

**NANAIMO REGIONAL HOSPITAL DISTRICT**

**REGULAR BOARD MEETING  
TUESDAY, DECEMBER 11, 2012  
7:00 PM**

***(RDN Board Chambers)***

**A G E N D A**

**PAGES**

**CALL TO ORDER**

**DELEGATIONS**

**MINUTES**

3 - 4                    Minutes of the Regular Hospital Board meeting held Tuesday, June 26, 2012.

**BUSINESS ARISING FROM THE MINUTES**

**UNFINISHED BUSINESS**

**COMMISSION, ADVISORY & SELECT COMMITTEE**

**Regional Hospital District Select Committee**

5 - 17                    **Minutes of the Regional Hospital Select Committee meeting held on Tuesday, November 27, 2012** (for Information) (All Directors – Weighted Vote).

*That the minutes of the Regional Hospital District Select Committee meeting held Tuesday, November 27, 2012 be received for information.*

**Request for NRHD Cost-Sharing on Cumberland Laundry Capital Equipment and Projects.**

*That the correspondence from the Vancouver Island Health Authority regarding cost-sharing for Cumberland Laundry capital equipment and projects be tabled until additional information regarding the Laundry operation is received.*

**MOU between VIHA and Participating Regional Districts.**

*That the Memorandum of Understanding between the Vancouver Island Health Authority and the Alberni-Clayoquot Regional Hospital District, the Capital Regional Hospital District, the Mount Waddington Regional District, and the Nanaimo Regional Hospital District be approved as submitted in Schedule A for signature by the Nanaimo Regional Hospital District.*

**Nanaimo Regional Hospital District Provisional 2013 Annual Budget.**

*That the 2013 Regional Hospital provisional budget be approved with the following components:*

*Property Tax Requisition \$6,745,733*

*Capital Grant Allowance \$3,444,057*

*That the 2013 to 2017 five year projections be received for information.*

**ADDENDUM**

**NEW BUSINESS**

**ADJOURNMENT**

**NANAIMO REGIONAL HOSPITAL DISTRICT**

**MINUTES OF THE REGULAR BOARD MEETING  
OF THE REGIONAL HOSPITAL DISTRICT HELD ON  
TUESDAY, JUNE 26, 2012 AT 7:00 PM IN THE  
RDN BOARD CHAMBERS**

**Present:**

|                       |                        |
|-----------------------|------------------------|
| Director J. Stanhope  | Chairperson            |
| Director D. Brennan   | Deputy Chairperson     |
| Alternate             |                        |
| Director J. McLeod    | Electoral Area A       |
| Director H. Houle     | Electoral Area B       |
| Director M. Young     | Electoral Area C       |
| Alternate             |                        |
| Director F. Van Eynde | Electoral Area E       |
| Director J. Fell      | Electoral Area F       |
| Director W. Veenhof   | Electoral Area H       |
| Director M. Lefebvre  | City of Parksville     |
| Director D. Willie    | Town of Qualicum Beach |
| Director B. Dempsey   | District of Lantzville |
| Director J. Ruttan    | City of Nanaimo        |
| Director D. Johnstone | City of Nanaimo        |
| Director B. Bestwick  | City of Nanaimo        |
| Director J. Kipp      | City of Nanaimo        |
| Director T. Greves    | City of Nanaimo        |
| Director G. Anderson  | City of Nanaimo        |

**Regrets:**

|                       |                  |
|-----------------------|------------------|
| Director A. McPherson | Electoral Area A |
| Director G. Holme     | Electoral Area E |

**Also in Attendance:**

|            |   |
|------------|---|
| C. Mason   | Chief Administrative Officer                        |
| W. Idema   | Director of Finance                                 |
| J. Holm    | A/Gen. Mgr., Strategic & Community Development      |
| S. DePol   | A/Gen. Mgr., Regional & Community Utilities         |
| T. Osborne | Gen. Mgr., Recreation & Parks Services              |
| D. Trudeau | Gen. Mgr., Transportation & Solid Waste Services    |
| T. Armet   | Mgr., Building, Bylaw & Emergency Planning Services |
| N. Tonn    | Recording Secretary                                 |

**CALL TO ORDER**

The Chairperson welcomed Alternate Directors McLeod and Van Eynde to the meeting.

**MINUTES**

MOVED Director Lefebvre, SECONDED Director Johnstone, that the minutes of the regular Hospital Board meeting held Tuesday, March 27, 2012 be adopted.

CARRIED

**UNFINISHED BUSINESS**

*From the Committee of the Whole meeting Tuesday, June 12, 2012:*

**Nanaimo Regional Hospital District 2011 Audited Financial Statements.**

MOVED Director Lefebvre, SECONDED Director Kipp, that the 2011 audited financial statements of the Nanaimo Regional Hospital District be received and approved as presented.

CARRIED

**COMMISSION, ADVISORY & SELECT COMMITTEE**

**Regional Hospital District Select Committee**

*From the Committee of the Whole meeting Tuesday, June 12, 2012:*

MOVED Director Lefebvre, SECONDED Director Willie, that the list of capital items to be committed against \$565,000 of prior years' unexpended grant funding be approved as presented.

CARRIED

MOVED Director Willie, SECONDED Director Anderson, that VIHA be required to complete all purchases no later than December 31, 2013 and submit reimbursement claims no later than March 31, 2014.

CARRIED

**ADJOURNMENT**

MOVED Director Dempsey, SECONDED Director Lefebvre, that the meeting terminate.

CARRIED

TIME: 7:07 PM

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CHAIRPERSON

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CORPORATE OFFICER

NANAIMO REGIONAL HOSPITAL DISTRICT

MINUTES OF THE HOSPITAL DISTRICT SELECT COMMITTEE MEETING HELD ON  
TUESDAY, NOVEMBER 27, 2012 AT 5:00 PM IN THE  
RDN COMMITTEE ROOM

In Attendance:

|                       |                    |
|-----------------------|--------------------|
| Director J. Kipp      | Chairperson        |
| Director A. McPherson | Electoral Area A   |
| Director J. Stanhope  | Electoral Area G   |
| Director D. Johnstone | City of Nanaimo    |
| Director M. Lefebvre  | City of Parksville |
| Director D. Willie    | City of Qualicum   |

Also in Attendance:

|                |                                 |
|----------------|---------------------------------|
| P. Thorkelsson | A/ Chief Administrative Officer |
| J. Harrison    | Director of Corporate Services  |
| W. Idema       | Director of Finance             |
| T. Nohr        | Recording Secretary             |

**DELEGATIONS**

**Kevin Daniel, Manager, Capital Planning, VIHA**

Mr. Daniel, of the Vancouver Island Health Authority provided information to the Committee regarding items on the agenda.

**MINUTES**

**Minutes of the Nanaimo Regional Hospital District Select Committee meeting held Wednesday, May 16, 2012.**

MOVED Director Lefebvre, SECONDED Director Stanhope that the Minutes of the Nanaimo Regional Hospital District Select Committee held Wednesday, May 16, 2012 be adopted.

CARRIED

Director Johnstone requested an update regarding the motion passed at the May 15, 2012 meeting asking VIHA to provide more detailed information on their policies and procedures related to maintenance and capital planning at VIHA facilities. VIHA will be including this information when they present their capital equipment/projects list to the Committee in January.

**COMMUNICATION/CORRESPONDENCE**

**Request for NRHD Cost-Sharing on Cumberland Laundry Capital Equipment and Projects.**

MOVED Director Stanhope, SECONDED Director Johnstone, that the correspondence from the Vancouver Island Health Authority regarding cost-sharing for Cumberland Laundry capital equipment and projects be tabled until additional information regarding the Laundry operation is received.

CARRIED

**REPORTS**

**MOU between VIHA and Participating Regional Districts.**

MOVED Director Willie, SECONDED Director Johnstone, that the Memorandum of Understanding between the Vancouver Island Health Authority and the Alberni-Clayoquot Regional Hospital District, the Capital Regional Hospital District, the Mount Waddington Regional District, and the Nanaimo Regional Hospital District be approved as submitted in Schedule A for signature by the Nanaimo Regional Hospital District.

CARRIED

**Nanaimo Regional Hospital District Provisional 2013 Annual Budget.**

MOVED Director Stanhope, SECONDED Director Lefebvre, that the 2013 Regional Hospital provisional budget be approved with the following components:

|                          |             |
|--------------------------|-------------|
| Property Tax Requisition | \$6,745,733 |
| Capital Grant Allowance  | \$3,444,057 |

MOVED Director Stanhope, SECONDED Director Lefebvre, that the 2013 to 2017 five year projections be received for information.

CARRIED

**ADJOURNMENT**

The meeting was called adjourned at 5:46 P.M.

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CHAIRPERSON

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CORPORATE OFFICER



Our Vision: Healthy People, Healthy Island Communities, Seamless Service

June 12, 2012

Ref # 13515

Ms. Nancy Avery  
General Manager, Finance & Information Services  
Regional District of Nanaimo  
6300 Hammond Bay Rd.  
Nanaimo, BC V9T 6N2

Dear Ms. Avery:

**Re: Request for NRHD Cost-Sharing on Cumberland Laundry Capital Equipment and Projects**

In 1995, Nanaimo Regional General Hospital, St. Joseph's General Hospital and Campbell River & District General Hospital formed the Cumberland Regional Hospital Laundry Society (non profit) and purchased the Cumberland Laundry facility. Since that time a number of changes have occurred in the structure of delivering health care services in the Province, one of which is that the Cumberland Laundry facility is now owned and operated by the Vancouver Island Health Authority (VIHA).

As the Cumberland Laundry is not located within a hospital building there has been some uncertainty regarding approaching Regional Hospital Districts on Vancouver Island for funding capital equipment and other capital improvements. VIHA would like to take this opportunity to clarify that it is the sole owner and operator of the facility and wishes to include capital equipment and improvements for the facility as part of its future requests for capital funding.

Health Care facilities located within the Nanaimo Regional Hospital District (NRHD) make up approximately 50% of the volume of laundry as follows:

**2010-2011 volumes**

|                       |   |
|-----------------------|---|
| NRGH                  | 44.5%   |
| Eagle Park Lodge      | 2.5%  |
| Trillium Lodge        | <u>2.8%</u>   |
|                       | 49.8%   |
| Comox Valley          | 40.6%   |
| Other VIHA facilities | <u>9.6%</u> (addictions/mental health residential facilities) |
|                       | <u>100.0%</u>   |

As with other cost shared items VIHA proposes to include 50% of eligible capital costs for the Cumberland Laundry on its NRHD capital grant request, with cost sharing following the 60/40 model. This would result in the NRHD cost sharing at 20% in capital for this facility.

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**Executive Office**

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We would also like to advise you that a similar request has been forwarded to the Comox-Strathcona Regional Hospital District and they have indicated to us that they support cost sharing in the same manner as proposed for the NRHD.

As with all of its capital requests VIHA will prioritize laundry facility needs along with all other capital needs in the NRHD service area.

We hope this clarification is helpful and respectfully request confirmation that the NRHD will support inclusion of Cumberland laundry capital items for capital cost sharing purposes.

Sincerely,

A handwritten signature in cursive script that reads "Chris Sullivan".

Chris Sullivan  
Director, Capital Planning

cc: Kevin Daniel, Manager, Capital Planning  
Carol Botrakoff, Manager, Capital Finance and Treasury



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**TO:** Paul Thorkelsson  
Interim Chief Administrative Officer

**DATE:** November 26, 2012

**FROM:** Wendy Idema  
Director of Finance

**FILE:**

**SUBJECT:** Vancouver Island Health Authority Memorandum of Understanding

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**PURPOSE:**

To introduce an updated Memorandum of Understanding (MOU) between the Vancouver Island Health Authority and participating regional districts.

**BACKGROUND:**

VIHA has had an operating MOU in place with its participating regional hospital districts (RHDs) since 2003. This includes the Alberni-Clayoquot Regional Hospital District, Capital Regional Hospital District, Comox-Strathcona Regional Hospital District, Cowichan Valley Regional Hospital District, Mount Waddington Regional Hospital District, and Nanaimo Regional Hospital District. This MOU has become outdated and does not reflect current processes both between VIHA and RHDs and between the Ministry of Health and VIHA.

VIHA and the participating regional districts agreed in May of this year to have a working group develop a revised MOU to reflect current processes and to bring it forward to the various Hospital District Boards in the fall. The draft MOU is attached as Schedule A and includes provisions to ensure semi-annual meeting between VIHA and the affected hospital district Boards, and to ensure “working meetings” are held between RHD staff and VIHA staff regularly.

The MOU outlines a process to approve minor capital commitments on a rolling three-year planning cycle that will define a maximum contribution for minor projects to be set annually by each RHD. As well the RHD will identify notional contributions for years two and three. This is meant to allow VIHA to plan for smaller projects (under \$2 million) that require more than one year to complete as they will have the funding commitment from the RHD for the future year as well as the current.

Additionally, the MOU identifies a requirement for VIHA to complete a post-occupancy performance measure evaluation on cost-shared projects greater than \$5 million, it identifies a shared process for media releases on joint projects, and it requires that a review of the MOU will occur after local government elections are held.

**ALTERNATIVES:**

1. Approve the draft MOU between VIHA and its participating regional districts.
2. Provide alternate direction regarding the draft MOU.

**FINANCIAL IMPLICATIONS:**

**Alternative 1**

The MOU includes a process to improve the predictability of funding to VIHA by having the RHDs approve funding commitments for minor capital on a rolling three-year planning cycle. This would require the RHD to set a maximum contribution for minor projects in year one of each three year planning cycle, and the RHD would identify notional contributions for years two and three as well at that time.

Providing this type of committed funding will require the Nanaimo Regional Hospital District (NRHD) to provide up to a three year funding commitment for any minor projects (less than \$2 million) that require more than one year to complete. This allows for improved planning for both VIHA and the NRHD around the annual capital grant funding, by setting a maximum contribution and by committing to multi-year funding on specific projects.

**Alternative 2**

There are no financial implications for alternative 2.

**SUMMARY/CONCLUSIONS:**


VIHA has had an operating MOU in place with its participating regional hospital districts (RHDs) since 2003. This MOU has become outdated and does not reflect current processes both between VIHA and RHDs and between the Ministry of Health and VIHA. A revised MOU (Schedule A) has been developed by a RHD/VIHA working group to identify revised operating processes that both parties wish to formalize at this time.

The MOU provides for semi-annual meetings as well as any required ad-hoc meetings between RHD Boards and VIHA, and it outlines a process to provide RHD minor capital commitments on a rolling three-year planning cycle. Additionally, it commits to post-occupancy performance reviews of capital projects over \$5 million and it requires joint production of media releases by the RHD and VIHA.

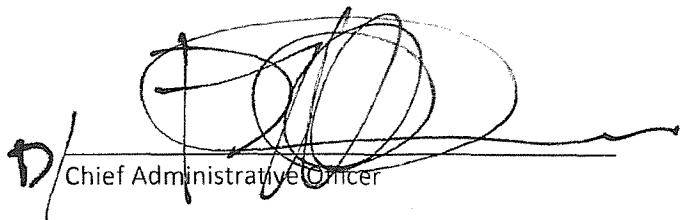
Staff recommend approval of the MOU between VIHA and its participating regional districts.

**RECOMMENDATIONS:**

That the MOU between the Vancouver Island Health Authority and the Alberni-Clayoquot Regional Hospital District, the Capital Regional Hospital District, the Comox-Strathcona Regional Hospital District, the Cowichan Valley Regional Hospital District, the Mount Waddington Regional Hospital District, and the Nanaimo Regional Hospital District be approved as submitted in Schedule A for signature by the Nanaimo Regional Hospital District.



Report Writer



Chief Administrative Officer

2012 Memorandum of Understanding

BETWEEN:

**VANCOUVER ISLAND HEALTH AUTHORITY**  
(hereafter called "VIHA")

OF THE FIRST PART

AND:

**ALBERNI-CLAYOQUOT REGIONAL HOSPITAL DISTRICT**  
**CAPITAL REGIONAL HOSPITAL DISTRICT**  
**COMOX-STRATHCONA REGIONAL HOSPITAL DISTRICT**  
**COWICHAN VALLEY REGIONAL HOSPITAL DISTRICT**  
**MOUNT WADDINGTON REGIONAL HOSPITAL DISTRICT**  
**NANAIMO REGIONAL HOSPITAL DISTRICT**  
(hereafter called the "RHDs")

OF THE SECOND PART

**WHEREAS:**

1. VIHA is responsible for health service delivery on Vancouver Island, the islands of the Georgia Strait, and in the mainland communities north of Powell River and south of Rivers Inlet.
2. RHDs are responsible for providing the local share of capital expenditures as defined in the *Hospital District Act*.
3. All parties recognize the benefits of coordinating their activities through formal and informal processes within the bounds of their respective legislative and regulatory obligations.

**THEREFORE:**

VIHA and RHDS agree to the following:

1. That semi-annual meetings between representatives of the VIHA and RHD Boards to:

- enable communication of key strategic and operational initiatives that are underway within VIHA as they relate to capital planning and development;
- provide a forum to support a joint dialogue on key issues for both VIHA and the RHDs;
- offer the RHDs an ability to identify specific questions or concerns they have regarding health care delivery in their communities; and
- discuss potential capital priorities.

Both VIHA and RHDs should have the opportunity to influence the agenda for these meetings and adequate time should be planned to allow for both formal and informal discussions.

These meetings will typically occur in October and late Spring.

2. That VIHA and RHDs will have regular meetings between RHD staff and the appropriate staff from VIHA. These should be viewed as “working meetings”.
3. That ad hoc updates outside of regularly scheduled meetings can be arranged to ensure timely communication of issues occurs between staff (and possibly the Boards).
4. To provide increased predictability of RHD funding to VIHA and in recognition of the requirement of each RHD Board to approve expenditures on an annual basis, that minor capital commitments be made on a rolling three-year planning cycle as follows:
  - That a maximum contribution for minor projects be set annually by each RHD in advance of year one of each planning cycle; and
  - That RHDs identify notional contributions for years two and three.

Capital expenditures include facility and equipment projects. In some cases, RHDs have also provided funding for Information Management/Information Technology projects.

5. That VIHA will develop a draft capital plan and identify which initiatives they intend to support using the RHD fixed share. The plan will be forwarded to RHDs on or about January 31 each year enabling the RHDs to approve their current year budgets no later than March 31.

Updates to this plan as well as planned and actual use of funds should be part of the regular reporting at scheduled meetings.

6. That a post-occupancy performance measure evaluation be completed for projects greater than \$5 million and shared with the respective RHD.
7. That media releases for capital expenditures for which RHD funding is supplied be jointly produced and released by VIHA and the participating RHD.

8. That the parties agree to work together in full co-operation to best meet the needs for the required quantity and quality of health facilities for VIHA residents.
9. That a review of this Memorandum of Understanding will occur at the semi-annual meeting between representatives of the VIHA and RHD Boards immediately following local government elections.
10. That this Memorandum of Understanding may be executed in any number of counterparts each of which will be deemed to be an original, and all of which taken together will be deemed to constitute one and the same instrument. This Memorandum of Understanding may be executed and delivered by electronic means and each of the Parties may rely on such electronic execution as though it were an original hand-written signature.

In Witness of this Agreement the parties have executed this Memorandum of Understanding on the dates set out below.

|                                   |            |      |
|-----------------------------------|------------|------|
| Alberni Clayoquot RHD             | Print name | Date |
| Capital RHD                       | Print name | Date |
| Comox-Strathcona RHD              | Print name | Date |
| Cowichan Valley RHD               | Print name | Date |
| Mount Waddington RHD              | Print name | Date |
| Nanaimo RHD                       | Print name | Date |
| Vancouver Island Health Authority | Print name | Date |

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**TO:** Paul Thorkelsson  
Interim Chief Administrative Officer

**DATE:** November 18, 2012

**FROM:** Wendy Idema  
Director of Finance

**FILE:**

**SUBJECT:** Regional Hospital District 2013 Provisional Budget

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**PURPOSE:**

To introduce the 2013 provisional budget for the Regional Hospital District.

**BACKGROUND:**

The Regional Hospital District funds capital equipment and capital projects for local facilities. The Regional Hospital District provides 40% funding and the Province, through the Vancouver Island Health Authority (VIHA) provides the remaining 60% for these purposes.

The two major components of the budget are long term debt costs for past and current projects and an annual allowance to support operational type capital equipment and projects. Long term debt servicing costs represent about 41% of the proposed 2013 requisition and the operational capital grant allowance represents 51% of the annual requisition.

Presently, two major projects are completing or underway – the Emergency Department Redevelopment project at the Nanaimo Regional General Hospital and the Oceanside Health Centre. The Emergency Department Redevelopment project is largely complete and will entail borrowing up to \$8.5 million, and the Oceanside Health Centre has been approved for up to \$6.3 million in funding. Over 2011 and 2012 an additional \$4.1 million was applied to the Emergency Department project from the annual operating grant and from Municipal Finance Authority debt sinking fund surplus funds received over several years.

The annual funding envelope for capital equipment and smaller capital projects is approximately \$3.4 million dollars. These funds are used for a variety of equipment purchases and capital projects at designated facilities in the NRHD. In both 2011 and 2012 the budget used \$1.2 million dollars from the capital grant allowance to offset a portion of the Regional Hospital District's share of the Emergency Department Redevelopment project. This resulted in a reduced annual grant amount for other capital items to approximately \$2.1 million each year.

As part of the 2012 budget approvals for the NRHD, the Board approved \$1,083,397 for 2013/14 to be included in the annual capital grant funding to ensure VIHA would have funds for the completion of

projects started in the 2012/13 year. VIHA will provide details of their planned projects and equipment purchases related to the estimated annual capital grant funding amount of \$3.4 million in January, 2013. There are also several large capital projects on VIHA's long-term capital plan such as shelled-in operating rooms, an upgrade to the boiler plant, and a new patient tower; however, these projects will not proceed and formal requests for funding by the NRHD will not be received until the provincial approval is received.

**ALTERNATIVES:**

1. Approve a 2013 provisional budget with a 3% tax levy increase.
2. Provide alternate direction for 2013 Nanaimo Regional Hospital District tax levy.

**FINANCIAL IMPLICATIONS:**

**Alternative 1**

**2013 Provisional Budget**

A 2013 budget and five year forecast are shown on Schedule A attached to this report. Consistent with the 2012 to 2016 financial plan, Appendix A shows a 3% increase in the tax levy for 2013. The financial plan for 2012 to 2016 originally estimated a requisition increase of 4% and debt payments at \$3,550,528; however, billings from VIHA for the Emergency Department Redevelopment and the Oceanside Health Centre have been received at a slower pace than anticipated and long-term borrowing for these projects will likely not occur until the fall of 2013 resulting in postponement of the bulk of annual principal payments until 2014.

As a result of this postponement of long-term borrowing and lower than anticipated debt servicing costs, the 2013 budget includes an amount of \$1 million as a transfer to reserves for future projects. In January, when 2012 year end results are known and a schedule of large capital projects is available from VIHA, a final decision can be made regarding whether to apply this funding to existing projects or to hold it for future large capital projects.

The annual capital grant allowance in the 2013 budget is \$3,444,057 which is a 3% increase over the 2012 grant allowance of \$3,343,745. In 2011 and 2012, \$1.2 million of this funding was allocated to the Emergency Department project. The estimated tax cost for 2013 is \$22.32 per \$100,000 based on 2012 assessments versus approximately \$21.67 in 2012.

**2013 to 2017 Budget Forecast**

The profile for future years in Schedule A, based on currently available information about major capital projects has been revised somewhat since the 2012 to 2016 financial plan was approved as a result of delays in the receipt of invoicing for major projects as noted above. Currently the proposed increase to the tax requisition in 2014 is 4% and 2015 to 2017 are estimated at 3%. The plan will likely require further revisions as information is received from VIHA on capital project plans and as final results for 2012 are known.

Alternative 2

It may be possible to further reduce the 2013 proposed tax levy in addition to the 1% reduction between the 2012 to 2106 financial plan and the current proposal, however, this may result in a shifting of tax increases to future years. In the recent past, year end actual results for the Hospital District have tended to be considerably better than budget because major projects have not proceeded as quickly as expected. At this time, billing for two major projects is underway and VIHA does have plans for additional large capital projects in future years. As such, until final information is received for 2012 results and future capital plans, staff consider the 3% tax requisition increase as proposed above to be reasonable.

**SUMMARY/CONCLUSIONS:**


Regional Hospital Districts are required to approve a provisional budget on or before December 31 each year. Staff are recommending a budget which raises \$6,745,733 in property tax revenues for 2013 – an increase of 3.0% over 2012. The budget includes \$3.44 million for capital equipment/minor capital projects at VIHA facilities and \$2.74 million for debt payments in 2013.

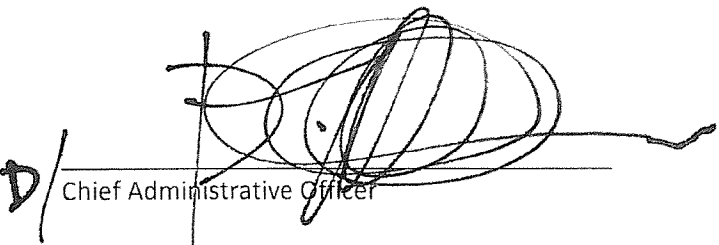
**RECOMMENDATIONS:**

1. That a 2013 Regional Hospital District provisional budget be approved with the following components:

|                          |    |           |
|--------------------------|----|-----------|
| Property tax requisition | \$ | 6,745,733 |
| Capital grant allowance  | \$ | 3,444,057 |

2. That the 2013 to 2017 five year projections be received for information.

  
\_\_\_\_\_  
Report Writer

  
\_\_\_\_\_  
D/ Chief Administrative Officer



**NANAIMO REGIONAL HOSPITAL DISTRICT  
BUDGET PROJECTIONS  
2013 to 2017**

|   | 2012            |                   | 2013              |                   | 2014              |                   | 2015              |                   | 2016              |                   | 2017              |                   |
|---|-----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|   | Approved Budget | Proposed Nov 2012 | Proposed Nov 2012 | Proposed Nov 2012 | Proposed Nov 2012 | Proposed Nov 2012 | Proposed Nov 2012 | Proposed Nov 2012 | Proposed Nov 2012 | Proposed Nov 2012 | Proposed Nov 2012 | Proposed Nov 2012 |
|   | 2.0%            | 3.0%              | 4.0%              | 3.0%              | 3.0%              | 3.0%              | 3.0%              | 3.0%              | 3.0%              | 3.0%              | 3.0%              | 3.0%              |
| <b>Current Projection</b>                     |                 |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| <b>Revenues</b>                               |                 |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Property taxes                                | 6,549,255       | 6,745,733         | 7,015,562         | 7,226,029         | 7,442,810         | 7,666,094         |                   |                   |                   |                   |                   |                   |
| Grants in lieu                                | 26,000          | 28,000            | 28,000            | 28,000            | 28,000            | 28,000            |                   |                   |                   |                   |                   |                   |
| Interest income                               | 35,000          | 40,000            | 40,000            | 40,000            | 40,000            | 40,000            |                   |                   |                   |                   |                   |                   |
| Other revenue                                 |                 |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Transfer from reserves                        | 2,211,080       | 2,263,490         | 1,531,580         | 1,279,930         | 1,004,610         | 749,057           |                   |                   |                   |                   |                   |                   |
| Prior year surplus applied                    | 8,821,335       | 9,077,223         | 8,615,142         | 8,573,959         | 8,515,419         | 8,483,151         |                   |                   |                   |                   |                   |                   |
| <b>Expenditures</b>                           |                 |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Administration                                | 22,640          | 23,772            | 24,723            | 25,712            | 26,740            | 27,810            |                   |                   |                   |                   |                   |                   |
| Debt payments                                 | 2,558,150       | 2,739,883         | 3,700,458         | 3,838,853         | 3,990,515         | 3,776,803         |                   |                   |                   |                   |                   |                   |
| Debt issue expense/temp financing             | 333,310         | 337,931           | 97,092            | 121,587           | 94,246            | 92,000            |                   |                   |                   |                   |                   |                   |
| Special cash flow for Phase II                |                 |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Annual capital grants (see below)             | 2,143,745       | 3,444,057         | 3,512,938         | 3,583,197         | 3,654,861         | 3,727,958         |                   |                   |                   |                   |                   |                   |
| Annual capital grant applied to major project | 1,200,000       |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Surplus applied to capital projects           | 300,000         |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Reserve for Future Projects                   | 6,557,846       | 7,545,643         | 7,335,212         | 7,569,349         | 7,766,362         | 7,624,571         |                   |                   |                   |                   |                   |                   |
| Surplus for future years' expenditures        | 2,263,490       | 1,531,580         | 1,279,930         | 1,004,610         | 749,057           | 858,580           |                   |                   |                   |                   |                   |                   |
| <b>Total assessments</b>                      | 30,221,129,471  | 30,221,129,471    | 30,825,552,060    | 31,442,063,102    | 32,070,904,364    | 32,712,322,451    |                   |                   |                   |                   |                   |                   |
| Rate per thousand                             | 0.216711126     | 0.22321246        | 0.227569175       | 0.229820441       | 0.232073583       | 0.234348814       |                   |                   |                   |                   |                   |                   |
| <b>Projected Tax Cost per \$100,000</b>       | \$ 21.67        | \$ 22.32          | \$ 22.76          | \$ 22.98          | \$ 23.21          | \$ 23.43          |                   |                   |                   |                   |                   |                   |
| <b>Reserve Fund Status</b>                    |                 |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Opening Balance                               |                 |                   | 1,000,000         | 1,000,000         | 1,000,000         | 1,000,000         |                   |                   |                   |                   |                   |                   |
| Applied to budget                             |                 |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| New contribution                              |                 | 1,000,000         |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Interest earned                               |                 |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Balance available                             |                 | 1,000,000         | 1,000,000         | 1,000,000         | 1,000,000         | 1,000,000         |                   |                   |                   |                   |                   |                   |