate future debt costs associated with financing the CRHD 10-Year Capital Plan.

Legal implications

The new property boundary will be registered with Land Title. The tenant, BC Housing has also been notified of the transaction.

Occasionally, governments need privately owned land to build or make necessary changes to infrastructure. This is known as acquiring land for a public benefit or purpose. The goal is to work with owners to reach an agreement that is fair for everyone. If no agreement is reached, the District of Saanich can use “expropriation” as a last resort.

CONCLUSION

Staff recommends dedicating the 8.8 square metre portion of 3690 Richmond Road property as District of Saanich municipal road for infrastructure and road safety improvements.

RECOMMENDATION

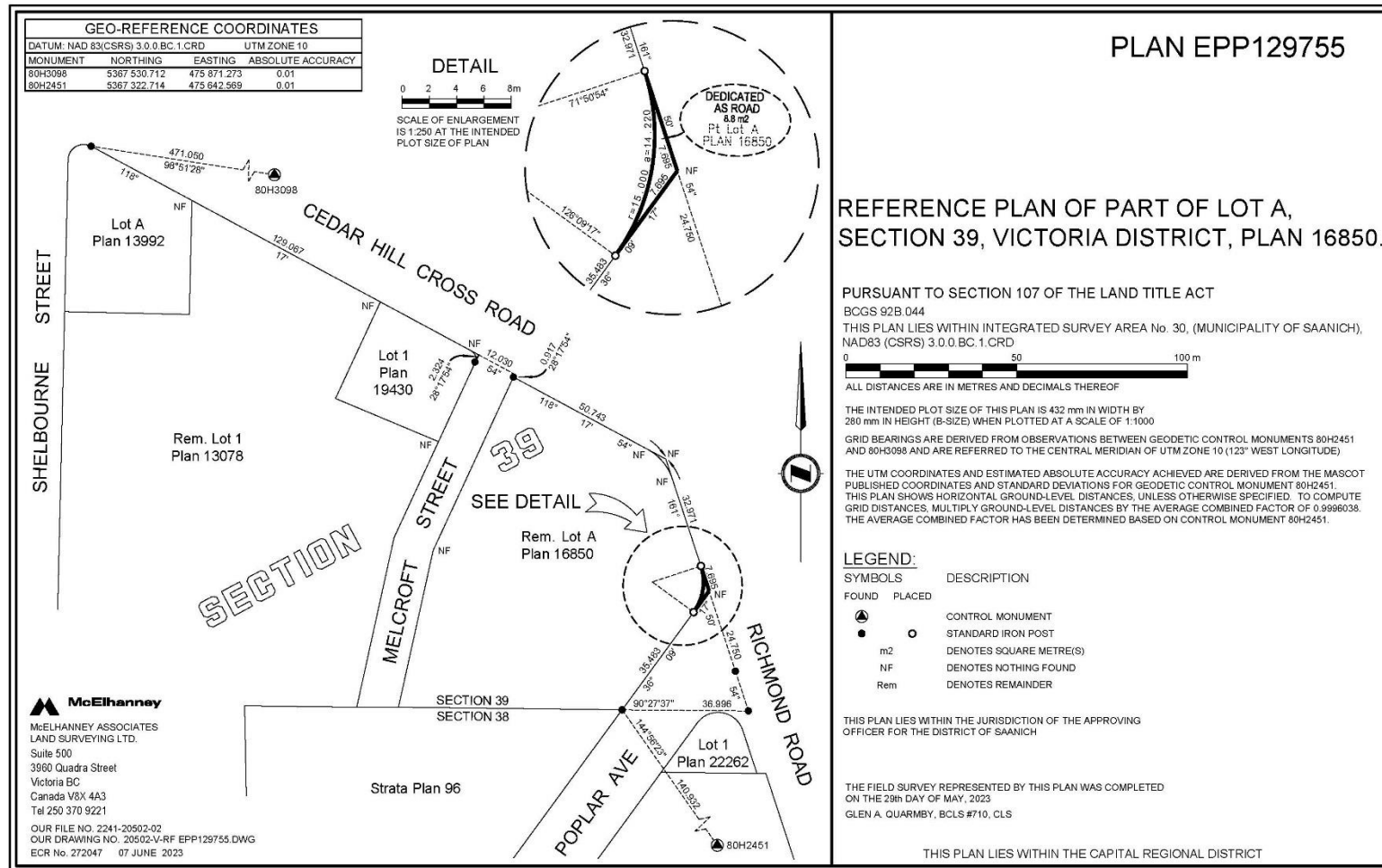
The Hospitals and Housing Committee recommends to the Capital Regional Hospital District Board:

That the Capital Regional Hospital District dedicate an 8.8 square metre portion of the 3690 Richmond Road property as District of Saanich municipal road for infrastructure and road safety improvements.

Submitted by:	Michael Barnes, MPP, Senior Manager, Health and Capital Planning Strategies
Concurrence:	Patrick Klassen, MCIP, RPP, Acting General Manager, Housing, Planning and Protective Services
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer, GM Finance & IT
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENT

Appendix A: Reference Plan



Plan EPP129755

Schedule "A"

**REPORT TO CAPITAL REGIONAL HOSPITAL DISTRICT BOARD
MEETING OF WEDNESDAY, MARCH 12, 2025**

SUBJECT **Capital Regional Hospital District Bylaw No. 429 Annual Budget 2025**

ISSUE SUMMARY

This report summarizes the final updates to the 2025 annual budget, and requests approval of Bylaw No. 429 for the Capital Regional Hospital District (CRHD) budget.

BACKGROUND

On October 30, 2024, the CRHD Board approved the 2025 Provisional Budget. In accordance with Section 23(5) of the *Hospital District Act*, the final budget for the current year must be adopted by bylaw no later than March 31, 2025.

Following adoption, and as required by Section 25(1) of the *Hospital District Act*, the CRHD will deliver to each member municipality, on or before April 20, 2025, a requisition outlining the amount required from that municipality for the calendar year.

The 2025 Annual Budget Bylaw, CRHD Bylaw No. 429, is included in Appendix A.

ALTERNATIVES

Alternative 1

1. That Bylaw No. 429, "Annual Budget Bylaw, 2025", be introduced and read a first, second and third time; and
2. That Bylaw No. 429 be adopted.

Alternative 2

1. That Bylaw No. 429, "Annual Budget Bylaw, 2025", be introduced and read a first and second time;
2. That Bylaw No. 429 be amended as directed;
3. That Bylaw No. 429 be read a third time; and
4. That Bylaw No. 429 be adopted.

IMPLICATIONS

Financial Implications

Bylaw No. 429 and the related appendices present the financial plan for the upcoming year, including detailed estimates of revenues, operating expenses, capital expenditures and reserve contributions. Table 1 summarizes the year-over-year change in the requisition and the estimated cost per average household.

Table 1: Change in Requisition

Description	2025 Final	2024 Final	\$ Change	% Change
Requisition (\$ millions)	\$26.5	\$26.5	-	-
Cost / Average Household	\$134.33	\$137.29	(\$2.96)	(2.2%)
Average Residential Assessment*	\$1,089,507	\$1,102,040	(\$12,533)	(1.1%)

*Data provided by BC Assessment.

The final 2025 CRHD requisition is \$26.5 million, unchanged from 2024. No increase is required for 2025 due to the timing of forecasted debt issuances to fund the CRHD's portion of capital projects. However, the requisition is projected to rise annually from 2026 through 2029.

The cost per average household is a theoretical estimate indicating the cost to individual households in the region. The actual cost per household will differ from this estimate based on the individual property assessment. This calculation is most directly impacted by changes in folios and assessed values. The cost per average residential household decreased by (\$2.96) or (2.2%).

CRHD Bylaw No. 429 includes Schedule A, reflecting changes over the prior year. For further details on future budget projections, refer to Appendix C: 2025–2029 Future Budget Projections.

Final Budget Adjustments

Since provisional approval, the budget has been revised for 2024 year-end results, updated assumptions and changes to Payments in Lieu of Taxes (PILT). For a detailed summary of changes to operating budget since provisional approval, refer to Appendix B: 2025 Provisional to Final Budget Comparison.

Expenditures

The 2025 Final Budget includes \$33.1 million in total expenditures, an increase of \$0.1 million or 0.3% from provisional. Table 2 summarizes the changes in operating expenditures between the provisional and final budgets.

Table 2: Changes in Operating Expenses (\$ millions)

Expense Type	2025 Final	2025 Provisional	\$ Change	% Change
Debt Servicing	14.1	14.4	(0.3)	(2.1%)
Capital Equipment Grants	3.0	3.0	-	-
Operations	2.0	2.0	-	-
Transfers to Reserves	14.0	13.6	0.4	2.9%
Total	\$33.1	\$33.0	\$0.1	0.3%

- **Debt Servicing:** 2025 debt servicing is \$14.1 million, a decrease of \$0.3 million or 2.1% from the provisional budget. This reduction reflects lower-than-expected capital activity in late 2024, with a total \$2.6 million in spending funded across 2024 and 2025 from the Debt Management Reserve (DMR).

- **Transfers to reserves:** 2025 transfers to reserves total \$14 million, an increase \$0.4 million or 2.9% from the provisional budget. The increase supports a higher contribution to the DMR, ensuring an optimal balance to help offset future debt servicing costs.

CRHD Bylaw No. 429 includes Schedule B, outlining estimated 2025 capital expenditures and the associated cost sharing commitment.

Revenues

The 2025 Final Budget includes \$33.1 million in total revenue, an increase of \$0.1 million or 0.3% from provisional. Table 3 summarizes the changes in total revenue between the provisional and final budgets.

Table 3: Changes in Revenue (\$ millions)

Revenue Type	2025 Final	2025 Provisional	\$ Change	% Change
Requisition	26.5	26.5	-	-
PILT	0.8	0.7	0.1	14.3%
Lease and Other Property Revenue	4.6	4.6	-	-
Other Revenue	0.6	0.6	-	-
Transfer from Reserve	0.6	0.6	-	-
Total	\$33.1	\$33.0	\$0.1	0.3%

The change in total operating revenue from provisional to final is driven by an increase in PILT revenue.

Requisition

Requisition remains unchanged over prior year, or since provisional budget approval. However, with updated assessment information, the cost per average household decreased by (\$2.96) or (2.2%). This is a result of assessment growth of 1.2% and folio growth of 1.3% over the prior year. The net result drives a decrease to the cost per average household from the provisional estimate. Table 1 provides a comparison of requisition and cost per average household.

Reserves

Under Section 20(4) of the *Hospital District Act*, the CRHD may maintain reserve accounts. Table 4 summarizes the change in the 2025 opening reserve balances between the provisional and final budgets for all active reserves.

Table 4: Changes in Reserves (\$ millions)

Description	2025 Opening Balance at Final	2025 Opening Balance at Provisional	\$ Change	% Change
Admin and Feasibility Studies Reserve	2.0	2.0	-	-
Non-Traditional Projects Reserve	1.1	1.1	-	-
Minor Capital Project Reserve	6.3	7.3	(1.0)	(13.7%)
Land Holdings Management Reserve	1.9	1.8	0.1	5.6%

Description	2025 Opening Balance at Final	2025 Opening Balance at Provisional	\$ Change	% Change
Summit Management Reserve	1.6	1.7	(0.1)	(5.9%)
RHFP* Program Reserve	-	-	-	-
Debt Management Reserve	15.5	17.0	(1.5)	(8.8%)
Total	\$28.4	\$30.9	(\$2.5)	(8.1%)

*Regional Housing First Program Reserve: Following the successful completion of Mt. Tolmie project, this reserve has been closed, and the remaining balance transferred to the Debt Management Reserve.

- **Minor Capital Project Reserve:** Decreased by \$1.0 million or 13.7% due to accelerated timing of Island Health spending on eligible projects
- **Land Holdings Management Reserve:** Increased by \$0.1 million or 5.6% due to lower transfers required to support property management expenses
- **Summit Management Reserve:** Decreased by \$0.1 million or 5.9% following a transfer to fund the Summit Chiller Modifications project, completed in 2024
- **Debt Management Reserve:** A net decrease of \$1.5 million or 8.8% due to funding 2024 capital activity from reserves instead of debt, partially offset by a transfer from the RHFP Program Reserve

For future reserve projections based on these revised opening balances, refer to Appendix D: Reserve Schedule 2025-2029.

CONCLUSION

The CRHD Board is required to adopt an annual budget bylaw each year by March 31. The attached bylaw incorporates the 2025 annual budget, which received provisional approval from the Board on October 30, 2024. The budget has been prepared in accordance with Board decisions and committee direction. Staff recommends approval of the Annual Budget Bylaw, 2025, as presented.

RECOMMENDATION

1. That Bylaw No. 429, “Annual Budget Bylaw, 2025”, be introduced and read a first, second and third time; and
2. That Bylaw No. 429 be adopted.

Submitted by:	Varinia Somosan, CPA, CGA, Sr. Mgr., Financial Services / Deputy CFO
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer, GM Finance & IT
Concurrence:	Patrick Klassen, MCIP, RPP, Acting General Manager, Planning & Protective Services
Concurrence:	Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENTS

- Presentation: 2025 Final Budget Capital Regional Hospital District
- Appendix A: Capital Regional Hospital District Bylaw No. 429, “Annual Budget Bylaw, 2025”
inclusive of Schedule A and Schedule B
- Appendix B: Capital Regional Hospital District 2025 Provisional to Final Budget Comparison
- Appendix C: Capital Regional Hospital District 2025-2029 Future Budget Projections
- Appendix D: Capital Regional Hospital District Reserve Schedule 2025-2029

2025 Final Budget

Capital Regional Hospital District
Wednesday March 12, 2025

2025 Final Budget Summary

Changes from Provisional



Capital Regional
Hospital District

Operating
\$33M

Capital
\$34M

Requisition Funding
\$26.5M | 0.0%

- **Revenue** – higher payments in lieu of tax (PILT)
- **Debt Servicing** – reduced borrowing and decreasing interest rates in 2025
- **Operations & Transfers** – increased contributions to debt management reserve



Requisition
Other Revenue
Total

2025 Final	2025 Prov.
26.5	26.5
6.6	6.5
\$33.1M	\$33.0M

Change \$	Change %
-	-
0.1	1.5%
\$0.1	0.3%

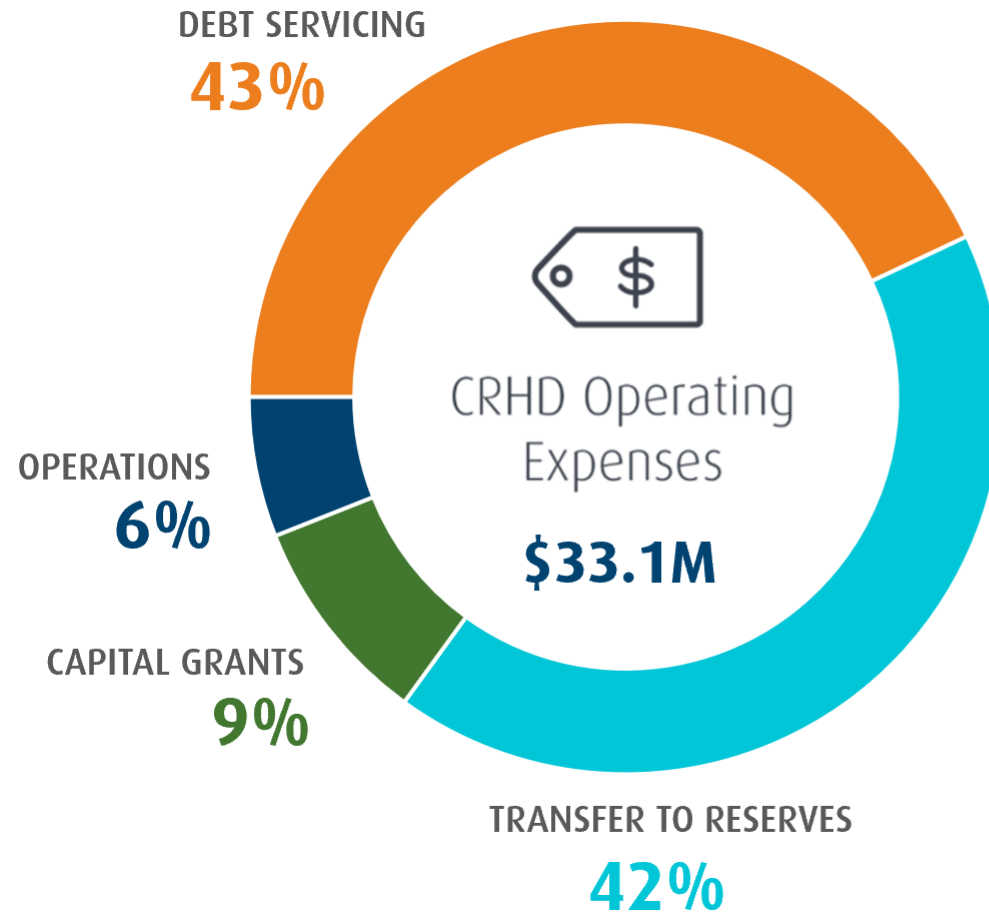
Debt Servicing
Grants
Operations & Transfers
Total

14.1	14.4
3.0	3.0
16.0	15.6
\$33.1M	\$33.0M

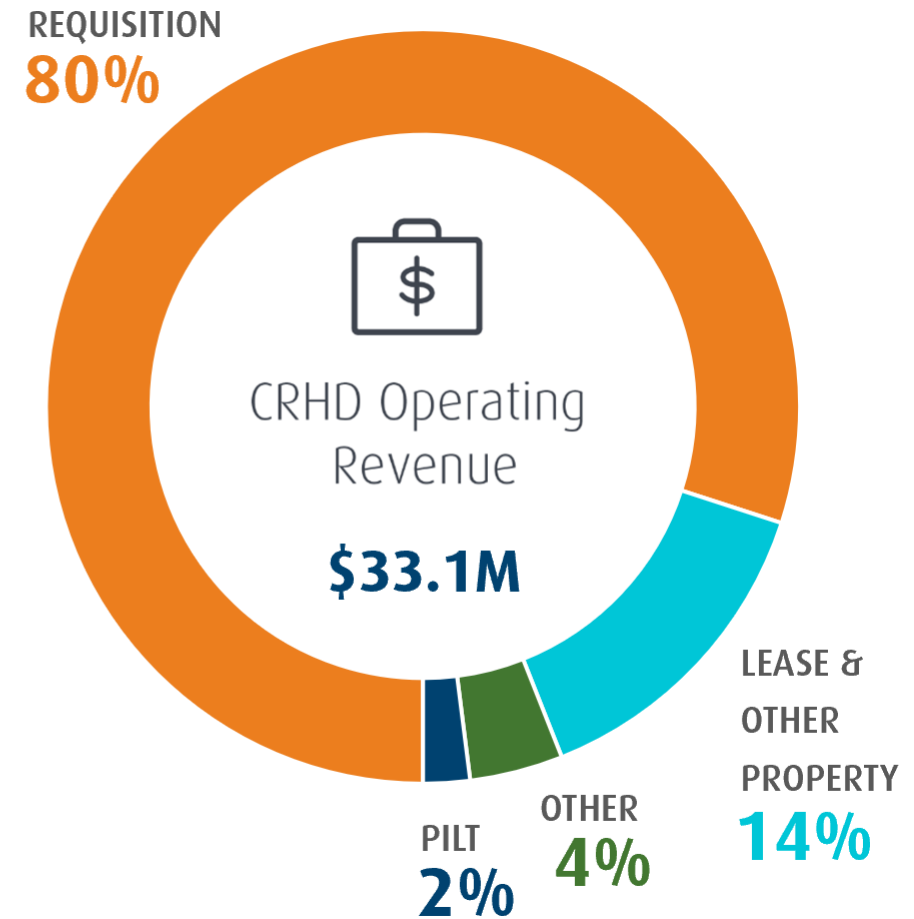
(0.3)	(2.1%)
-	-
0.4	2.6%
\$0.1	0.3%

2025 Operating Budget

WHERE THE MONEY GOES

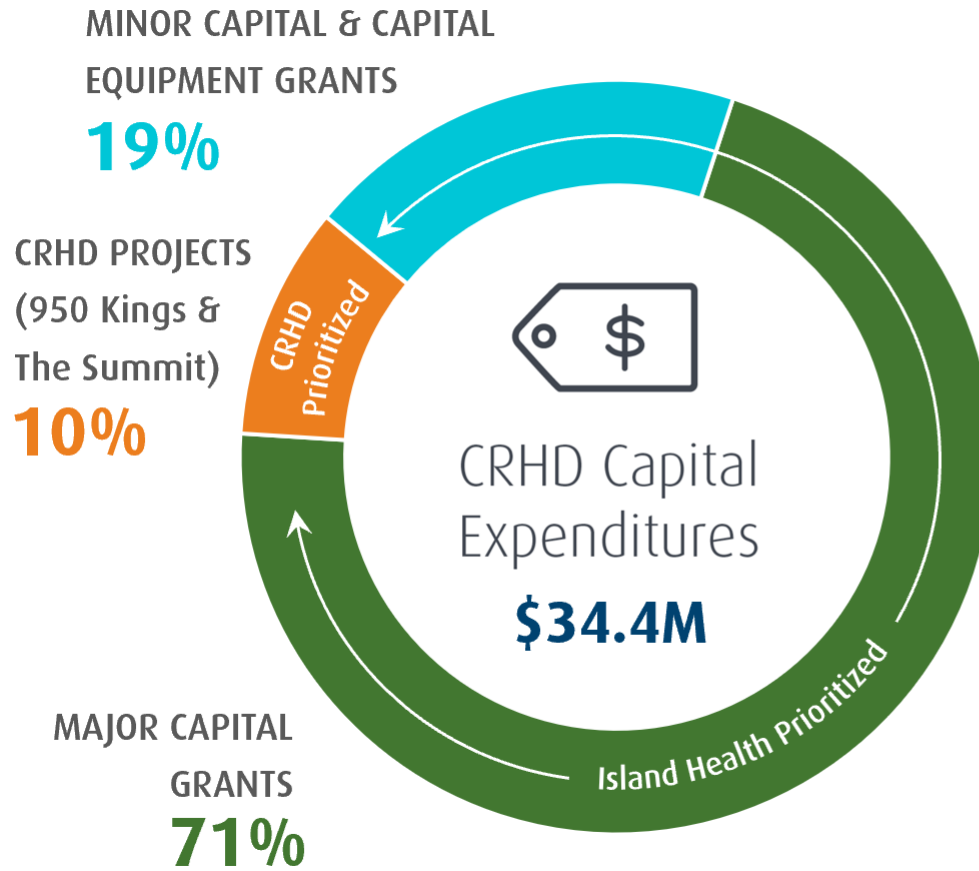


WHERE THE MONEY COMES FROM

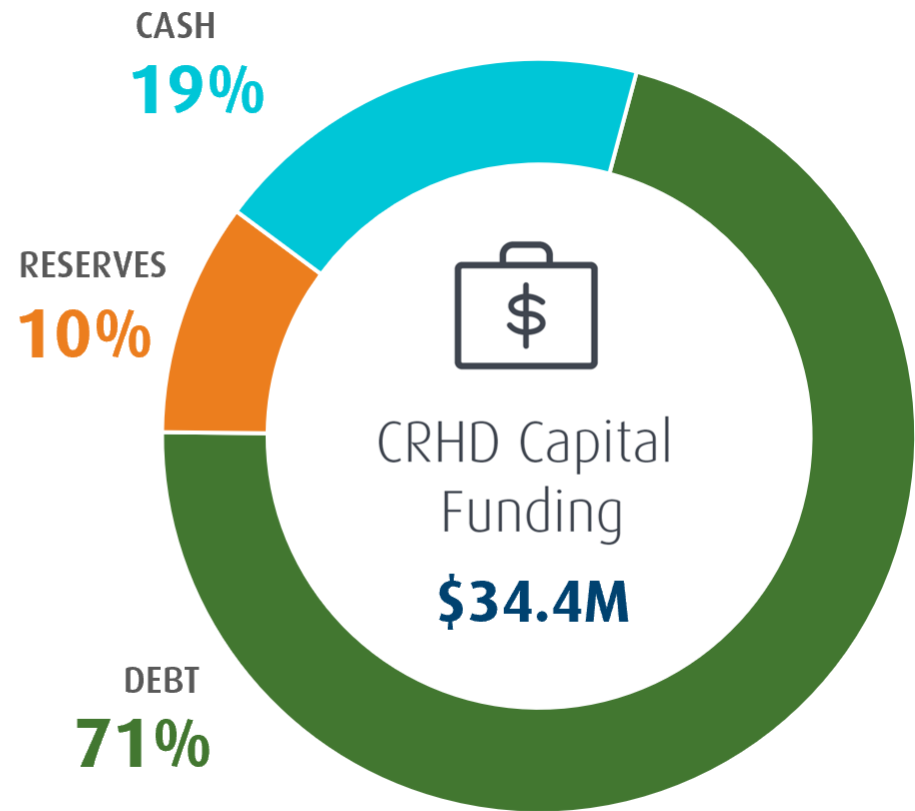


2025 Capital Budget

WHERE THE MONEY GOES

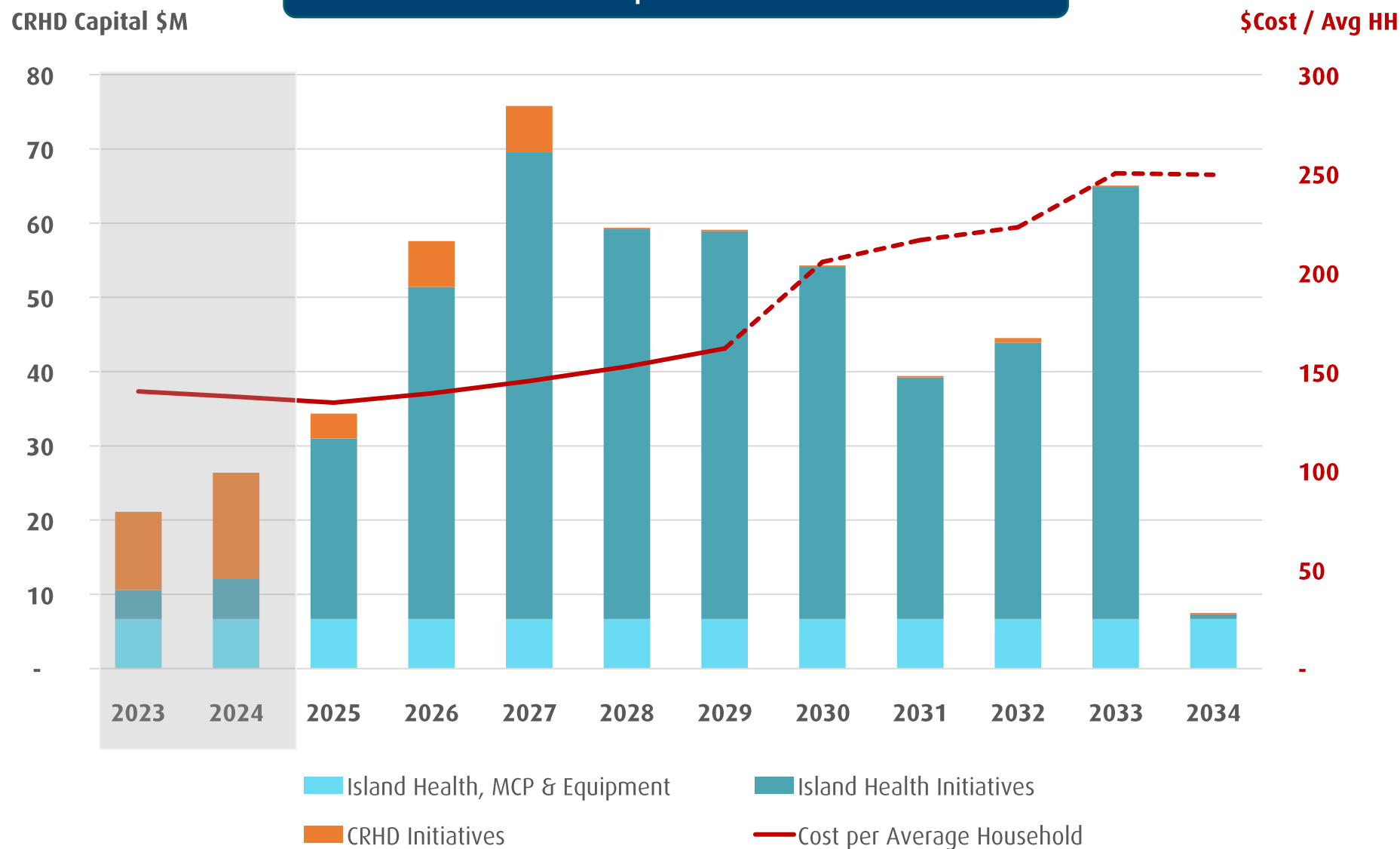


WHERE THE MONEY COMES FROM



CRHD 10-Year Forecast

CRHD COST SHARE | 10-YEAR CAPITAL PLAN





Thank you



@crdvictoria



Capital Regional District



CRDVictoria



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CRD

CAPITAL REGIONAL HOSPITAL DISTRICT
BYLAW NO. 429

A BYLAW TO ADOPT THE ANNUAL BUDGET FOR THE YEAR 2025

WHEREAS pursuant to Section 23(5) of the *Hospital District Act*, the Regional Hospital District Budget for the current year shall be adopted by bylaw on or before the 31 of March.

NOW THEREFORE, the Board of the Capital Regional Hospital District in open meeting assembled, enacts as follows:

- 1. Schedule A and B attached hereto and made part of this bylaw comprises the Annual Budget for the Capital Regional Hospital District for the year ending the 31 day of December 2025.
- 2. This bylaw may be cited as the "Annual Budget Bylaw, 2025".

READ A FIRST TIME THIS	day of	20__
READ A SECOND TIME THIS	day of	20__
READ A THIRD TIME THIS	day of	20__
ADOPTED THIS	day of	20__

CHAIR

CORPORATE OFFICER

Schedule A

CAPITAL REGIONAL HOSPITAL DISTRICT 2025 FINAL BUDGET

	2024 BOARD BUDGET	2025 ANNUAL BUDGET	2024-2025 BUDGET VARIANCE
<u>REVENUE</u>			
Tax Requisition Total	26,462,903	26,463,302	399
Payments in Lieu of Taxes	670,321	767,476	97,155
Lease and Other Property Revenue	4,602,328	4,607,766	5,438
Debt Reserve Fund Recovery	878,000	424,724	(453,276)
Interest Earnings	250,000	250,000	-
Surplus Previous Year	131,187	-	(131,187)
Transfer From Reserve	553,647	583,300	29,653
TOTAL REVENUE	33,548,386	33,096,568	(451,818)
<u>EXPENDITURES</u>			
Debt Servicing	17,537,482	14,111,533	(3,425,949)
Capital Equipment Grants	2,955,000	2,955,000	-
Administration	1,150,748	1,202,156	51,408
Studies	550,000	300,000	(250,000)
Property Management	501,204	513,927	12,723
Total Expense	22,694,434	19,082,616	(3,611,818)
Transfer to Reserve			
Transfer to Minor Capital Projects Reserve	3,750,000	3,750,000	-
Transfer to Debt Management Reserve	6,640,000	9,800,000	3,160,000
Transfer to Land Holdings Management Reserve	200,000	200,000	-
Transfer to Summit Management Reserve	263,952	263,952	-
Total Transfer to Reserve	10,853,952	14,013,952	3,160,000
TOTAL EXPENDITURES	33,548,386	33,096,568	(451,818)
Total Net Surplus (Deficit)	-	-	-

Schedule B

CAPITAL REGIONAL HOSPITAL DISTRICT 2025 CAPITAL EXPENDITURES

Capital Borrowing Bylaw #	Project Description	Cost Share %	CRHD Share of Project Budget	2025 Funding
<u>Island Health Initiatives</u>				
189	Medical Device Reprocessing Department Expansion	30%	1,272,000	1,122,000
191	New Long Term Care (306 beds)	30%	67,108,200	13,364,850
192	MRI Scanner replacement	30%	600,000	150,000
TBD	High Acuity Unit	30%	5,756,400	1,256,400
193	Elevator Refurbishment	30%	616,715	410,511
TBD	Energy Centre Replacement	30%	15,000,000	3,250,500
TBD	Pembroke Mental Health Substance Use Center	30%	6,600,000	2,250,000
TBD	Child Youth Mental Health Stabilization Unit	30%	5,400,000	900,000
196	VGH High Performance Controls Upgrade	30%	1,110,992	499,946
197	RJH DT Controls Upgrade	30%	1,078,376	572,026
TBD	Oak Bay Lodge Redevelopment ¹	30%	90,000,000	450,000
TBD	Hospice Replacement ¹	30%	6,000,000	75,000
			200,542,683	24,301,233
<u>CRHD Initiatives</u>				
160	Summit Scheduled Capital Replacements	100%	2,409,202	200,000
TBD	950 Kings Redevelopment	100%	15,000,000	3,000,000
194	Summit Fire Suppression System Remediation	100%	900,000	150,000
			18,309,202	3,350,000
Capital Expenditure Bylaw#	Project Description	Cost Share %	Total CRHD Share	2025 Funding
TBD	Sec 20 - 2024 Minor Capital Projects	40%	3,750,000	3,750,000
TBD	Sec 20 - 2024 Capital Equipment Projects	100%	2,955,000	2,955,000
			6,705,000	6,705,000
Total 2025 Capital Expenditures			225,556,885	34,356,233

¹New to the Capital Plan in 2025

APPENDIX B

CAPITAL REGIONAL HOSPITAL DISTRICT 2025 Provisional to Final Budget Comparison

	2025 PROVISIONAL BUDGET	2025 FINAL BUDGET	Variance Increase/(Decrease) BUDGET
<u>REVENUE</u>			
Tax Requisition Total	26,463,302	26,463,302	-
Payments in Lieu of Taxes	670,321	767,476	97,155
Lease and Other Property Revenue	4,607,766	4,607,766	-
Debt Reserve Fund Recovery	417,683	424,724	7,041
Interest Earnings	250,000	250,000	-
Transfer From Reserve	583,300	583,300	-
TOTAL REVENUE	32,992,372	33,096,568	104,196
<u>EXPENDITURES</u>			
Debt Servicing	14,383,337	14,111,533	(271,804)
Capital Equipment Grants	2,955,000	2,955,000	-
Administration	1,202,156	1,202,156	-
Studies	300,000	300,000	-
Property Management	513,927	513,927	-
Total Expense	19,354,420	19,082,616	(271,804)
Transfer to Reserve			
Transfer to Minor Capital Projects Reserve	3,750,000	3,750,000	-
Transfer to Debt Management Reserve	9,424,000	9,800,000	376,000
Transfer to Land Holdings Management Reserve	200,000	200,000	-
Transfer to Summit Management Reserve	263,952	263,952	-
Total Transfer to Reserve	13,637,952	14,013,952	376,000
TOTAL EXPENDITURES	32,992,372	33,096,568	104,196
Total Net Surplus (Deficit)	-	-	-
Change in requisition over prior year, \$	399	399	-
Change in requisition over prior year, %	0.0%	0.0%	0.0%
Tax impact on average residence, \$	137.29	134.33	(2.96)
Tax impact on \$100,000 of converted assessments, \$	12.46	12.33	(0.13)
Tax requisition per average residence, %	0.0%	(2.2%)	(2.2%)

APPENDIX C

CAPITAL REGIONAL HOSPITAL DISTRICT 2025 - 2029 FUTURE BUDGET PROJECTIONS

	2025 ANNUAL BUDGET	2026 BUDGET	2027 BUDGET	2028 BUDGET	2029 BUDGET
REVENUE					
Tax Requisition Total	26,463,302	27,376,969	28,604,885	30,049,426	31,842,712
Payments in Lieu of Taxes	767,476	767,476	767,476	767,476	767,476
Lease and Other Property Revenue	4,607,766	4,533,632	4,532,441	4,536,326	4,540,289
Debt Reserve Fund Recovery	424,724	78,167	215,576	130,860	82,973
Interest Earnings	250,000	250,000	250,000	250,000	250,000
Transfer From Reserve	583,300	438,000	450,000	339,000	2,350,000
TOTAL REVENUE	33,096,568	33,444,244	34,820,378	36,073,088	39,833,450
EXPENDITURES					
Debt Servicing	14,111,533	15,253,491	25,141,704	27,223,344	31,089,346
Capital Equipment Grants	2,955,000	2,955,000	2,955,000	2,955,000	2,955,000
Administration	1,202,156	1,269,187	1,307,156	1,223,175	1,212,383
Studies	300,000	300,000	300,000	300,000	300,000
Property Management	513,927	249,654	252,566	257,617	262,769
Total Expense	19,082,616	20,027,332	29,956,426	31,959,136	35,819,498
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	9,800,000	9,400,000	850,000	100,000	-
Transfer to Land Holdings Management Reserve	200,000	2,960	-	-	-
Transfer to Summit Management Reserve	263,952	263,952	263,952	263,952	263,952
Total Transfer to Reserve	14,013,952	13,416,912	4,863,952	4,113,952	4,013,952
TOTAL EXPENDITURES	33,096,568	33,444,244	34,820,378	36,073,088	39,833,450
Change in total requisition over prior year, \$	399	913,667	1,227,916	1,444,541	1,793,286
Change in total requisition over prior year, %	0.0%	3.5%	4.5%	5.0%	6.0%
Tax impact on 2025 average residence (\$1,089,507)	134.33	138.97	145.20	152.53	161.64
Tax impact on \$100,000 of 2025 completed assessments	12.33	12.76	13.33	14.00	14.84
Tax requisition, % change	(2.2%)	3.5%	4.5%	5.0%	6.0%
Converted assessment, \$000s	\$21,463,347				
Average residential assessed value, \$	\$1,089,507				

APPENDIX D

CAPITAL REGIONAL HOSPITAL DISTRICT RESERVE SCHEDULE 2025 - 2029*

	Budget Year					
	2024 Actual	2025	2026	2027	2028	2029
<u>OPERATING:</u>						
Administration & Feasibility Studies Reserve						
- to be spent on future studies or special projects						
Beginning Balance	1,983,027	1,983,027	1,588,027	1,150,027	700,027	361,027
Transfer from Operating	-	-	-	-	-	-
Transfer to Operating	-	(395,000)	(438,000)	(450,000)	(339,000)	(300,000)
	1,983,027	1,588,027	1,150,027	700,027	361,027	61,027
<u>CAPITAL GRANTS:</u>						
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						
- Minor Capital Grants to Island Health cashflowed over three years and expire after five years						
Beginning Balance	6,992,945	6,361,711	5,924,209	5,499,813	4,484,354	4,000,000
Transfer from Operating	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000
Transfer to Operating	-	-	-	-	-	-
Capital Grant Paid to Island Health	(4,381,234)	(4,187,502)	(4,174,396)	(4,765,459)	(4,234,354)	(3,750,000)
	6,361,711	5,924,209	5,499,813	4,484,354	4,000,000	4,000,000
<u>CRHD CAPITAL:</u>						
Land Holdings Management Reserve						
- CRHD properties: 950 Kings, Oak Bay Lodge, Royal Bay, The Summit						
Beginning Balance	1,662,088	1,945,759	2,067,176	2,160,324	2,240,843	2,310,329
Transfer from Operating	212,165	200,000	-	-	-	-
Interest Earnings	136,345	109,718	93,148	80,519	69,486	57,815
Transfer to Operating	(64,840)	(188,300)	-	-	-	-
	1,945,759	2,067,176	2,160,324	2,240,843	2,310,329	2,368,144
Summit Management Reserve						
Beginning Balance	1,332,941	1,567,904	1,721,800	1,864,777	1,988,973	2,115,593
Transfer from Operating - lifecycle contribution	263,952	263,952	263,952	263,952	263,952	263,952
Interest Earnings	119,174	89,944	79,026	70,504	62,668	53,742
Transfer to Capital	(148,163)	(200,000)	(200,000)	(210,260)	(200,000)	(200,000)
	1,567,904	1,721,800	1,864,777	1,988,973	2,115,593	2,233,287
Regional Housing First Program Reserve						
- new program under development						
Beginning Balance	11,327,857	-	-	-	-	-
Transfer from Operating	-	-	-	-	-	-
Interest Earnings	854,694	-	-	-	-	-
Capital Grant Paid	(9,980,681)	-	-	-	-	-
Transfer to Debt Management Reserve	(2,201,870)	-	-	-	-	-
	-	-	-	-	-	-
<u>FINANCING:</u>						
Debt Management Reserve						
- to mitigate future debt costs						
Beginning Balance	7,193,643	15,468,890	22,783,885	27,287,138	23,058,198	17,527,858
Transfer from Operating	6,640,000	9,800,000	9,400,000	850,000	100,000	-
Transfer from Operating - Surplus	880,288	-	-	-	-	-
Transfer from Regional Housing First Program Reserve	2,201,870	-	-	-	-	-
Interest Earnings	585,767	1,045,870	1,103,253	921,060	619,660	412,976
Transfer to Capital	(2,032,679)	(3,530,875)	(6,000,000)	(6,000,000)	(6,250,000)	-
Transfer to Operating	-	-	-	-	-	(2,050,000)
	15,468,890	22,783,885	27,287,138	23,058,198	17,527,858	15,890,834
TOTAL ANNUAL	28,382,165	35,139,971	39,016,954	33,527,269	27,369,681	25,608,166

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