

NORTH OKANAGAN/COLUMBIA SHUSWAP REGIONAL HOSPITAL DISTRICT Regular Board Meeting AGENDA

Date: Tuesday, January 21, 2025
Time: 10:00 AM
Location: CSRD Boardroom
555 Harbourfront Drive NE, Salmon Arm

Pages

1. Land Acknowledgement

We acknowledge that we are meeting in service to the North Okanagan Columbia Shuswap Regional Hospital District on the traditional and unceded territories of the Secwepemc, Syilx Okanagan, Sinixt and Ktunaxa Nation. We are privileged and grateful to be able to live, work and play in this beautiful area.

Declaration on the Rights of Indigenous Peoples Act
Article 28:

1. Indigenous peoples have the right to redress, by means that can include restitution or, when this is not possible, just, fair and equitable compensation, for the lands, territories and resources which they have traditionally owned or otherwise occupied or used, and which have been confiscated, taken, occupied, used or damaged without their free, prior and informed consent.

2. Unless otherwise freely agreed upon by the peoples concerned, compensation shall take the form of lands, territories and resources equal in quality, size and legal status or of monetary compensation or other appropriate redress.

2. Call to Order by the Corporate Officer

3. Election of Chair and Vice Chair

3.1 Election of Chair

3.2 Election of Vice Chair

3.3 Chair's Remarks

4. Adoption of Agenda

Motion

THAT: the North Okanagan/Columbia Shuswap Regional Hospital District Board meeting agenda be adopted.

5. Minutes

5.1 Adoption of Minutes

Late Agenda - November 28, 2024 meeting minutes to be added.

Motion

THAT: the minutes attached to the North Okanagan/Columbia Shuswap Regional Hospital District Board agenda be adopted.

5.2 Business Arising from the Minutes

If any.

6. Delegations

Interior Health Authority, Dan Goughnour, Corporate Director Business Operations and Chris Simms, Executive Director Clinical Operations, North Okanagan

7. Correspondence

Motion

THAT: the Board receive the correspondence attached to the North Okanagan/Columbia Shuswap Regional Hospital District Board meeting agenda.

7.1 Interior Health Authority (December 16, 2024) 1

Capital Funding Requests for the 2025/2026 Fiscal Year.

7.2 BDO Audit Planning Report for the Year Ending December 31, 2024 7

8. Reports

8.1 2025 Five Year Financial Plan 48

Report from Jodi Pierce, General Manager, Financial Services, dated January 10, 2025. For information and consideration.

Motion

THAT: the Board approve a 1.9 % tax increase for the 2025 tax year.

9. Bylaws

10. **Date of Next Meeting**

March 25, 2025 at 10:00 AM.

CSRD Boardroom, 555 Harbourfront Drive NE, Salmon Arm

11. **Adjournment**

Motion

THAT: the North Okanagan Columbia Shuswap Regional Hospital District Board meeting be adjourned.



December 16, 2024

John MacLean, Chief Administrative Office
North Okanagan Columbia Shuswap Regional Hospital District
PO Box 978, 555 Harbourfront Drive NE
Salmon Arm, BC V1E 4P1

Dear Mr. Maclean:

Re: Capital Funding Request for the 2025/26 Fiscal Year

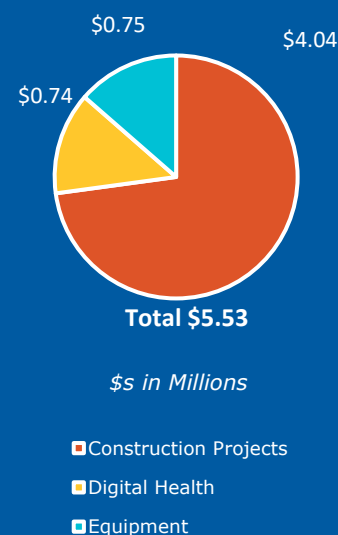
Please find enclosed our annual funding request for Interior Health’s (IH) next fiscal year for your review and approval. The funding request is based on IH’s 2025/26 capital budget which has been approved by our Board. The budget is developed by prioritizing identified capital needs throughout our organization with our physicians and staff within the context of the Capital Investment Strategic Framework. These planned investments are contingent on assumed funding from the Ministry of Health, the Regional Hospital Districts, and other funding partners.

The 2025/26 capital budget targets urgent and high priority items required to deliver health services to the people who live in the communities we serve. Investments in our buildings and infrastructure are required to prevent system failures, safeguard reliable access to services, and ensure safety and comfort of patients and staff. We are also seeking to upgrade or replace equipment that is at or beyond its useful life to limit service disruptions and downtimes. In addition to investments in buildings and equipment, we must also invest in digital health projects infrastructure to ensure patient information is accessible and secure and the electronic systems we use to provide care are as efficient and effective as possible.

These investments have been carefully prioritized considering the most urgent needs throughout the health region and the notional funding we have assumed will be available.

For the 2025/26 fiscal year we are requesting funding from your RHD for the following projects and equipment. Please note that all capital initiatives over \$100,000 are subject to government approval.

Funding Request by Category



Interior Health would like to recognize and acknowledge the traditional, ancestral, and unceded territories of the Däkelh Dené, Ktunaxa, Nlaka’pamux, Secwépemc, St’át’imc, syilx, and Tšilhqot’in Nations where we live, learn, collaborate and work together.

1. Staff Duress System, ELPAS at Vernon Jubilee Hospital, Vernon

This project would add a new personal duress alarm system where a portable panic alarm is worn by staff on their person. When activated, this system will provide real-time location of the person requiring assistance, allowing responders to quickly be directed to the scene. This system offers a higher level of protection for staff working in dynamic areas and is well suited for the Emergency Department at VJH.

2. Autopsy Suite Upgrade – Phase 2 at Vernon Jubilee Hospital, Vernon

This project was previously approved in 2022/23 as a two-phase project totaling approximately \$9M. Phase 1 funding was previously approved to create a new autopsy suite and Phase 2 is ready to commence in 2025/26. Phase 2 will include bringing the bariatric autopsy suite and cadaver storage up to WorkSafe BC standards, bringing the forensic and specimen storage space up to Infection Prevention and Control standards, provide a secure staff change area and ante room, expansion of the stretcher holding area, and various corridor refurbishments.

Your RHD approved \$2,200,000 on bylaw #81 toward the Phase 1 total budget of \$5,510,000. A budget increase of \$3,680,600 is required to commence Phase 2 and we ask for your RHD to contribute 40% for a total amount of \$1,472,300.

3. Electrical Infrastructure Upgrade – Phase 1 at Vernon Jubilee Hospital, Vernon

This project was originally approved in 2019/20 as a multiple phase project to deliver key electrical system improvements including upgrades to the existing electrical distribution systems, new electrical rooms to house the main distribution panels, a new generator installed in an expanded energy centre, and new central distribution panels and branch circuits in the North and South Towers. Originally, Phase 1 was to upgrade the primary electrical line into the building and complete the design development for future phases two and three. The install of an additional electrical generator was for a future phase. Further discussions around sequencing of the phases determined the generator should be included with the Phase 1 works.

Your RHD previously approved \$1,430,000 on bylaws #76 and 79 towards the original Phase 1 project budget of \$3,575,000. A budget increase of \$4,434,000 is required and we ask for your RHD to contribute 40% for a total amount of \$1,773,600.

4. Chiller and Cooling Tower Overhaul at Pleasant Valley Manor, Armstrong

This project was originally approved in 2022/23 to deliver higher capacity infrastructure and relocate the chiller and cooling tower to a more suitable location at the site. The chiller and cooling tower at Pleasant Valley Manor were originally installed in 1991 and are past their life expectancy. The equipment is no longer reliable, especially in extreme heat. Replacement will ensure the comfort and safety of the long-term care residents and staff at this site.

A budget increase is required to complete this project. A larger unit is required and both of the water cooled or air cooled chiller options do not fit in the existing space. Furthermore, the budget was developed in 2019 and the project was delayed during the pandemic. This has resulted in inflationary impacts that have been higher than average during this time due to the project being HVAC-related. The design was also modified to consider future states, including heat events and smokey conditions, both requiring extra capacity of the system and a conversion to an air-cooled option was recommended. We are looking to move away from water-based systems for both infection risk and conservation purposes, considering future water curtailment orders associated with extreme heat; water-cooled systems are notoriously inefficient water wasters, especially with evaporation levels heightened during extreme heat.

Your RHD approved \$438,400 of funding on bylaw #83 toward the original project budget of \$1,096,000. A budget increase of \$1,602,800 is required and we ask for your RHD to contribute 40% for a total amount of \$641,200.

5. Building Management System Upgrade at Various Sites

The building management system (BMS) utilized by Interior Health provides control and monitoring services to four IH facilities, see table below. The version currently installed is no longer supported. This project involves a software upgrade to the centralized management system and software, currently residing within our data center. There is also work required at each facility. This upgrade will bring the BMS into a modern vendor supported state. Should we not perform this upgrade, the vendor has indicated they will only be able to provide best effort support, and there is no guarantee in maintaining operations of this system if there are issues. We may also not be able to accommodate the installation of newer, more efficient hardware, and introduces risk to patient care, as it controls the HVAC systems at four of our care facilities.

Facility	Location	25/26 Budget
Vernon Jubilee (Polson)	Vernon	\$ 115,000
Noric House	Vernon	26,300
Pleasant Valley Manor	Armstrong	14,400
Gateby Care Facility	Vernon	7,900
Total		\$ 163,600

Efficient and effective technology is a key enabler for delivery of quality health services. IH's Digital Health Investment Plan includes high-priority projects aimed at enhancing the reliability and stability of our infrastructure and electronic systems, as well as advancing our technology to keep pace with industry-wide innovation and transformation.

A key focus of our plan is the essential and ongoing investment in upgrading our networks and technology infrastructure to ensure stability, optimization, and protection against cyber-security threats.

- Data centre servers
- Data centre storage expansion
- Phase 3 of data centre facility migration
- Network upgrades

We are committed to supporting clinical and operational requirements by implementing electronic systems for consistent workflows and enhanced patient safety.

- Electronic medical records systems (EMR) for Primary Care sites
- Standardized digital system for emergency departments

Implementation of new electronic technologies will eliminate paper-based process, improving access to more complete patient records which will ultimately improve the patient experience.

- Continued rollout of electronic surgical system
- Electronic lab requisition forms system
- Phase I electronic physician documentation system

These projects are IH-wide initiatives costing approximately \$11.1 million. The benefits are distributed equally across IH regions; therefore the cost allocation to each of IH's seven RHDs is based upon population data using the PEOPLE 2024, BC Statistics. The North Okanagan Columbia Shuswap RHD's percentage ratio is approximately 17%. Claims on this project will be calculated using this percentage for the actual cost distribution.



As in prior years, we are requesting global funding for equipment under \$100,000.

A financial summary of our funding requests is provided in Appendix 1. We would appreciate it if you could submit these requests to your Board for consideration. Please advise us of the meeting date when they will be discussed to enable us to have IH representatives attend and to answer questions that may arise. If the requests should receive approval, please send Cindy Rephin, Executive Director, Capital Finance & Controller copies of the relevant bylaws for our records.

We thank you for your on-going support of our capital initiatives. If you require further information, or if you have any questions or concerns, please contact Dan Goughnour, Corporate Director, Business Operations or me directly.

Sincerely,



Sylvia Weir, VP & CFO Corporate Services

Interior Health would like to recognize and acknowledge the traditional, ancestral, and unceded territories of the Däkelh Dené, Ktunaxa, Nlaka'pamux, Secwépemc, St'át'imc, syilx, and Tšilhqot'in Nations where we live, learn, collaborate and work together.

Appendix 1: Summary of Regional Hospital District Funding Request for 2025/26

Facility	Location	Project/Equipment Description	25/26 Budget	2025/26 RHD Funding Request	Previous RHD Approval		B/L #	Total Budget	Total RHD Share
					Total	RHD Share			
		Construction Projects over \$100,000							
Vernon Jubilee Hospital	Vernon	Staff Duress System	\$ 210,200	\$ 84,100				\$ 210,200	\$ 84,100
Vernon Jubilee Hospital	Vernon	Autopsy Suite Upgrade	3,680,600	1,472,300	\$ 5,512,000	\$ 2,200,000	81	9,192,600	3,672,300
Vernon Jubilee Hospital	Vernon	Electrical Infrastructure Upgrade - Phase I	4,434,000	1,773,600	3,575,000	1,430,000	76 & 79	8,009,000	3,203,600
Pleasant Valley Manor	Armstrong	Chiller and Cooling Tower Overhaul	1,602,800	641,100	1,095,900	438,400	83	2,698,700	1,079,500
Various	Various	Building Management System Upgrade	163,600	65,500				163,600	65,500
		IH-Wide Digital Health							
Regional		Various	1,859,200	743,700				1,859,200	743,700
		Equipment under \$100,000 (Global Grant)							
All Facilities		Equipment under \$100,000	1,862,600	745,100				1,862,600	745,100
TOTAL			\$ 13,813,000	\$ 5,525,400	\$10,182,900	\$4,068,400		\$ 23,995,900	\$ 9,593,800

North Okanagan Columbia Shuswap Regional Hospital District

Audit planning communication to the Board of
Directors for the year ended December 31, 2024

START



To the Board of Directors of North Okanagan Columbia Shuswap Regional Hospital District

We are pleased to provide you with this planning communication to highlight and explain key issues which we believe to be relevant to the audit of North Okanagan Columbia Shuswap Regional Hospital District (the “Hospital District”) financial statements for the year ended December 31, 2024.

The enclosed planning communication includes our approach to your audit, the significant risks we have identified and the terms of our engagement. At the year-end meeting, we will provide you with a copy of our draft audit opinion and discuss the nature, extent and results of our audit work. We will also communicate any significant internal control deficiencies identified during our audit and reconfirm our independence.

Our audit and therefore this communication will not necessarily identify all matters that may be of interest to the Board of Directors in fulfilling its responsibilities. This communication has been prepared solely for the use of the Board of Directors and should not be distributed without our prior consent. Consequently, we accept no responsibility to a third party that uses this communication.

We look forward to completing our draft audit report opinion and discussing our conclusions with you. In the meantime, please feel free to contact us if you have any questions or concerns.

Yours truly,

BDO Canada LLP
December 6, 2024



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- 4 Significant risks and planned responses
- 5 Planned scope
- 6 Recommended resources
- 7 Appendices

Audit at a glance

4	LEAD PARTNER ON YOUR AUDIT	Angie Spencer, CPA, CA
5		
6		E: aspencer@bdo.ca
9		T: (250) 832-7171
10		
11		
14	START DATE	November 2024
	END DATE	March 2025

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Your dedicated BDO audit team



Angie Spencer, CPA, CA
Engagement Partner

T: (250) 832-7171
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Assurance Manager

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Selina Situ
Auditor In-Charge

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Rose Yang
Auditor

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Our Independence



We have complied with relevant ethical requirements and are not aware of any relationships between City of Salmon Arm and our Firm that may reasonably be thought to bear on our independence.

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Audit timeline



BDO'S DIGITAL AUDIT SUITE APT Next Gen

We use our APT Next Gen software and documentation tool to save time, streamline processes, and go paperless with your audit.

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Auditor's responsibilities: financial statements

We are responsible for forming and expressing an opinion on the financial statements that have been prepared by management, with oversight by those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities. The scope of our work, as confirmed in our engagement letter attached as Appendix A to this letter, is set out below:

Year-End Audit Work

- ▶ Work with management towards the timely issuance of the financial statements.
- ▶ Provide timely and constructive management letters. This will include deficiencies in internal control identified during our audit.
- ▶ Present significant findings to the Board of Directors including key audit and accounting issues, any significant deficiencies in internal control and any other significant matters arising from our work.



We are required to obtain an understanding of the system of internal control in place in order to consider the adequacy of these controls as a basis for the preparation of the financial statements, to determine whether adequate accounting records have been maintained and to assess the adequacy of these controls and records as a basis upon which to design and undertake our audit testing.

We are required to report to you in writing about any significant deficiencies in internal control that we have identified during the audit.

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Auditor's responsibilities: fraud

We are responsible for planning and performing the audit to obtain reasonable assurance that the financial statements are free of material misstatements, whether caused by error or fraud, by:

- ▶ Identifying and assessing the risks of material misstatement due to fraud;
- ▶ Obtaining sufficient and appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and
- ▶ Responding appropriately to fraud or suspected fraud identified during the audit.

The likelihood of not detecting a material misstatement resulting from fraud is higher than the likelihood of not detecting a material misstatement resulting from error because fraud may involve collusion as well as sophisticated and carefully organized schemes designed to conceal it.

Behind the audit report



Learn how we audit your financial statements

[SEE OUR PROCESS](#)

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Auditor's responsibilities: fraud

Throughout our planning process, we performed risk assessment procedures and related activities to obtain an understanding of the entity and its environment, including the Hospital District's internal control, to obtain information for use in identifying the risks of material misstatement due to fraud and made inquiries of management regarding:

- ▶ Management's assessment of the risk that the financial statements may be materially misstated due to fraud, including the nature, extent and frequency of such assessments;
- ▶ Management's process for identifying and responding to the risks of fraud in the Hospital District, including any specific risks of fraud that management has identified or that have been brought to its attention, or classes of transactions, account balances, or disclosures for which a risk of fraud is likely to exist;
- ▶ Management's communication, if any, to those charged with governance regarding its processes for identifying and responding to the risks of fraud in North Okanagan Columbia Shuswap Regional Hospital District; and
- ▶ Management's communication, if any, to employees regarding its view on business practices and ethical behavior.

We are not currently aware of any fraud affecting the Hospital District. If you are aware of any instances of actual, suspected, or alleged fraud, please let us know.

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Significant risks and planned responses

We have identified the following significant risks that require special audit consideration. These risks were identified based on our knowledge of the Hospital District, our past experience, and input from management and the Board of Directors. Please review these significant risks and let us know your thoughts on these or any other areas of concern.

Financial statement areas	Risks noted	Audit approach
Management Override of Internal Controls <i>(Mandatory audit consideration)</i>	Per CAS 240.26, the auditor shall presume that there are risks of fraud in revenue recognition. Per CAS 240.A28, material misstatement due to fraudulent financial reporting relating to revenue recognition often results from an overstatement of revenues through or recording fictitious revenues. It may result also from an understatement of revenues.	<ul style="list-style-type: none"> Review of transactions recorded in the various ledgers for unusual or non-recurring adjustments not addressed by other audit procedures.
Revenue Recognition <i>(Mandatory key audit area)</i>	Per CAS 240.32, the auditor’s responsibilities relating to fraud in an audit of financial statements is to perform audit procedures to address the risk of management override of controls, irrespective of our assessment of the risk of management override of controls.	<ul style="list-style-type: none"> Taxation revenue streams have revenue recognition issues which will be reviewed in accordance with latest revenue recognition standards. Review of controls in place for recording revenue. Review revenue recognition policy for consistency with the professional standards.
Adoption of new or changed Public Sector Accounting Standards (PSAS) in the financial statements	<p>BDO notes that there is a risk that new or changed PSAS standards have not been appropriately adopted for the year ended. For the current year financial statements, the following new PSAS standards are applicable to the District:</p> <p>PSAS 3160 Public Private Partnerships PSAS 3400 Revenue PSG-8 Purchased Intangibles</p>	<ul style="list-style-type: none"> BDO will review the accounting for any transactions affected by these new standards as well as the financial statements to verify that that financial statement presentation and disclosures are appropriate for new or updated standards.

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Materiality

We determined preliminary materiality to be \$175,000, based on 3.0% of expenditures.

Misstatements are considered to be material if they could reasonably be expected to influence the decisions of users based on the financial statements.

Our materiality calculation is based on the Hospital District's preliminary results. If actual results change significantly, we will communicate those changes to the Board of Directors as part of our year-end communication.

We will communicate all corrected and uncorrected misstatements identified during our audit to the Board of Directors, other than those which we determine to be "clearly trivial."

We encourage management to correct any misstatements identified throughout the audit process.

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Recommended Resource

Staying in the know with knowledge and perspective

Key changes to financial reporting



When the rules of reporting change, you may need to fine-tune how to present financial statements and govern the organization.

[ACCESS OUR KNOWLEDGE CENTRE](#)

The latest tax pointers



Corporate. Commodity. Transfer pricing. International tax. Government programs. Together they add up to immense differences on the organization's bottom line. Our tax collection keeps you current.

[STAY ON TOP OF TAXES](#)

Trending topics



As a community of advisors with the best interests of our clients in mind, we keep our ear to the ground to bring insights and perspectives related to key business trends to you.

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Spotlight on ESG



Transformative world events—an international health crisis, social movements, shareholder and investor values, global supply chains, energy transition, smart cities, and sustainable finance—are transforming Canadian business.

Standards and regulations are rapidly changing to reflect the goals of all of your stakeholders. Organizations, investors, and customers are embracing environmental, social, and governance (ESG) considerations as important measures of success. Non-financial and financial information is becoming more interconnected.

ESG Insights



Sector insights at your convenience

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Spotlight on public sector



Industry insights to shape your business

At BDO, we help governments create efficient ways of working to achieve better outcomes for their citizens and public servants. From technology-based solutions to program development, advisory and audit, our team can guide you through critical strategic decisions to ensure you deliver on your vision, goals, and accountability expectations.

Public sector Insights



Resources to support your business

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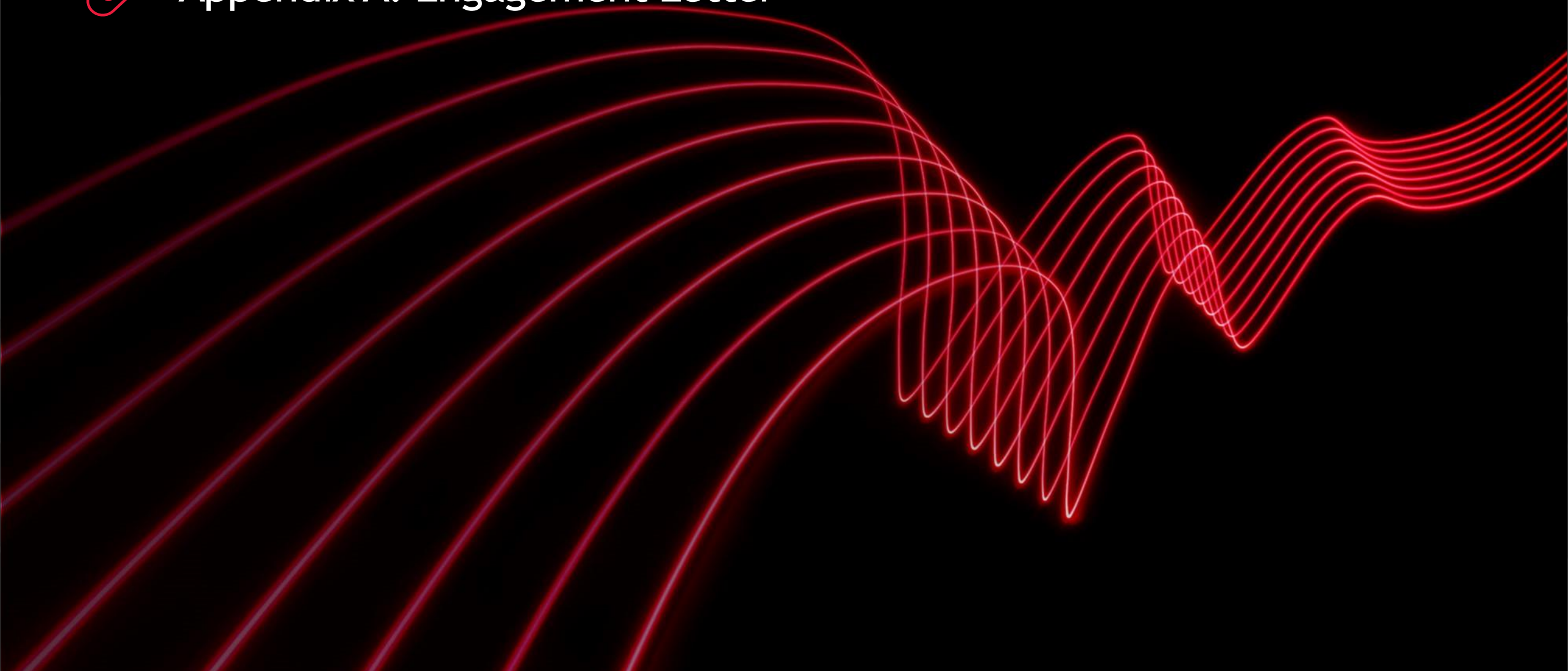
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Appendices

- ▶ Appendix A: Engagement Letter
- ▶ Appendix B: 2024 PSAS Update



Appendix A: Engagement Letter





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BDO Canada LLP
571 - 6th Street NE
Suite 201
Salmon Arm, British Columbia
V1E 1R6

August 21, 2024

North Okanagan Columbia Shuswap Regional Hospital District
PO Box 978
Salmon Arm, BC
V1E 4P1

Dear Jodi Pierce, CPA, CGA,

We understand that you wish to engage us as the auditors of North Okanagan Columbia Shuswap Regional Hospital District for its fiscal year ended December 31, 2024 and subsequent years.

We are pleased to perform the engagement subject to the terms and conditions of this Agreement, to which the attached Standard Terms and Conditions form an integral part. The definitions set out in the Standard Terms and Conditions are applicable throughout this Agreement. This Agreement will remain in place and fully effective for future years until varied or replaced by another relevant written agreement.

Angie Spencer, CPA, CA will be the Engagement Partner for the audit work we perform for you. The Engagement Partner will call upon other individuals with specialized knowledge to assist in the performance of services.

Our Role as Auditors

We will conduct our audit(s) in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements prepared in accordance with Canadian Public Sector Accounting Standards are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. Our audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by you, as well as evaluating the overall financial statement presentation.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements, whether by fraud or error, may not be detected, even though the audit is properly planned and performed in accordance with Canadian generally accepted auditing standards.

In making our risk assessments, we consider internal control relevant to your preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of your internal controls. However, we will communicate to you concerning any significant deficiencies in internal controls relevant to the audit of the financial statements that we have identified during the audit.

We will also communicate matters required by professional standards, to the extent that such matters come to our attention, to you, those charged with governance and/or the board of directors.



Reporting

Our audit will be conducted on the basis that the financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards.

Our independent auditor's report will be substantially in the form set out in Canadian Auditing Standard (CAS) 700. The form and content of our report may need to be amended in the light of our audit findings. If we are unable to issue or decline to issue an audit report, we will discuss the reasons with you and seek to resolve any differences of view that may exist.

Role of Management and Those Charged with Governance

You acknowledge and understand that you have responsibility for:

- (a) the preparation and fair presentation of the financial statements in accordance with Canadian Public Sector Accounting Standards. The audit of the financial statements does not relieve you of your responsibilities;
- (b) such internal controls as you determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- (c) providing us with:
 - access, in a timely manner, to all information of which you are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
 - additional information that we may request for the purpose of the audit;
 - unrestricted access to persons within the entity from whom we determine it is necessary to obtain audit evidence;
 - financial and non-financial information (other information) that will be included in document(s) containing financial statements and our audit report thereon prior to the date of our auditor's report. If it is not possible to provide all the other information prior to the date of our auditor's report, you are responsible for provision of such other information as soon as practicable; and
 - written confirmation concerning representations made to us in connection with the audit. If appropriate and adequate written representations are not provided to us, professional standards require that we disclaim an audit opinion.

Financial Statement Services

We will obtain your approval, if during the course of our engagement we:

- (a) prepare or change a journal entry; or
- (b) prepare or change an account code or a classification for a transaction.

Tax Services

Our audit is conducted primarily to enable us to express an opinion on the financial statements. The audit process is not designed to provide us with a full understanding of your tax situation and in particular, to allow us to determine whether the entity has specific tax compliance issues. We



understand that you are not looking to BDO to provide you with any guidance or advice in regard to tax planning or compliance.

Additional Services

We are available to provide a wide range of services beyond those outlined in this Agreement. To the extent that any additional services that we provide to you that are not provided under a separate written engagement agreement, the provisions of this Agreement will apply to the services.

Fee Estimation

The estimated fee for this engagement is as follows:

- Audit services: \$10,000

Our estimated fee is based on an assumed level of quality of your accounting records, the agreed upon level of preparation and assistance from your personnel and adherence to the agreed-upon timetable. Our estimated fee also assumes that your financial statements are in accordance with Canadian Public Sector Accounting Standards and that there are no significant new or changed accounting policies or issues or internal control or other reporting issues. We will inform you on a timely basis if these factors are not in place. Should our assumptions with respect to the quality of your accounting records be incorrect or should the conditions of the records, degree of cooperation, results of audit procedures, or other matters beyond our reasonable control require additional commitments by us beyond those upon which our estimated fees are based, we may adjust our fees and planned completion dates.

Our professional fees will be based on our billing rates which depend on the means by which and by whom our Services are provided. Our billing rates may be subject to change from time to time at our discretion with or without notice to you.

Delays in providing the complete list of agreed upon working papers/schedules to BDO will result in additional fees as follows:

- 1 week delay - additional 10% if estimated fees
- 1 month delay - additional 20% of estimated fees

We will also bill you for our out-of-pocket expenses, our administrative and technology charge, and applicable Goods and Services Sales Tax, Harmonized Sales Tax, Quebec Sales Tax and Provincial Sales Tax. Our administrative and technology charge is calculated as 7% of our professional fee and represents an allocation of estimated costs associated with our technology infrastructure and support staff time costs.

Our fees will be invoiced and payable as follows:

- \$4,000 interim payment - October 2024
- \$4,000 commencement of year-end fieldwork - March 2025
- \$2,000 within 10 days after issuance of our final invoice along with any additional required final payments.

Our accounts are due when rendered and invoiced amounts are deemed to be earned when paid. BDO may suspend the performance of Services in the event that you fail to pay an invoice when it is due. Fees that are not paid within 30 days of an invoice or by a specified payment deadline will



be considered delinquent. Interest may be charged at the rate of 12% per annum on all accounts outstanding for more than 30 days.

Standard Terms and Conditions

A copy of our Standard Terms and Conditions is attached as Appendix 1. You should ensure that you read and understand them. **The Standard Terms and Conditions include clauses that limit our professional liability.**

Please sign and return the attached copy of this Agreement to indicate your agreement with it. If you have any questions concerning this Agreement, please contact us before signing it.

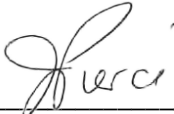
It is a pleasure for us to be of service and we look forward to many future years of association with you.

Yours truly,

BDO Canada LLP

Chartered Professional Accountants

Agreement of all the terms and conditions in this Agreement is hereby acknowledged by:

	August 27, 2024
_____ Signature	_____ Date
Jodi Pierce	Chief Financial Officer
_____ Name (please print)	_____ Position

Please carefully review this Agreement, which includes the attached Standard Terms and Conditions, prior to signing it. A complete copy of the signed engagement letter should be returned to us.



Appendix 1 - Standard Terms and Conditions

1 Overview and Interpretation

1.1 This Agreement sets forth the entire agreement between the parties in relation to Services and it supersedes all prior agreements, negotiations or understandings, whether oral or written, with respect to Services, including without limitation any non-disclosure agreements entered into in advance of this Agreement. This Agreement applies to Services whenever performed (including before the date of this Agreement). To the extent that any of the provisions of the accompanying letter conflict with these Standard Terms and Conditions, these Standard Terms and Conditions shall prevail. This Agreement may not be changed, modified or waived in whole or part except by an instrument in writing signed by both parties.

1.2 In this Agreement, the following words and expressions have the meanings set out below:

This Agreement - these Standard Terms and Conditions, the letter to which they are attached, supporting schedules or other appendices to the letter, and any Summary of Services letters issued in future years

Services - the services provided or to be provided under this Agreement, and any other services which we agree to provide to you subsequent to the date of this Agreement that are not covered by a separate engagement letter

We, us, our, BDO - refer to BDO Canada LLP, a Canadian limited liability partnership organized under the laws of the Province of Ontario

You, your - the party or parties contracting with BDO under this Agreement. You and your does not include BDO, its affiliates or BDO Member Firms

BDO Member Firm or Firms - any firm or firms that form part of the international network of independent firms that are members of BDO International Limited

Confidential Information - all non-public proprietary or confidential information and Personal Information, including Client Documents

Personal Information - personal information that is or could be attributed to identifiable individuals

Client Documents - information (including internal financial information and internal records and reports) provided to us by you or on your behalf in connection with the performance of the Services

2 BDO Network and Sole Recourse

2.1 BDO is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international network of independent member firms (i.e. BDO Member Firms), each of which is a separate legal entity.

2.2 We may use other BDO Member Firms or subcontractors to provide Services; however, we remain solely responsible for Services. You agree not to bring any claim or action against another BDO Member Firm (or their partners, members, directors, employees or subcontractors) or our subcontractors in respect of any liability relating to the provision of Services.



- 2.3 You agree that any of our affiliates, subcontractors, and other BDO Member Firms and any subcontractors thereof whom we directly or indirectly involve in providing Services have the right to rely on and enforce Section 2.2 above, as well as all liability protections contained herein, as if they were a party to this Agreement. For greater certainty, you agree that other BDO Member Firms that are subcontractors may enforce any limitations or exclusions of liability available to us under this Agreement.

3 Respective Responsibilities

- 3.1 We will use reasonable efforts to complete, within any agreed-upon time frame, the performance of Services.
- 3.2 You shall be responsible for your personnel's compliance with your obligations under this Agreement. We will not be responsible for any delays or other consequences arising from you not fulfilling your obligations.

4 Working Papers and Deliverables

- 4.1 **Ownership** - All reports (including assurance reports where applicable), written advice, working papers, and internal materials created or developed by us pursuant to this Agreement are owned by us, and we retain all property rights therein. All Client Documents continue to be your property, provided that we retain copies of such documents as necessary for our internal record keeping (including as required to comply with our professional obligations).
- 4.2 **Oral advice and draft deliverables** - You should not rely upon any draft deliverables or oral advice provided by us. Should you wish to rely upon something we have said to you, please let us know and, if possible, we will provide the information that you require in writing.
- 4.3 **Translated documents** - If you engage us to translate any documents, advice, opinions, reports or other work product of BDO from one language to another, you are responsible for the accuracy of the translation work.
- 4.4 **Reliance by Third Parties** - Our Services will not be planned or conducted in contemplation of or for the purpose of reliance by any party other than you, and are intended for the benefit of only you. Items of possible interest to a third party will not be addressed and matters may exist that would be assessed differently by a third party, possibly in connection with a specific transaction. The receipt by any third parties of any advice, opinions, reports or other work product is not intended to create any duty of care, professional relationship or any present or future liability between such third parties and us. For greater certainty, we expressly disclaim any liability of any nature or kind resulting from the disclosure to or unauthorized reliance by any third party on our advice, opinions, reports or other work product.
- 4.5 **Consent to use the Report** - Nothing in this Agreement shall be construed as consent to the use of our report in connection with a continuous disclosure document, a public or private offering document, an annual report or any other document and we expressly do not provide such consent. If you request consent for the use of our report, we will consider, at the relevant time, providing consent and any conditions that we may attach to such consent. Our consent must be in writing.
- 4.6 **Consent requests** - In order to provide consent, professional standards require that we read the other information in the related document and consider whether such information



is materially inconsistent with the related financial statements. Any consent request must be made on a sufficiently timely basis to allow us to consider your identification and resolution of events occurring in the period since the date of our report, and to obtain updated written representation letters. Such procedures will be performed at your cost and will be documented in a separate engagement letter.

5 Confidentiality

- 5.1 We will use Confidential Information provided by you only in relation to the Services or for internal and administrative purposes. You agree, however, that we may use such Confidential Information for predictive analytics to provide you with key performance indicators and other analysis and insights. We will not disclose any Confidential Information, except where required by law, regulation or professional obligation. You agree, however, that we may disclose Confidential Information to other BDO Member Firms or other subcontractors assisting us in providing Services, provided that such parties are bound by reasonable confidentiality obligations no less stringent than in this Agreement.

6 Analytics

- 6.1 You agree that we may use anonymized and aggregated usage metrics, metadata or other tag identifiers, and Confidential Information that will not include any personally identifiable information, related to your use of BDO products and/or services to develop, modify and improve tools, services and offerings and for data analytics and other insight generation. Information developed in connection with these purposes may be used or disclosed to current or prospective clients as part of service offerings, however we will not use or disclose your name or any Confidential Information in a way that would permit you to be identified.

7 Privacy and Consent for Use of Personal Information

- 7.1 In order to provide our Services, we may be required to access and collect Personal Information of individuals that is in your custody. You agree that we may collect, use, store, transfer, disclose and otherwise process Personal Information as required for the purpose of providing the Services. Personal Information may be processed in various jurisdictions in which we or applicable BDO Member Firms and subcontractors providing Services operate and as such Personal Information may be subject to the laws of such jurisdictions. Personal Information will at all times be collected, used, stored, transferred, disclosed or processed in accordance with applicable laws and professional regulations and we will require any service providers and BDO Members that process Personal Information on our behalf to adhere to such requirements. Any collection, use, storage, transfer or disclosure of Personal Information is subject to BDO's Privacy Statement available at <https://www.bdo.ca/en-ca/legal-privacy/legal/privacy-policy/>.
- 7.2 You represent and warrant that:
- (a) you have the authority to provide the Personal Information to us in connection with the performance of our Services, and
 - (b) the Personal Information provided to us has been provided in accordance with applicable law, and you have obtained all required consents of the individuals to whom such Personal Information relates in order to permit BDO to collect, use and disclose the Personal Information in the course of providing the Services.



8 Independence

- 8.1 Professional and certain regulatory standards require us to be independent, in both fact and appearance, with respect to our clients in the performance of our Services. We will communicate to you any relationships between BDO (including its related entities) and you that, in our professional judgment, may reasonably be thought to bear on our independence.

9 Offers of Employment

- 9.1 Any discussions that you, or any party acting on your behalf, have with professional personnel of our Firm regarding employment could pose a threat to our independence. Your recruitment of an engagement team member from the current or prior year's engagement may compromise our independence and our ability to render agreed Services to you. Engagement team members may include current and former partners and staff of BDO, other BDO Member Firms and other firms who work under our direction. Therefore, you agree to inform us prior to any such discussions so that you and we can implement appropriate safeguards to maintain our independence.

10 Professional and Regulatory Oversight and Legal Processes

- 10.1 As required by legal, regulatory, or professional authorities (both in Canada and abroad) and by BDO policy, our client files must periodically be reviewed by practice inspectors to ensure that we are adhering to professional and BDO standards. It is understood that by entering into this Agreement, you provide your consent to us providing our files relating to your engagement to the practice inspectors for the sole purpose of their inspection.
- 10.2 Certain law enforcement, regulatory and other governmental bodies may also have the right under law or regulation to conduct investigations of you, including the Services provided by us. To the extent practicable and permitted by law or regulation, we will advise you of any such document request or production order we receive in connection with any such investigation prior to providing any documents in response to such request or order.
- 10.3 We are sometimes required by law, regulation, subpoena or other legal process, or upon your request, to produce documents or personnel as witnesses in connection with legal or regulatory proceedings. Where BDO is not a party to such proceedings, you shall reimburse us at our current standard billing rates for professional time and expenses, including without limitation, reasonable legal fees, expenses and taxes incurred in responding to such compelled assistance or request by you.

11 Electronic Communications

- 11.1 Both parties recognize and accept the security risks associated with email communications, including but not limited to the lack of security, unreliability of delivery and possible loss of confidentiality and privilege. Unless you request in writing that we do not communicate by internet email, you assume all responsibility and liability in respect of risk associated with its use.

12 Limitation of Liability

- 12.1 In any dispute, action, claim, demand for losses or damages arising out of the Services performed by BDO pursuant to this Agreement, BDO's liability will be several, and not joint and several, and BDO shall only be liable for its proportionate share of the total liability



based on degree of fault as determined by a court of competent jurisdiction or by an independent arbitrator, notwithstanding the provisions of any statute or rule of common law which create, or purport to create, joint and several liability.

- 12.2 In no event shall BDO be liable for indirect, consequential, special, incidental, aggravated, punitive or exemplary damages, losses or expenses, or for any loss of revenues or profits, loss of opportunity, loss of data, or other commercial or economic loss or failure to realize expected savings, including without limitation expected tax savings, whether or not the likelihood of such loss or damage was contemplated.
- 12.3 BDO shall in no event be liable under this Agreement or otherwise in connection with the Services for any actions, damages, claims, fines, penalties, complaints, demands, suits, proceedings, liabilities, costs, expenses, or losses (collectively, "Liabilities") in any way arising out of or relating to the Services performed hereunder for an aggregate amount of more than the higher of:
- (a) three times the fees paid to BDO by you, in a twelve consecutive month period, for the Services provided pursuant to this Agreement giving rise to the claim; and
 - (b) \$25,000.
- 12.4 The limitations of liability in this section apply whether or not the Liabilities asserted by you against BDO are incurred by you directly or as a result of a claim or demand against you by a third party.
- 12.5 No exclusion or limitation on the liability of other responsible persons imposed or agreed at any time shall affect any assessment of our proportionate liability hereunder, nor shall settlement of or difficulty enforcing any claim, or the death, dissolution or insolvency of any such other responsible persons or their ceasing to be liable for the loss or damage or any portion thereof, affect any such assessment.
- 12.6 You agree claims or actions relating to the delivery of Services shall be brought against us alone, and not against any individual. Where our individuals are described as partners, they are acting as one of our members.
- 12.7 For purposes of this Section, the term "BDO" shall include BDO Canada LLP and its subsidiaries, associated and affiliated entities and their respective current and former partners, directors, officers, employees, agents and representatives. The provisions of this Section shall apply to the fullest extent of the law, regardless of the form of the claim, whether in contract, statute, tort (including without limitation, negligence) or otherwise.

13 Indemnity

- 13.1 To the fullest extent permitted by applicable laws, in the event of a claim or demand by a third party against BDO that arises out of or relates to the Services, you agree to indemnify and hold harmless BDO from and against all losses, costs (including solicitors' fees), damages, or expenses resulting from such third party claim or demand, except to the extent that the same is finally determined to have resulted from BDO's negligence or intentional misconduct.

14 Alternative Dispute Resolution

- 14.1 Both parties agree that they will first attempt to settle any dispute arising out of or relating to this Agreement, including any question regarding its existence, interpretation,



validity, breach or termination, or the Services provided hereunder, through good faith negotiations.

- 14.2 In the event that the parties are unable to settle or resolve their dispute through negotiation, such dispute shall be subject to mediation using a mediator chosen by mutual agreement of the parties.
- 14.3 All disputes remaining unsettled for more than 60 days following the parties first mediation session with a mediator, or such longer period as the parties mutually agree upon, shall be referred to and finally resolved by arbitration. The parties agree that one arbitrator shall be appointed within twenty (20) days of receipt of the request for arbitration. If the parties cannot agree on the appointment of an arbitrator in such period then either party may immediately apply for the appointment of an arbitrator to a court of competent jurisdiction in the Province of the governing law as contained herein pursuant to such Province's applicable *Arbitration Act*. The place of arbitration shall be in the capital of the Province of the governing law as contained herein. Unless the arbitrator otherwise determines, the fees of the arbitrator and the costs and expenses of the arbitration will be borne and paid equally by the parties. Such arbitration shall be final, conclusive and binding upon the parties, and the parties shall have no right of appeal or judicial review of the decision whatsoever. The parties hereby waive any such right of appeal or judicial review which may otherwise be provided for in any provincial arbitration statute. Judgement upon the award, including any interim award, rendered by the arbitrator may be entered in any court having jurisdiction. The arbitration shall be kept confidential and the existence of the arbitration proceeding and any element thereof (including but not limited to any pleadings, briefs or other documents submitted and exchanged and testimony and other oral submissions and any awards made) shall not be disclosed beyond the arbitrator(s), the parties, their counsel and any person to whom disclosure is necessary to the conduct of the proceeding except as may be lawfully required in judicial proceedings relating to the arbitration or otherwise.

15 Limitation Period

- 15.1 You shall make any claim relating to Services or otherwise under this Agreement no later than one year after you became aware or ought reasonably to have become aware of the facts giving rise to any such claim.
- 15.2 You shall in no event make any claim relating to the Services or otherwise under this Agreement later than four years after the completion of the Services under this Agreement.
- 15.3 To the extent permitted by law, the parties to this Agreement agree that the limitation periods established in this Agreement replace any limitation periods under any limitations act and/or any other applicable legislation and any limitation periods under any limitations act and/or any other applicable legislation shall not alter the limitation periods specified in this Agreement.

16 Québec Personnel

- 16.1 We may sometimes have individual partners and employees performing Services within the Province of Québec who are members of the Ordre des comptables professionnels agréés du Québec. Any such members performing professional services hereunder assumes full personal civil liability arising from the practice of their profession, regardless of their status within our partnership. They may not invoke the liability of our partnership as



grounds for excluding or limiting their own liability. Any limitation of liability clauses in this Agreement shall therefore not apply to limit the personal civil liability of partners and employees who are members of the Ordre des comptables professionnels agréés du Québec.

17 Termination

- 17.1 This Agreement applies to Services whenever performed (including before the date of this Agreement).
- 17.2 You or we may terminate this Agreement at any time upon written notice of such termination to the other party. We will not be liable for any loss, cost or expense arising from such termination. You agree to pay us for all Services performed up to the date of termination, including Services performed, work-in-progress and expenses incurred by us up to and including the effective date of the termination of this Agreement.

18 Governing Laws

- 18.1 The terms of our engagement shall remain operative until amended, terminated, or superseded in writing. They shall be interpreted according to the laws of British Columbia in which BDO's principal Canadian office performing the engagement is located, without regard to such province/territory's rules on conflicts of law.

19 Survival

- 19.1 The provisions of this Agreement that give either of us rights or obligations beyond its termination shall continue indefinitely following the termination of this Agreement. Any clause that is meant to continue to apply after termination of this Agreement will do so.

20 Force Majeure


- 20.1 We will not be liable for any delays or failures in performance or breach of contract due to events or circumstances beyond our reasonable control, including acts of God, war, acts by governments and regulators, acts of terrorism, accident, fire, flood or storm or civil disturbance.

21 Assignment

- 21.1 No party may assign, transfer or delegate any of the rights or obligations hereunder without the written consent of the other party or parties. BDO may engage independent contractors and BDO Member Firms to assist us in performing the Services in this Agreement without your consent.

22 Severability

- 22.1 The provisions of this Agreement shall only apply to the extent that they are not prohibited by a mandatory provision of applicable law, regulation or professional standards. If any of these provisions shall be held to be invalid, void or unenforceable, then the remainder of this Agreement shall not be affected, impaired or invalidated, and each such remaining provision shall be valid and enforceable to the fullest extent permitted by law.



Appendix B: 2024 PSAS Update

Public Sector Accounting Standards (PSAS) Update 2024

Introduction

It was another active year for the Public Sector Accounting Board (PSAB or the “Board”). The Board was hard at work advancing the progress of a number of projects such as its government not-for-profit strategy, as well as approving a project to develop a comprehensive new standard for intangible assets. This publication will provide a look at these projects, as well as the impacts of new standards effective over the next few years such as the revised conceptual framework and the new reporting model. Use the table below to navigate to the sections of the publication most relevant for your organization.

NEW STANDARDS / AMENDMENTS EFFECTIVE FOR FISCAL YEARS BEGINNING ON OR AFTER:	
April 1, 2023	<ul style="list-style-type: none"> • Revenue • Public Private Partnerships • Purchased Intangibles
April 1, 2026	<ul style="list-style-type: none"> • Revised Conceptual Framework • New Reporting Model
THE FUTURE OF PSAS:	
	<ul style="list-style-type: none"> • Employment Benefits • Intangible Assets • Government Not-for-Profit Strategy
PUBLIC SECTOR ACCOUNTING DISCUSSION GROUP	

Standards Effective April 1, 2023

Public sector entities must consider the impacts the following new and amended standards will have on upcoming December 31, 2024 year ends. Refer to the resources provided within each section for more detailed information on these changes.

Revenue

Overview

In November 2018, the Board issued new Section PS 3400, *Revenue*. Prior to this, the Public Sector Accounting (PSA) Handbook only contained guidance on specific revenue transactions such as taxation, government transfers, etc. As a result, many public sector entities consulted other sources of GAAP when accounting for types of revenue for which the PSA Handbook did not provide specific guidance, which resulted in diversity in practice.

New Section PS 3400 establishes overall guidance on how to account for and report revenue.

The standard makes a distinction between:	
Transactions that include performance obligations (exchange transactions)	Transactions that do not include performance obligations (non-exchange transactions)

A performance obligation is an enforceable promise to provide specific goods or services to a specific payor.

The distinction noted above is important as it impacts how revenue is recognized by the public sector entity. The process for recognizing revenue under Section PS 3400 can be summarized into the

following five steps:



Adoption of the standard will be accounted for as a change in accounting policy and may be applied retroactively with restatement of prior periods or prospectively.

Further details on accounting for revenue under Section PS 3400 and adopting this new standard are available in our publication [Revenue: A Practical Approach to Section PS 3400](#), which walks through: how to determine whether a revenue stream is within the scope of this standard; a five step approach to recognizing revenue and the appropriate measurement; a comprehensive example; disclosure requirements; transitional considerations; and practical considerations.

Impact to your organization

Gaining an understanding of which revenue streams are included within Section PS 3400 is particularly important as this will help determine how significant the impact of the adoption of the new standard will be on your organization. Some additional items entities should consider include:

- Does your current accounting software track enough information to be able to meet the recognition requirements under Section PS 3400? If the answer is no, is there alternative software that should be considered or can tracking be completed on a manual basis in sufficient detail to meet the requirements under Section PS 3400?
- Are the right people in place with the appropriate knowledge to track the information to meet the requirements under Section PS 3400?
- Will you need more time or resources allocated to accommodate this new standard?
- Will this new standard cause a change in how your day-to-day operations occur?

Resources

For additional guidance on how to get ready for and apply this new standard refer to the following resources available on our [PSAS Accounting Knowledge Centre](#):

- [Revenue: A Practical Approach to Section PS 3400](#)
- [PSAB at a Glance: Section PS 3400 - Revenue](#)

Public Private Partnerships (P3s)

Overview

In April 2021, the Board issued new Section PS 3160, *Public Private Partnerships*. These types of arrangements are becoming more common across Canada as public sector entities look for new ways to finance capital projects.

Section PS 3160 explains that a public private partnership within the scope of this new standard is:

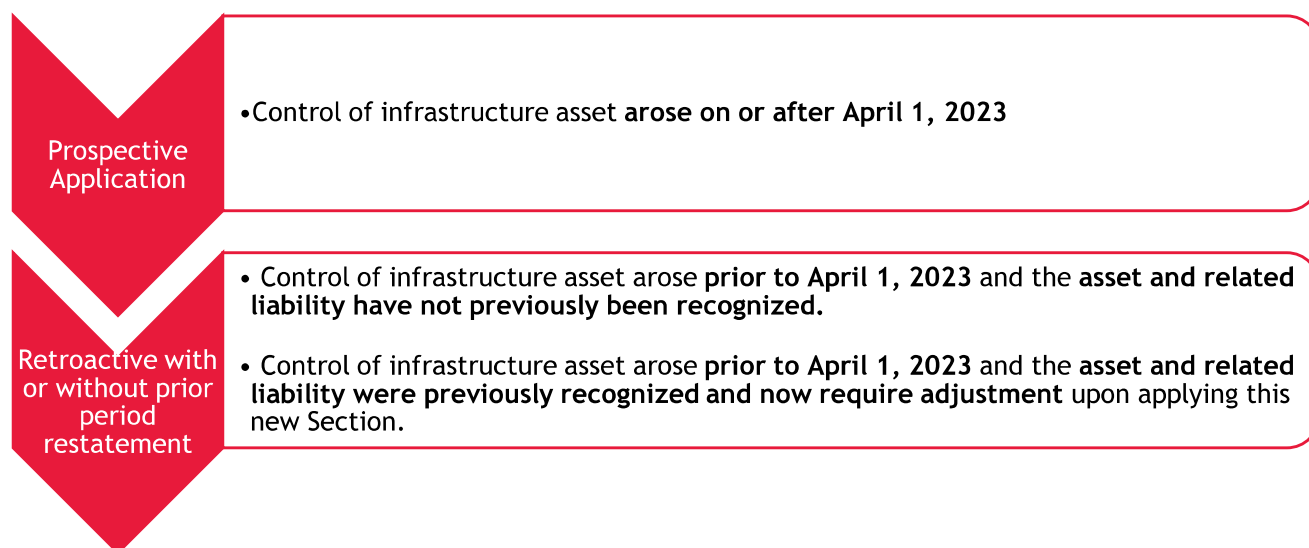
- An arrangement between a public sector entity and a private sector partner where the public sector entity procures infrastructure using a private sector partner;

- With risk allocation that provides for public sector control of the asset at any point during the arrangement; and
- Where the private sector entity is obligated to do all of the following:
 - Design, build, acquire or better new or existing infrastructure;
 - Finance the transaction past the point where the infrastructure is ready for use; and
 - Operation and/or maintain the infrastructure.

Some **key highlights** of the accounting for public private partnerships under Section PS 3160 include:

Recognition	Initial Measurement	Subsequent Measurement
<p>When to recognize an asset: Where infrastructure is acquired or bettered through a public private partnership, it is recognized as an asset of the public sector entity when the public sector entity controls:</p> <ul style="list-style-type: none"> • The purpose and use of the infrastructure; • Access to the future economic benefits and exposure to risks of the infrastructure asset; and • Significant residual interest in the infrastructure, if any, at the end of the public private partnership's term. 	<p>How to measure the asset: Initially recognize at cost.</p> <p>What value: When cost of asset is both determinable and verifiable (such as from the procurement process) use those amounts to measure the asset.</p> <p>When cost is not determinable or verifiable the cost is equal to the estimated fair value of the asset at the transaction date.</p>	<p>Infrastructure asset: Amortize the asset over its useful life in a rational and systematic manner.</p>
<p>When to recognize a liability: Recognize an offsetting liability at the same time an infrastructure asset is recognized.</p> <p>Consideration: The type of consideration provided to the private sector partner determines the type of liability that is recognized and impacts subsequent measurement:</p> <ul style="list-style-type: none"> • Cash consideration/another financial asset: public sector entity recognizes a financial liability (financial liability model) • Consideration is granting of rights (i.e., the right to charge end users): public sector entity recognizes a performance obligation (user pay model) 	<p>How to measure the liability: Offsetting liability is initially measured at the same value as the infrastructure asset less any amounts already paid to the private sector partner.</p>	<p>Liability: Depends on model used for initial measurement:</p> <ul style="list-style-type: none"> • Financial liability model: Subsequent measured at amortized cost using the effective interest method. • User pay model: The liability is subsequently reduced as revenue is recognized by the private sector partner.

This standard may be applied retroactively or prospectively as follows:



Further details on accounting for public private partnerships under Section PS 3160 and adopting this new standard are available in our publication [Public Private Partnerships \(P3s\): A Practical Approach to Section PS 3160](#), which walks through: how to determine whether an arrangement/contract may be within the scope of this standard; the criteria that need to be met to recognize an infrastructure asset and corresponding liability; measurement of the infrastructure asset and liability; disclosure; and transitional considerations.

Impact to your organization

Understanding the recognition requirements within Section PS 3160 is key as this will help determine how significant the impact of the adoption of this new standard will be on your organization. Some additional items entities should consider include:

- Previously recognized public private partnership arrangements may involve an adjustment upon transition to Section PS 3160 and will likely require additional disclosures, as the previous guidance entities typically followed in the past was not exactly the same as the guidance in Section PS 3160.
- Public private partnership arrangements within the scope of the new standard that were not previously recognized as they were considered off balance sheet items, will need to be accounted for under the new standard resulting in new assets and liabilities on the statement of financial position.
- Certain agreements/contracts may not include the actual cost of the infrastructure assets. In this case the cost or fair value of the infrastructure asset must be estimated. This process may require experts and others with relevant knowledge outside the team (e.g. independent appraiser, quotes or estimates). These experts should be engaged early in the process.

As these arrangements are often complex, there may be situations where additional assistance is needed. If you have not already, we encourage you to start preparing for the application of Section PS 3160 and to consult with your assurance provider early in the process to help resolve any challenges encountered.

Resources

For additional guidance on how to get ready for and apply this new standard refer to the following resources available on our [PSAS Accounting Knowledge Centre](#):

- [Public Private Partnerships \(P3s\): A Practical Approach to Section PS 3160](#)
- [PSAB at a Glance: Section PS 3160 - Public Private Partnerships](#)
- [P3 accounting: 1 new standard, 2 sectors, and the public-private repercussions](#)

Purchased Intangibles

Overview

In November 2020, the Board issued new Public Sector Guideline (PSG) 8, *Purchased Intangibles*, which allows for the recognition of intangibles purchased through exchange transactions in the financial statements. Prior to this, the PSA Handbook prohibited the recognition of purchased intangibles in the financial statements of public sector entities following PSAS without the PS 4200 series of standards. PSG-8 was issued to provide high level interim guidance to permit the recognition of purchased intangibles to meet the needs of public sector entities and the users of their financial statements until a complete standard on accounting for intangible assets can be developed (refer to the [Future of PSAS](#) section of this publication for the latest developments on PSAB's full intangible assets project).

The main highlights of new PSG-8 include:

- Providing a definition of purchased intangibles as identifiable non-monetary economic resources without physical substance acquired through an arm's length exchange transaction between knowledgeable, willing parties who are under no compulsion to act.
- Allowing purchased intangibles to be recognized as assets when they meet the definition of an asset and the general recognition criteria in Section PS 1000, *Financial Statement Concepts*. Section PS 3210, *Assets*, provides guidance on applying the asset definition.
- PSG-8 does not provide specific in-depth guidance on how to account for purchased intangibles, but directs the reader to consider the following guidance in determining how to account for purchased intangibles:
 - The definition of an asset in Section PS 1000 and the additional guidance on the asset definition in Section PS 3210;
 - The recognition, measurement, and disclosure concepts in Section PS 1000; and
 - The GAAP Hierarchy in Section PS 1150, *Generally Accepted Accounting Principles*.
- Purchased intangibles are classified as non-financial assets.
- PSG-8 is applied retroactively or prospectively in accordance with Section PS 2120, *Accounting Changes*.

Impact to your organization

Understanding the recognition requirements within PSG-8 is important as this will help determine how significant the impact will be on your organization. Some items entities should consider include:

- Does your organization have processes and resources in place to identify previously purchased intangibles, as this is a significant change for entities that were previously expensing such items?
- Does your organization have resources with the appropriate knowledge to develop an accounting policy on accounting for purchased intangibles initially and subsequently as the guidance in PSG-8 is very high level?
- Does your organization have a method/process for tracking information related to acquisitions, disposals, amortization, impairment, etc., of purchased intangibles going forward?

Resources

For more guidance on how to get ready for and apply this new guideline refer to our [PSAB at a Glance: PSG 8 - Purchased Intangibles](#) available on our [PSAS Accounting Knowledge Centre](#).

Standards Effective April 1, 2026

Public sector entities will need to consider the impact the following new and amended standards will have on future March 31, 2027 and December 31, 2027 year ends. Refer to the resources provided within each section for more detailed information on these changes.

Revised Conceptual Framework

Overview

In 2010, the Board decided to undertake a project to review and update the conceptual framework for the PSA Handbook with the following goals:

1. Ensure the framework is still relevant; and
2. Ensure it properly reflects and is grounded in the public sector environment.

The revised conceptual framework guides the Board as it develops new standards or amends existing ones. The revised conceptual framework guides public sector entities when they need to develop an accounting policy when no other standard in the PSA Handbook specifically applies to a transaction.

The following provides an overview of the topics covered by the ten chapters of the revised conceptual framework.

Chapter 1: Introduction to the Conceptual Framework
Chapter 2: Characteristics of Public Sector Entities
Chapter 3: Financial Reporting Objective
Chapter 4: Role of Financial Statements
Chapter 5: Financial Statement Foundations
Chapter 6: Financial Statement Objectives
Chapter 7: Financial Statement Information - Qualitative Characteristics & Related Considerations
Chapter 8: Elements of Financial Statements
Chapter 9: Recognition & Measurement in Financial Statements
Chapter 10: Presentation (incl. disclosure) Concepts for Financial Statements

The revised conceptual framework will replace the existing conceptual framework, which consists of Section PS 1000, *Financial Statement Concepts*, and Section PS 1100, *Financial Statement Objectives*. and is effective for public sector entities for fiscal years beginning on or after April 1, 2026, with earlier adoption permitted. The conceptual framework is to be applied prospectively.

Impact to your organization

When amending or developing new entity-developed accounting policies a public sector entity needs to consider whether they are consistent with the revised conceptual framework and develop a plan of updating existing entity-developed accounting policies for consistency with the revised conceptual framework.

Resources

For additional guidance on how to get ready for and apply this revised conceptual framework refer to the following resources available on the related [project page](#) on the FRAS Canada website:

- [Visual - The Conceptual Framework for Financial Reporting in the public Sector](#)
- [In Brief - A plain and simple overview of the Conceptual Framework for Financial reporting in the Public Sector: then and now](#)
- [Webinar - PSAB's New Conceptual Framework for Financial Reporting in the Canadian Public Sector](#)

New Reporting Model

Overview

Related to PSAB's issuance of the revised Conceptual Framework discussed above, the Board has also issued Section PS 1202, *Financial Statement Presentation*, which is a new reporting model. This new reporting model will build upon existing Section PS 1201 of the same name to better respond to the need for understandable financial statements. The new reporting model consists of:

Statement/Item	Key Changes
Statement of Financial Position	<ul style="list-style-type: none"> • The statement will be significantly restructured to present total assets, then total liabilities to arrive at the net assets or net liabilities indicator. • The net debt indicator will be relocated to its own statement. • Liabilities will be separated into financial and non-financial categories. • A new third component "accumulated other" would be added to net assets/liabilities.
Statement of Net Financial Assets (Net Financial Liabilities)	<ul style="list-style-type: none"> • This is a new statement that will display a revised calculation of net debt: <ul style="list-style-type: none"> ○ A net financial asset position means there are financial assets available to provide services in the future and to settle future financial liabilities. ○ A net financial liability position means there is a need for additional financial assets to aid in settling past financial liabilities. It reflects the entity's ability to finance activities, provide services or settle financial liabilities in the future. • There will also be an option to present the net financial assets/liabilities indicator at the bottom of the statement of financial position.
Statement of Operations	<ul style="list-style-type: none"> • There are no changes to this statement from what is currently required under existing Section PS 1201.
Statement of Changes in Net Assets (Net Liabilities)	<ul style="list-style-type: none"> • This is a new statement that will show a reconciliation between the opening and closing balances of each component of net assets or net liabilities. • This statement will allow the entity to be transparent about which revenues and expenses are recognized in surplus or deficit and those that are recognized directly in a component of net assets or net liabilities.
Statement of Cashflow	<ul style="list-style-type: none"> • The statement will be restructured such that financing activities will be separated from other items on the cash flow statement. • This will allow the statement to highlight net cash before financing activities to show whether all of an entity's other activity combined resulted in the need to raise cash through financing activities.
Notes & Schedules	<ul style="list-style-type: none"> • The financial statements will continue to be accompanied by notes and schedules.

Budget	<ul style="list-style-type: none"> • New budget requirements including presentation of budget figures using the same basis of accounting, accounting principles, scope of activities and classifications as the actual amounts as well as, an acknowledgement on the face of the statements where an actual-to-budget comparison could not be completed.
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The new standard, along with related consequential amendments, will be effective for fiscal years beginning on or after April 1, 2026, with earlier adoption permitted if the entity adopts the revised conceptual framework at the same time.

Impact to your organization

Understanding the new reporting model is particularly important as this will help determine how significant the impact will be on your organization. The new reporting model will significantly change the way that financial statements are presented to users. Some additional items entities should consider include:

- Whether changes are required to financial accounting systems used to support the new reporting model package.
- The need to restate prior year information to be in compliance with the new reporting model.
- Classification of items on the statement of financial position particularly liabilities to determine whether they are financial or non-financial. There may be instances where the classification is not straightforward.
- Educating financial statement users on the changes to the financial statement presentation.

Resources

For additional guidance on how to get ready for and apply this new reporting model refer to the following resources available on the related [project page](#) on the FRAS Canada website:

- [Visual - Section PS 1202, Financial Statement Presentation](#)
- [Comparison of PSAB's Previous and New Reporting Model](#)
- [Webinar - PSAB's New Reporting Model \(Section PS 1202, Financial Statement Presentation\)](#)

Assurance Considerations

Applying new standards can be complex and could impact the amount of assurance work required. Your assurance provider may be interested in gaining a deeper understanding on how your organization has / is planning to apply the new standards. Reach out to your assurance provider as soon as possible to understand the new requirements and to ensure you are prepared for your upcoming year-end.

The Future of PSAS

The PSAB also has a number of projects on the go which seek to improve public sector standards to better meet stakeholder needs both now and in the future. The following provides a brief overview of some of these projects.

Employment Benefits Re-Exposure Draft

For the past few years, the Board has been working on a multi-phase project on employee benefits. This project is needed as new types of pension plans have been introduced and there have been changes in the related accounting concepts since existing Sections PS 3250, *Retirement Benefits*, and PS 3255, *Post-employment Benefits, Compensated Absences and Termination Benefits*, were issued many years ago.

As part of the first phase of this project, the Board issued an Exposure Draft in July 2021 proposing to replace these two existing standards with new Section PS 3251, *Employee Benefits*. In line with PSAB's International Strategy, the principles in the Exposure Draft were based on International Public Sector Accounting Standard (IPSAS) 39, *Employee Benefits*, and amended as necessary if a principle is contrary to PSAB's conceptual framework or is not appropriate for application in Canada based on the Canadian public interest. The focus in this first phase of the project is on deferral provisions and discount rate guidance. In future phases, the Board may focus on developing guidance for accounting for non-traditional pension plans and other issues.

PSAB reviewed the feedback received on the original Exposure Draft, made amendments to the proposals to address the feedback and issued a Re-Exposure Draft in October 2024. The main features of the Re-Exposure Draft are as follows:

<p>Proposals substantially unchanged:</p>	<p>Many principles of the Re-exposure Draft remain substantially unchanged from the proposals in the original Exposure Draft as they were supported by respondents, including:</p> <ul style="list-style-type: none"> • Accounting guidance for short-term employee benefits, post-employment benefits, other long-term employee benefits and termination benefits; • Accounting for defined benefit plans that results in a public sector entity recognizing the following amounts in surplus or deficit: current service cost; any past service cost and gain or loss on settlement; and net interest on the net defined benefit liability (asset); and • Remeasurements of the net defined benefit liability (asset), which are recognized in accumulated remeasurement gains and losses and are not reclassified to surplus or deficit in subsequent periods.
<p>Key revised proposals:</p> <ul style="list-style-type: none"> • Reduction in number of funding status categories 	<p>However, the Board received significant feedback that the proposals in the original Exposure Draft related to the discount rate guidance for defined benefit plans were too onerous. As a result, the Board determined amendments were necessary for the Canadian public interest as follows:</p> <ul style="list-style-type: none"> • The discount rate used in the measurement of a defined benefit plan is determined based on an assessment of the post-employment benefit plan's funding status, consistent with the July 2021 Exposure Draft. However, the Board reduced the number of possible funding statuses from three (fully funded, partially funded and unfunded) to two and simplified the discount rate to be used in each instance as outlined below: <ul style="list-style-type: none"> ○ Fully funded post-employment benefit plans would apply a fully funded discount rate based on the expected return on plan assets, consistent with the July 2021 Exposure Draft; and ○ All post-employment benefit plans not meeting the definition of "fully funded" are proposed to apply an underfunded discount rate based on the market yields at the end of the reporting period on government bonds, high-quality corporate bonds or another financial instrument. This is a simplification from the original Exposure Draft.
<ul style="list-style-type: none"> • Funding status assessment simplified 	<ul style="list-style-type: none"> • The original July 2021 Exposure Draft proposed that the funding status of a defined benefit plan be determined using an annual quantitative assessment of the sufficiency of the plan's existing assets to settle estimated obligation outflows. The Re-Exposure Draft simplifies the determination of the funding status assessment as follows: <ul style="list-style-type: none"> ○ A plan's funding status is assessed based on the consideration of primary and secondary indicators. Primary indicators of funding status include: <ul style="list-style-type: none"> ▪ Qualitative indicators of a plan's funding, based on the existence of regulatory, legislative or contractual funding requirements; and ▪ Quantitative indicators of a plan's funding, derived from the plan's most recently prepared actuarial valuation for funding purposes, instead

	<p>of the separate annual quantitative assessment that was proposed in the original Exposure Draft.</p> <ul style="list-style-type: none"> ○ The determination of a plan's funding status is based on the preponderance of evidence available.
<ul style="list-style-type: none"> • Additional Disclosures 	<ul style="list-style-type: none"> • This proposed amended discount rate approach may require significant professional judgment in assessing a plan's funding status, and uncertainty in the recognition and measurement of fully funded defined benefit plans. As a result, the Re-Exposure Draft proposes to amend sensitivity disclosure requirements for fully funded plans to include the estimated impact of an underfunded discount rate on a public sector entity's defined benefit obligation.

The proposed new standard would be effective for fiscal years beginning on or after April 1, 2029 and would be applied retroactively with or without prior period restatement. We would encourage public sector entities to provide their feedback on the proposals in the Re-Exposure Draft, which can be accessed [here](#), prior to the close of the comment period on January 20, 2025. Information on how to respond can be found on the FRAS Canada website or by clicking [here](#).

Intangible Assets Project

In September 2023, PSAB approved a project on intangible assets. The first phase of this project will be to develop a comprehensive standard on accounting for intangible assets that will replace the interim guidance in Public Sector Guideline (PSG),8, *Purchased Intangibles*, discussed earlier in this publication.

This standard will allow PSAB to fill an existing gap in the PSA Handbook by providing foundational guidance on accounting for intangible assets, including purchased and developed intangible assets. The standard will define intangible assets and provide guidance on recognition, initial and subsequent measurement and disclosure.

The development of the standard will follow PSAB's International Strategy and build off of the principles of International Public Sector Accounting Standard (IPSAS) 31, *Intangible Assets*. The IPSAS principles will be amended as necessary if a principle is contrary to PSAB's conceptual framework or is not appropriate for application in Canada based on the Canadian public interest.

Then the second phase of this project will involve PSAB developing a guideline on accounting for cloud computing arrangements in the Canadian public sector.

An Exposure Draft of the comprehensive intangible assets standard in the first phase of this project is expected to be issued in the first half of 2025. We would encourage public sector entities to stay up to date on this project and watch for the Exposure Draft, which will be available on the [project page](#) of the FRAS Canada website, and provide their feedback on the Board's proposals.

Government Not for Profit Strategy - Capital Assets Project

While developing its 2017-2021 Strategic Plan, the Board signaled its intent to assess the specific needs of the users of government not-for-profit organization (GNFPO) financial statements and to assess if there is a need for some public sector accounting standards to apply differently to this particular group.

The Board issued various consultation papers between 2019 and 2021 to gather feedback. As a result, the Board decided that the best option going forward is to incorporate the PS 4200 series of standards into the PSA Handbook with potential customizations. This will involve the Board undertaking a series of standard-level projects to review the PS 4200 series to determine which standards / parts of standards will be included.

The first project is well underway and involves reviewing Section PS 4230, *Capital Assets held by Not-for-Profit-Organizations*, and Section PS 4240, *Collections held by Not-for-Profit Organizations*, to incorporate the guidance from these sections into Section PS 3150, *Tangible Capital Assets*. The Board issued an Exposure Draft in December 2023 on the proposed changes.


The main features of the proposals are as follows:

- Minor amendments to the definition of tangible capital assets;
- Add guidance to identify a collection;
- Additional disclosures requirements to highlight the importance of works of art, historical treasures, and collections;
- Add guidance to clarify the accounting treatment for situations where a tangible capital assets is purchased at substantially below fair value and to clarify the accounting treatment for contributed materials and labour in determining the cost of a constructed tangible capital asset;
- Withdraw Sections PS 4230 and PS 4240 once the amendments to Section PS 3150 are adopted.

The proposed changes would be effective for fiscal years beginning on or after April 1, 2029. The Board is currently deliberating feedback received and plans to approve the final amendments in December 2024 with issuance in the PSA Handbook in 2025.

We would encourage GNFPs to stay up to date on this project by referring to the related [project page](#) of the FRAS Canada website, and to keep an eye out for the next project in this series that the Board will undertake.

Public Sector Accounting Discussion Group (PSADG)

	<p>What is it?</p> <p>A regular public forum at which issues arising on the application of the PSA Handbook can be discussed.</p>
	<p>How often does the PSADG meet?</p> <p>Twice a year</p>
	<p>Who is part of the PSADG?</p> <p>Preparers, auditors, and users of government and government organization financial reports</p>
	<p>What is the purpose of the PSADG?</p> <p>To assist the Board regarding issues arising on the application of the PSA Handbook and other areas of concern regarding public sector financial reporting, including emerging issues and issues on which the Board seeks advice.</p>
	<p> </p>

While the PSADG does not issue any authoritative guidance or interpretations, as only the Board has the ability to do so, the group's meeting summaries provide meaningful insights on the application of the standards that can be used as a resource. These meeting summaries are available on the FRAS Canada website or by clicking [here](#). During the group's November 2023 and June 2024 meetings, the following topics were discussed:

- **Accounting for Extreme Weather: Effects on Tangible Capital Assets** - The group discussed the challenges in applying the existing guidance in the PSA Handbook in measuring and recognizing the financial impact of extreme weather events (e.g. flooding, forest fires, extreme hot and cold temperature impacts) on a public sector entity's tangible capital assets, in particular related to amortization methods, useful life, impairment, componentization, and encouraged PSAB to consider providing further guidance in this area.
- **Asset Retirement Obligations: Exploration of Application Scenarios** - The group discussed application issues in applying new Section PS 3280, *Asset Retirement Obligations*, specifically related to determining legal obligations and reasonable estimates of the ARO liability, as well as other initial and subsequent measurement challenges.
- **Upcoming International Public Sector Accounting Standards Board (IPSASB) Natural Resources Exposure Draft** - The IPSASB is planning to release an Exposure Draft in the fall of 2024 related to the development of on a new International Public Sector Accounting Standard (IPSAS) that would provide guidance on recognition, measurement, presentation and disclosure of natural resources. The group discussed various aspects of an early draft version of this Exposure Draft and provided feedback from a Canadian perspective.
- **Considerations on Developing a Natural Resources Inventory** - The group discussed recent developments, including methodologies and processes, which could be considered by a public sector entity when establishing an inventory of its natural resources.
- **Application of the GAAP Hierarchy: Operating Leases, Lessee Accounting Treatment** - In February 2024, PSAB issued an Exposure Draft that proposed the removal from PSG-2, *Leased Tangible Capital Assets*, of an outdated cross reference to former Part V of the CPA Canada Handbook - Accounting related to accounting for operating leases. The group discussed potential options PSAB could consider to provide guidance to public sector entities on applying the GAAP hierarchy when accounting for operating leases from a lessee perspective.
- **Exploring Scalability of Standards** - The group discussed the merits and potential implications of considering customized reporting for public sector entities and how the benefits may be greater for smaller entities.

Staying up to date and getting involved

Public sector entities are able to stay up to date on topics discussed at these meetings by accessing the [searchable database](#) on the FRAS Canada website which contains a large variety of topics discussed at past meetings.

The PSADG is also interested in receiving issues for discussion from public sector entities and those working in this space. Issues can be submitted for consideration by the group via the [submission page](#) on the FRAS Canada website.

Conclusion

As we head closer to the end of the year, now is the time to discuss with your BDO advisor how the changes made, and the proposed changes to the PSA Handbook will affect your organization. Reach out to us today.

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NOCSRHD BOARD REPORT

TO: Chair and Directors

SUBJECT: 2025 Five Year Financial Plan

DESCRIPTION: Report from Jodi Pierce, General Manager, Financial Services, dated January 10, 2025. For information and consideration.

RECOMMENDATION: THAT: the Board approve a 1.9 % tax increase for the 2025 tax year.

SHORT SUMMARY:

Staff have received the Interior Health Authority 2025/2026 Capital Request letter dated December 16, 2024 and have drafted a proposed budget for consideration.

BACKGROUND:

On December 16, 2024, the North Okanagan Columbia Shuswap Regional Hospital District received the 2025/2026 Capital Request letter from the Interior Health Authority (included on the agenda). This document detailed a request in the amount of \$5,525,400 (2023 - \$7,442,410). Based on this funding request, staff have recommended a 1.9% increase to taxes for the 2025 taxation year. A 1.9% increase will allow a contribution to reserves of approximately \$2,550,000 for the significant projects that have been discussed and are in various stages of planning and conceptualization. This represents an increase of \$5.75 to the average residential taxpayer based on the average residential property assessment of \$639,681. Staff feel that this a prudent, responsible position to take knowing that there could be significant projects in the next few years.

POLICY:

In accordance with the Hospital District Act, the 2025-2029 Five Year Financial Plan must be approved by March 31, 2025. The current option has been provided using the 2025 Completed Roll for assessment purposes.

FINANCIAL:

Should the Board support the 1.9% tax increase, there would be an increase of approximately \$5.75 on the average residential taxpayers other than those whose assessments vary significantly from the average residential assessment of \$639,681 (2024 - \$632,966) as the mill rate would increase slightly from \$.230/\$1,000 in 2024 to approximately \$.2432/\$1,000 in 2025.

DESIRED OUTCOMES:

That the Board support the staff recommendation to have a 1.9% tax increase for the 2025 tax year.

BOARD'S OPTIONS:

1. *Endorse the Recommendation.*
2. *Deny the Recommendation.*
3. *Defer.*
4. *Any other action deemed appropriate by the Board.*

Report Approval Details

Document Title:	2025-01-21_NOCSRHD_FIN 2025 Five Year Financial Plan Draft.docx
Attachments:	- Budget Planning Worksheet.pdf - Status of Projects.pdf - 2025 Hospital Budget Workshop.pdf
Final Approval Date:	Jan 13, 2025

This report and all of its attachments were approved and signed as outlined below:



Jennifer Sham



John MacLean

NOCSRHD - 2025 Five Year Financial Plan - Cashflow Worksheet

		Bylaw	Project Total	NOCSRHD Portion	Previously funded	2025	2026	2027	2028	2029	
Minor Equipment		Global Grant (estimated for 2025-2028)		\$ 1,862,600	\$ 745,040	745,040	782,292	821,407	862,477	905,601	annual
Capital Equipment	QVH	OR Lights	83	859,000	343,600	-	343,600				non start
Capital Projects	QVH	Access Control Enhancement	78	\$ 75,000	\$ 30,000		30,000				non start
		Security Camera Upgrade (Mount Cartier Court)	78	\$ 74,000	\$ 29,600		29,600				non start
		Chiller Replacement	85	1,074,000	\$ 429,600	188,347	241,253				to complete
Capital Equipment	VJH	Medstations, IH Wife Pyxis Replacement, Phase 4	73	\$ 2,939,000	\$ 1,175,600	945,513	230,087				to complete
		Ortho Templating Software for Surgical Efficiency	73	\$ 74,000	\$ 29,600	23,648	5,952				to complete
		Remote Patient Observation System (Telesitter)	78	\$ 285,000	\$ 114,000	-	114,000				non start
		Meal Delivery System	78	\$ 1,430,000	\$ 572,000	326,476	245,524				to complete
		Medstation - Additional	81	\$ 97,000	\$ 38,800		38,800				non start
		Equipment Management System	83	\$ 1,942,750	\$ 777,100	27,085	750,015				to complete
		Cart Washer	83	\$ 340,000	\$ 136,000	128,028	7,972				to complete
		Monitoring System, Physiological	85	\$ 963,600	\$ 385,440		385,440				non start
Capital Projects	VJH	Construction Phase (25 Years) (1st half)	45*		-	1,268,857	1,268,857	1,268,857	1,268,857	1,268,857	Deb Issue 106 (25 Yr)
		Construction Phase (25 Years) (2nd half)	45*		-	1,269,166	1,269,166	1,269,166	1,269,166	1,269,166	Deb Issue 116 (25 Yr)
		Additional Floor (25 Years) (included above)	46*		-	435,690	435,690	435,690	435,690	435,690	Deb Issue 117 (25 Yr)
		Polson Tower Completion (15 years)	58*	\$ 29,563,000	\$ 5,525,000	290,220	290,220	290,220	290,220	290,220	Deb Issue 146 (15 Yr)
		MRI equipment and upgrade	67	\$ 7,100,000	\$ 2,840,000	222,970	222,970	222,970	222,970	222,970	Deb Issue 150 (15 Yr)
		North Tower Electrical Primary Distribution - Planni	76	\$ 75,000	\$ 30,000	10,865	19,135				to complete
		Electrical Infrastructure Upgrade - Phase 1	78/79	\$ 3,500,000	\$ 1,400,000	94,898	1,305,102				amend from debt to taxation
		Electrical Infrastructure Upgrade - Phase 1 (add'l funding)		\$ 4,434,000	\$ 1,773,600		1,773,600				new in 2025
		Inpatient Psychiatry Redesign - Concept Plan	78	\$ 700,000	\$ 280,000	87,861	192,139				to complete
		Autopsy Suite Upgrade	81	\$ 5,500,000	\$ 2,200,000	86,002	2,113,998				to complete
		Autopsy Suite Upgrade (add'l funding)		\$ 3,680,600	\$ 1,472,240		1,472,240				new in 2025
		Cooler and Freezer Upgrades	83	\$ 1,479,000	\$ 591,600	35,892	555,708				to complete
		MHSU Business Plan	83	\$ 800,000	\$ 320,000		320,000				non start
		Secure Room Safety Upgrade	83	\$ 518,000	\$ 207,200		207,200				non start
		Domestic Hot Water	83	\$ 236,250	\$ 94,500	24,876	69,624				to complete
		MRI Scan Suite Humidity	83	\$ 99,000	\$ 39,600		39,600				non start
		Heat Recovery Chiller	85	\$ 5,030,400	\$ 2,012,160		2,012,160				non start
		Second Secure Room	85	\$ 1,038,825	\$ 415,530		415,530				non start
		Staff Duress System		210,200	\$ 84,080		84,080				new in 2025

NOCSRHD - 2025 Five Year Financial Plan - Cashflow Worksheet

		Bylaw	Project Total	NOCSRHD Portion	Previously funded	2025	2026	2027	2028	2029			
Capital Equipment	SLGH	Medstations, Additional	83	\$ 198,000	\$ 79,200	68,933	10,267				to complete		
		Monitoring System, Physiological (add'l funding)	83	\$ 40,000	\$ 16,000	13,045	2,955				to complete		
		Steam Sterilizer	83	\$ 192,000	\$ 76,800		76,800				non start		
		Medstation - Additional	85	\$ 88,000	\$ 35,200		35,200				non start		
Capital Projects	SLGH	Construction Phase (25 Years)	38*		\$ -		507,101	507,101	507,101	507,101	507,101	Deb Issue 112 (25 Yr)	
		Inpatient Care Services - Planning	81	\$ 1,000,000	\$ 400,000	197,671	202,329					to complete	
		Hot Water Loop Upgrade	83	460,250	184,100	92,046	92,054					to complete	
		MDR Storage Upgrades	83	85,000	34,000		34,000					non start	
		High Acuity Unit/Critical Care Unit	85	\$ 250,000	\$ 100,000		100,000					non start	
		Medical Air Distribution System	85	\$ 75,000	\$ 30,000		30,000					non start	
Capital Equipment	Regional	IH Wide IMIT (2019/2020)	73	\$ 1,608,000	\$ 643,200	558,667	84,533					to complete	
		IH Wide IMIT (2020/2021)	76	\$ 1,615,250	\$ 646,100	545,228	100,872					to complete	
		IH Wide IMIT (2021/2022)	78	\$ 2,134,750	\$ 853,900	567,958	285,942					to complete	
		Laboratory Middleware - add'l funding	81	\$ 391,000	\$ 156,400	75,271	81,129					to complete	
		IH Wide IMIT (2022/2023)	81	\$ 1,624,250	\$ 649,700	598,034	51,667					to complete	
		IH Wide IMIT (2023/2024)	83	\$ 2,340,000	936,000	847,784	88,216					to complete	
		IH Wide Digital Health (2024/2025)	85	\$ 2,139,750	\$ 855,900		855,900					non start	
		IH Wide Digital Health (2025/2026)		\$ 1,859,200	\$ 743,680		743,680					new in 2025	
Capital Projects	Regional	Pleasant Valley Manor (20 Years)	32*		\$ -		214,395	214,395	214,395	214,395	214,395	Deb Issue 106 (20 Yr)	
		Generator & Switchgear Replacement	78	\$ 950,000	\$ 380,000	342,698	37,302					to complete	
		Chiller and Cooling Tower Replacement	83	\$ 1,096,000	\$ 438,400	36,775	401,625					to complete	
		Chiller and Cooling Tower Replacement (add'l funding)		\$ 1,602,800	\$ 641,120		641,120					new in 2025	
		Generator & Switchgear Replacement (add'l fundin	85	\$ 144,500	\$ 57,800		57,800					non start	
		Noric House Elevator Upgrade	83	\$ 338,500	\$ 135,400	27,952	107,448					to complete	
		Gateby Care Centre Air Handling Unit	81	\$ 85,000	\$ 34,000	24,764	9,236					to complete	
		Bastion Place	Generator Replacement	78	\$ 1,200,000	\$ 480,000	349,727	130,273					to complete
			Loading Dock Upgrade	81	\$ 80,000	\$ 32,000	31,022	978					to complete
			Chiller (add'l funding)	83	\$ 289,000	\$ 115,600	79,335	36,265					to complete
			Upgrade to front entrance	83	\$ 85,000	\$ 34,000	29,812	4,188					to complete

NOCSRHD - 2025 Five Year Financial Plan - Cashflow Worksheet

		Bylaw	Project Total	NOCSRHD Portion	Previously funded	2025	2026	2027	2028	2029	
Capital Projects	Regional (cont'd)										
	Shuswap										
	Comm Care										
	Leasehold Improvements - (lab add'l funding)	83	\$ 990,000	\$ 396,000	374,047	21,953					to complete
	Gateby										
	Boiler Upgrade	83	\$ 767,000	\$ 306,800	146,729	160,071					to complete
	PV Health Centre										
	Chiller Replacement	83	\$ 500,000	\$ 200,000	-	200,000					non start
	Heat Trace for Gutters	83	\$ 90,000	\$ 36,000	-	36,000					non start
	Polson Extended Ca										
	Generator & Distribution Upgrade	85	\$ 2,083,450	\$ 833,380		833,380					non start
	TBD										
	Long-term Care Facility - Business Plan	78	\$ 400,000	\$ 160,000		160,000					non start
	TBD										
	Primary Care Project	85	\$ 5,000,000	\$ 2,000,000		2,000,000					non start
	Various										
	Building Management System Upgrade		\$ 163,600	\$ 65,440		65,440					new in 2025
	Administration Cost					97,000	98,940	100,919	102,937	104,996	
	Debt Reserve Fund expense from Issue of new Debt										
	Total Anticipated Expenditures					<u>\$25,831,422</u>	<u>\$5,089,632</u>	<u>\$5,130,725</u>	<u>\$5,173,814</u>	<u>\$5,218,996</u>	
Capital Planning Information	Additional Capital Requirements spread next 5 years (estimated)										
	- Equipment						3,440,000	5,030,000	3,410,000	3,410,000	
	- Facility Projects						0	0	0	0	
	Agreements - First Nations					-92,370	-93,294	-94,227	-95,169	-96,121	
	Grants in lieu					-25,000	-25,000	-25,000	-25,000	-25,000	
	From accumulated cash reserves - prior years' approved projects					-14,695,720				0	
	To accumulated cash reserves - current year approved projects					2,550,000	5,250,000	3,800,000	5,600,000	5,800,000	\$39,133,253 Est Reserve Balance
	Interest Revenue					-300,000	-150,000	-75,000	-50,000	-50,000	
	Tax Requisition					\$13,268,332	\$13,511,338	\$13,766,498	\$14,013,645	\$14,257,876	
						\$0.2432	\$0.2477	\$0.2524	\$0.2569	\$0.2614	
	% increase over previous year:					1.9%	1.8%	1.9%	1.8%	1.7%	
	Average Home Value					\$ 639,981	\$639,981	\$639,981	\$639,981	\$639,981	
	Annual Tax Levy on average home					\$155.66	\$158.51	\$161.51	\$164.41	\$167.27	

**North Okanagan Columbia Shuswap Regional Hospital District
Status of Hospital District Approved & Proposed Projects for 2025/2026 as at January 7 2025**

Facility	Project/Equipment	Budget Category	Total Cost	RHD Cost	Expended in Prior Year(s)	Expended in Current Year	Total Expended	Project	Remaining to be spent	
A - Completed Projects per IHA - closed projects at March 31, 2024 - not yet received										
			\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
B - Fully Funded Projects per NOCSRHD but not officially closed by IHA										
Shuswap Lake, Salmon Arm:										
	Pharmacy Renovation	Const over \$100K	\$ 1,080,000	\$ 432,000	432,000.00		432,000.00	2019 Budget	73	-
	Pharmacy Renovation (additional funding)	Const over \$100K	\$ 1,450,000	\$ 580,000	580,000.00		580,000.00	2021 Budget	78	-
	Mammography Unit	Equip	\$ 1,938,000	\$ 484,500	484,500.00		484,500.00	2021 Budget	78	-
	Monitoring System, Physiological	Equip	\$ 159,000	\$ 63,600	63,600.00		63,600.00	2022 Budget	81	-
Regional:										
	Shuswap Community Care Serv Leasehold Improvements-Reno/Expansion/Relocation	Const over \$100K	\$ 600,000	\$ 240,000	240,000.00		240,000.00	2019 Budget	73	-
	Shuswap Community Care Serv Leasehold Improvements-Renovation and Expansion	Const over \$100K	\$ 1,800,000	\$ 720,000	578,300.58	141,699.42	720,000.00	2021 Budget	78	-
	Shuswap Community Care Serv Leasehold Improvements (add'l funding)	Const over \$100K	\$ 1,300,000	\$ 520,000		520,000.00	520,000.00	2023 Budget	83	-
	Various Laboratory Middleware	Equip	\$ 205,750	\$ 82,300	82,300.00		82,300.00	2019 Budget	73	-
	Bastion Place Chiller	Const over \$100K	\$ 770,000	\$ 308,000	308,000.00		308,000.00	2022 Budget	81	-
	Granville Building - Enderby Bus for Adult Day Care	Equip	\$ 123,000	\$ 49,200		49,200.00	49,200.00	2022 Budget	81	-
	Global Grant Equipment between \$5,000 and \$100,000	Global	\$ 1,663,750	\$ 665,500	665,500.00		665,500.00	2023 Budget	83	-
Sub-total			\$ 11,089,500	\$ 4,145,100	3,434,200.58	\$ 710,899.42	\$ 4,145,100.00			\$ -
C - In Progress Projects										
<u>Queen Victoria, Revelstoke:</u>										
	Access Control Enhancement	Const under \$100K	\$ 75,000	\$ 30,000				2021 Budget	78	30,000.00
	Security Camera Upgrade (Mount Cartier Court)	Const under \$100K	\$ 74,000	\$ 29,600				2021 Budget	78	29,600.00
	Chiller Replacement	Const over \$100K	\$ 1,074,000	\$ 429,600		188,346.71	188,346.71	2023 Budget	83	241,253.29
	OR Lights	Equip	\$ 859,000	\$ 343,600				2023 Budget	83	343,600.00
<u>Shuswap Lake General, Salmon Arm:</u>										
	Inpatient Care Services - Planning	Const over \$100K	\$ 1,000,000	\$ 400,000	36,239.99	161,431.07	197,671.06	2022 Budget	81	202,328.94
	Physiological Monitoring System (add'l funding)	Equip	\$ 40,000	\$ 16,000	13,045.37		13,045.37	2023 Budget	83	2,954.63
	Hot Water Loop Upgrade	Const over \$100K	\$ 460,250	\$ 184,100	92,045.56		92,045.56	2023 Budget	83	92,054.44
	MDR Storage Upgrades	Const under \$100K	\$ 85,000	\$ 34,000				2023 Budget	83	34,000.00
	Medstations, Additional	Equip	\$ 198,000	\$ 79,200		68,932.67	68,932.67	2023 Budget	83	10,267.33
	Steam Sterilizer	Equip	\$ 192,000	\$ 76,800				2023 Budget	83	76,800.00
	High Acuity Unit/Critical Care Unit	Const over \$100K	\$ 250,000	\$ 100,000				2024 Budget	85	100,000.00
	Medical Air Distribution System	Const under \$100K	\$ 75,000	\$ 30,000				2024 Budget	85	30,000.00
	Medstation - Additional	Equipment	\$ 88,000	\$ 35,200				2024 Budget	85	35,200.00

**North Okanagan Columbia Shuswap Regional Hospital District
Status of Hospital District Approved & Proposed Projects for 2025/2026 as at January 7 2025**

Facility	Project/Equipment	Budget Category	Total Cost	RHD Cost	Expended in Prior Year(s)	Expended in Current Year	Total Expended	Project	Remaining to be spent	
<u>C - In Progress Projects, continued</u>										
<u>Vernon Jubilee:</u>	Ortho Templating Software for Surgical Efficiency	IMIT	\$ 74,000	\$ 29,600	23,647.89	-	23,647.89	2019 Budget	73	5,952.11
	Medstations, IH Wife Pyxis Replacement, Phase 4	Equip	\$ 2,939,000	\$ 1,175,600	945,513.09	-	945,513.09	2019 Budget	73	230,086.91
	North Tower Electrical Primary Distribution - Planning	Const over \$100K	\$ 75,000	\$ 30,000	10,756.30	108.80	10,865.10	2020 Budget	76	19,134.90
	Electrical Infrastructure Upgrade - Phase 1	Const over \$100K	\$ 3,500,000	\$ 1,400,000	94,898.03	-	94,898.03	2021 Budget	78/79	1,305,101.97
	Inpatient Psychiatry Redesign - Concept Plan	Const over \$100K	\$ 700,000	\$ 280,000	87,861.20	-	87,861.20	2021 Budget	78	192,138.80
	Remote Patient Observation System (Telesitter)	IMIT	\$ 285,000	\$ 114,000	-	-	-	2021 Budget	78	114,000.00
	Meal Delivery System	Equip	\$ 1,430,000	\$ 572,000	314,793.18	11,682.42	326,475.60	2021 Budget	78	245,524.40
	Autopsy Suite Upgrade	Const over \$100K	\$ 5,500,000	\$ 2,200,000	-	86,002.06	86,002.06	2022 Budget	81	2,113,997.94
	Medstation - Additional	Equip	\$ 97,000	\$ 38,800	-	-	-	2022 Budget	81	38,800.00
	Cooler and Freezer upgrades	Const over \$100K	\$ 1,479,000	\$ 591,600	-	35,891.75	35,891.75	2023 Budget	83	555,708.25
	MHSU Business Plan	Const over \$100K	\$ 800,000	\$ 320,000	-	-	-	2023 Budget	83	320,000.00
	Secure Room Safety Upgrade	Const over \$100K	\$ 518,000	\$ 207,200	-	-	-	2023 Budget	83	207,200.00
	Domestic Hot Water	Const over \$100K	\$ 236,250	\$ 94,500	-	24,875.82	24,875.82	2023 Budget	83	69,624.18
	MRI Scan Suite Humidity	Const under \$100K	\$ 99,000	\$ 39,600	-	-	-	2023 Budget	83	39,600.00
	Equipment Management System	Equip	\$ 1,942,750	\$ 777,100	-	27,085.10	27,085.10	2023 Budget	83	750,014.90
	Cart Washer	Equip	\$ 340,000	\$ 136,000	128,027.87	-	128,027.87	2023 Budget	83	7,972.13
	Heat Recovery Chiller	Const over \$100K	\$ 5,030,400	\$ 2,012,160	-	-	-	2024 Budget	85	2,012,160.00
	Second Secure Room	Const over \$100K	\$ 1,038,825	\$ 415,530	-	-	-	2024 Budget	85	415,530.00
	Monitoring System, Physiological	Equipment	\$ 963,600	\$ 385,440	-	-	-	2024 Budget	85	385,440.00
<u>C - In Progress Projects, continued</u>										
<u>Regional:</u>										
Regional	IH Wide IMIT	IMIT - 19/20	\$ 1,608,000	\$ 643,200	555,623.08	3,044.22	558,667.30	2019 Budget	73	84,532.70
Various	Laboratory Middleware (add'l funding)	Equip	\$ 391,000	\$ 156,400	62,942.74	12,328.09	75,270.83	2022 Budget	81	81,129.17
Bastion Place	Generator Replacement	Const over \$100K	\$ 1,200,000	\$ 480,000	319,755.20	29,971.69	349,726.89	2020 Budget	76	130,273.11
Regional	IH Wide IMIT	IMIT - 20/21	\$ 1,615,250	\$ 646,100	542,293.91	2,933.93	545,227.84	2020 Budget	76	100,872.16
Pleasant Valley Manor	Generator & Switchgear Replacement	Const over \$100K	\$ 950,000	\$ 380,000	166,744.41	175,953.25	342,697.66	2021 Budget	78	37,302.34
TBD	Long-term Care Facility - Business Plan	Const over \$100K	\$ 400,000	\$ 160,000	-	-	-	2021 Budget	78	160,000.00
Regional	IH Wide IMIT	IMIT - 21/22	\$ 2,134,750	\$ 853,900	512,728.86	55,229.41	567,958.27	2021 Budget	78	285,941.73
Bastion Place	Chiller Replacement (add'l funding)	Const over \$100K	\$ 289,000	\$ 115,600	40,442.39	38,892.89	79,335.28	2023 Budget	83	36,264.72
Gateby Care Centre	Air Handling Unit	Const under \$100K	\$ 85,000	\$ 34,000	-	24,764.24	24,764.24	2022 Budget	81	9,235.76
Bastion Place	Loading Dock Upgrade	Const under \$100K	\$ 80,000	\$ 32,000	28,186.92	2,834.89	31,021.81	2022 Budget	81	978.19
Regional	IH Wide IMIT	IMIT - 22/23	\$ 1,624,250	\$ 649,700	439,392.14	158,641.36	598,033.50	2022 Budget	81	51,666.50
Pleasant Valley Manor	Chiller and Cooling Tower Replacement	Const over \$100K	\$ 1,096,000	\$ 438,400	-	36,775.08	36,775.08	2023 Budget	83	401,624.92
Parkview Place	Chiller Replacement	Const over \$100K	\$ 500,000	\$ 200,000	-	-	-	2023 Budget	83	200,000.00
Shuswap Lab Services	Leasehold Improvements (add'l funding)	Const over \$100K	\$ 990,000	\$ 396,000	-	374,047.39	374,047.39	2023 Budget	83	21,952.61
Gateby Care Centre	Boiler Upgrade	Const over \$100K	\$ 767,000	\$ 306,800	50,118.63	96,610.84	146,729.47	2023 Budget	83	160,070.53
Noric House	Elevator Upgrade	Const over \$100K	\$ 338,500	\$ 135,400	-	27,951.65	27,951.65	2023 Budget	83	107,448.35
Parkview Place	Heat Trace for Gutters	Const under \$100K	\$ 90,000	\$ 36,000	-	-	-	2023 Budget	83	36,000.00
Bastion Place	Upgrade to Front Entrance	Const under \$100K	\$ 85,000	\$ 34,000	-	29,812.04	29,812.04	2023 Budget	83	4,187.96
Regional	IH-Wide IMIT 23/24	IMIT - 23/24	\$ 2,340,000	\$ 936,000	-	847,783.80	847,783.80	2023 Budget	83	88,216.20
Pleasant Valley Manor	Generator & Switchgear Replacement (add'l funding)	Const over \$100K	\$ 144,500	\$ 57,800	-	-	-	2024 Budget	85	57,800.00
TBD	Primary Care Project	Const over \$100K	\$ 5,000,000	\$ 2,000,000	-	-	-	2024 Budget	85	2,000,000.00
Polson Extended Care	Generator & Distribution Upgrade	Const over \$100K	\$ 2,083,450	\$ 833,380	-	-	-	2024 Budget	85	833,380.00
Various	Digital Health - 2024/25	IMIT	\$ 2,139,750	\$ 855,900	-	-	-	2024 Budget	85	855,900.00
Global Grant	Equipment between \$5,000 and \$100,000	Global	\$ 1,792,500	\$ 717,000	-	717,000.00	717,000.00	2024 Budget	85	-
Prior Year Projects - Sub-total			\$ 59,262,025	\$ 23,704,810	\$ 4,465,056.76	\$ 3,238,931.17	\$ 7,703,987.93			\$ 16,000,822.07

**North Okanagan Columbia Shuswap Regional Hospital District
Status of Hospital District Approved & Proposed Projects for 2025/2026 as at January 7 2025**

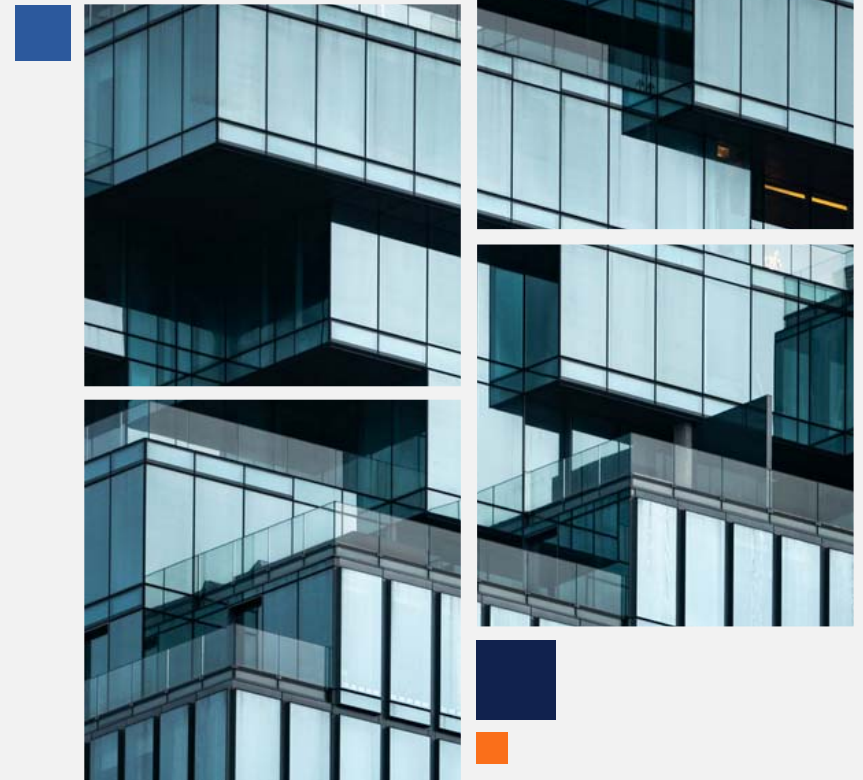
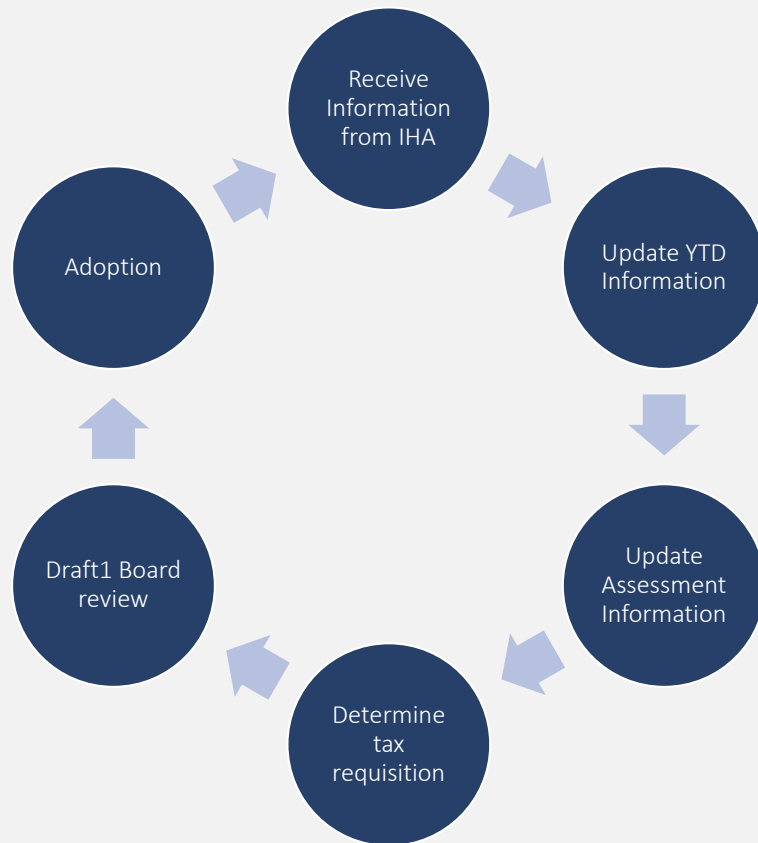
Facility	Project/Equipment	Budget Category	Total Cost	RHD Cost	Expended in Prior Year(s)	Expended in Current Year	Total Expended	Project	Remaining to be spent
D - New Projects for 2025/2026									
Vernon Jubilee	Staff Duress System	Const over \$100K	\$ 210,200	\$ 84,080				2025 Budget	84,080.00
	Autopsy Suite Upgrade (add'l funding)	Const over \$100K	\$ 3,680,600	\$ 1,472,240			-	2025 Budget	1,472,240.00
	Electrical Infrastructure Upgrade - Phase 1 (add'l funding)	Const over \$100K	\$ 4,434,000	\$ 1,773,600			-	2025 Budget	1,773,600.00
Regional									
Pleasant Valley Manor	Chiller and Cooling Tower Replacement (add'l funding)	Const over \$100K	\$ 1,602,800	\$ 641,120			-	2025 Budget	641,120.00
Various	Building Management System Upgrade	Const over \$100K	\$ 163,600	\$ 65,440			-	2025 Budget	65,440.00
Various	Digital Health - 2025/26	IMIT	\$ 1,859,200	\$ 743,680			-	2025 Budget	743,680.00
Global Grant	Equipment between \$5,000 and \$100,000	Global	\$ 1,862,600	\$ 745,040			-	2025 Budget	745,040.00
Sub-total			<u>\$ 13,813,000</u>	<u>\$ 5,525,200</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 5,525,200.00</u> <u>\$ 21,526,022.07</u>
TOTAL			<u>\$ 84,164,525</u>	<u>\$ 33,375,110</u>	<u>7,899,257.34</u>	<u>\$ 3,949,830.59</u>	<u>\$ 11,849,087.93</u>		<u>21,526,022.07</u>

January 21, 2025

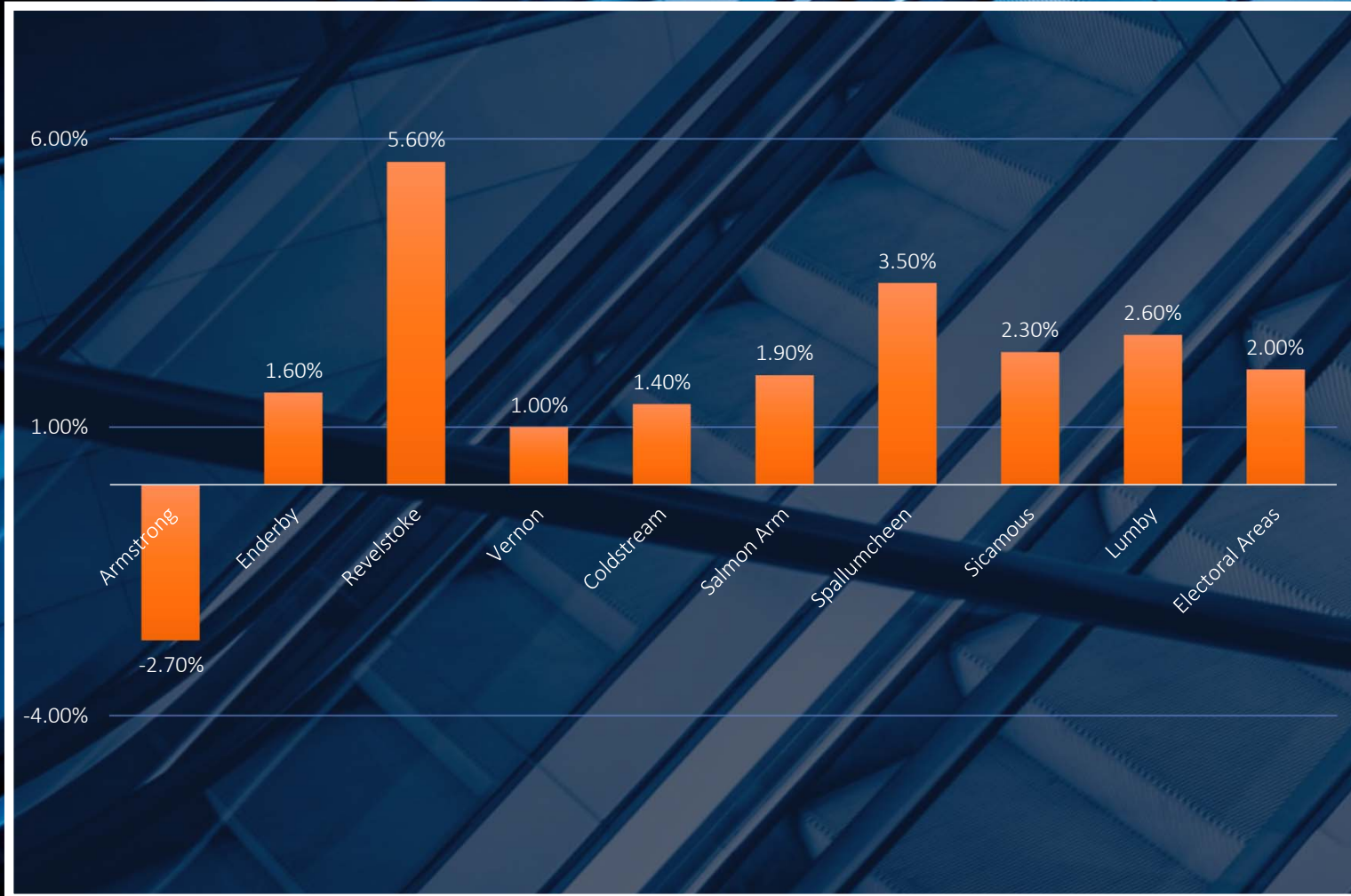
North Okanagan Columbia Shuswap Regional Hospital District

Budget Discussion

Budget Process



Current Increase in Total Assessment





North Okanagan Columbia Shuswap Regional Hospital District
Status of Hospital District Approved & Proposed Projects for 2025/2026 as at January 7 2025

Facility	Project/Equipment	Budget Category	Total Cost	RHD Cost	Expended in Prior Year(s)	Expended in Current Year	Total Expended	Project
C - In Progress Projects								
Queen Victoria, Revelstoke:								
	Access Control Enhancement	Const under \$100K	\$ 75,000	\$ 30,000	-		-	2021 Budget
	Security Camera Upgrade (Mount Cartier Court)	Const under \$100K	\$ 74,000	\$ 29,600	-		-	2021 Budget
	Chiller Replacement	Const over \$100K	\$ 1,074,000	\$ 429,600		188,346.71	188,346.71	2023 Budget
	OR Lights	Equip	\$ 859,000	\$ 343,600			-	2023 Budget
Shuswap Lake General, Salmon Arm:								
	Inpatient Care Services - Planning	Const over \$100K	\$ 1,000,000	\$ 400,000	36,239.99	161,431.07	197,671.06	2022 Budget
	Physiological Monitoring System (add'l funding)	Equip	\$ 40,000	\$ 16,000	13,045.37		13,045.37	2023 Budget
	Hot Water Loop Upgrade	Const over \$100K	\$ 460,250	\$ 184,100	92,045.56		92,045.56	2023 Budget
	MDR Storage Upgrades	Const under \$100K	\$ 85,000	\$ 34,000			-	2023 Budget
	Medstations, Additional	Equip	\$ 198,000	\$ 79,200		68,932.67	68,932.67	2023 Budget
	Steam Sterilizer	Equip	\$ 192,000	\$ 76,800			-	2023 Budget
	High Acuity Unit/Critical Care Unit	Const over \$100K	\$ 250,000	\$ 100,000				2024 Budget
	Medical Air Distribution System	Const under \$100K	\$ 75,000	\$ 30,000				2024 Budget
	Medstation - Additional	Equipment	\$ 88,000	\$ 35,200				2024 Budget



**North Okanagan Columbia Shuswap Regional Hospital District
Status of Hospital District Approved & Proposed Projects for 2025/2026 as at January 7 2025**

Facility	Project/Equipment	Budget Category	Total Cost	RHD Cost	Expended in Prior Year(s)	Expended in Current Year	Total Expended	Project
C - In Progress Projects, continued								-
<u>Vernon Jubilee:</u>	Ortho Templating Software for Surgical Efficiency	IMIT	\$ 74,000	\$ 29,600	23,647.89		23,647.89	2019 Budget
	Medstations, IH Wife Pyxis Replacement, Phase 4	Equip	\$ 2,939,000	\$ 1,175,600	945,513.09		945,513.09	2019 Budget
	North Tower Electrical Primary Distribution - Plannir	Const over \$100K	\$ 75,000	\$ 30,000	10,756.30	108.80	10,865.10	2020 Budget
	Electrical Infrastructure Upgrade - Phase 1	Const over \$100K	\$ 3,500,000	\$ 1,400,000	94,898.03		94,898.03	2021 Budget
	Inpatient Psychiatry Redesign - Concept Plan	Const over \$100K	\$ 700,000	\$ 280,000	87,861.20		87,861.20	2021 Budget
	Remote Patient Observation System (Telesitter)	IMIT	\$ 285,000	\$ 114,000	-		-	2021 Budget
	Meal Delivery System	Equip	\$ 1,430,000	\$ 572,000	314,793.18	11,682.42	326,475.60	2021 Budget
	Autopsy Suite Upgrade	Const over \$100K	\$ 5,500,000	\$ 2,200,000	-	86,002.06	86,002.06	2022 Budget
	Medstation - Additional	Equip	\$ 97,000	\$ 38,800	-		-	2022 Budget
	Cooler and Freezer upgrades	Const over \$100K	\$ 1,479,000	\$ 591,600		35,891.75	35,891.75	2023 Budget
	MHSU Business Plan	Const over \$100K	\$ 800,000	\$ 320,000			-	2023 Budget
	Secure Room Safety Upgrade	Const over \$100K	\$ 518,000	\$ 207,200			-	2023 Budget
	Domestic Hot Water	Const over \$100K	\$ 236,250	\$ 94,500		24,875.82	24,875.82	2023 Budget
	MRI Scan Suite Humidity	Const under \$100K	\$ 99,000	\$ 39,600			-	2023 Budget
	Equipment Management System	Equip	\$ 1,942,750	\$ 777,100		27,085.10	27,085.10	2023 Budget
	Cart Washer	Equip	\$ 340,000	\$ 136,000	128,027.87		128,027.87	2023 Budget
	Heat Recovery Chiller	Const over \$100K	\$ 5,030,400	\$ 2,012,160			-	2024 Budget
	Second Secure Room	Const over \$100K	\$ 1,038,825	\$ 415,530			-	2024 Budget
	Monitoring System, Physiological	Equipment	\$ 963,600	\$ 385,440			-	2024 Budget

North Okanagan Columbia Shuswap Regional Hospital District
Status of Hospital District Approved & Proposed Projects for 2025/2026 as at January 7

Facility	Project/Equipment	Budget Category	Total Cost	RHD Cost	Expended in Prior Year(s)	Expended in Current Year	Total Expended	Project
Regional:								
Regional	IH Wide IMIT	IMIT - 19/20	\$ 1,608,000	\$ 643,200	555,623.08	3,044.22	558,667.30	2019 Budget
Various	Laboratory Middleware (add'l funding)	Equip	\$ 391,000	\$ 156,400	62,942.74	12,328.09	75,270.83	2022 Budget
Bastion Place	Generator Replacement	Const over \$100K	\$ 1,200,000	\$ 480,000	319,755.20	29,971.69	349,726.89	2020 Budget
Regional	IH Wide IMIT	IMIT - 20/21	\$ 1,615,250	\$ 646,100	542,293.91	2,933.93	545,227.84	2020 Budget
Pleasant Valley Manor	Generator & Switchgear Replacement	Const over \$100K	\$ 950,000	\$ 380,000	166,744.41	175,953.25	342,697.66	2021 Budget
TBD	Long-term Care Facility - Business Plan	Const over \$100K	\$ 400,000	\$ 160,000	-	-	-	2021 Budget
Regional	IH Wide IMIT	IMIT - 21/22	\$ 2,134,750	\$ 853,900	512,728.86	55,229.41	567,958.27	2021 Budget
Bastion Place	Chiller Replacement (add'l funding)	Const over \$100K	\$ 289,000	\$ 115,600	40,442.39	38,892.89	79,335.28	2023 Budget
Gateby Care Centre	Air Handling Unit	Const under \$100K	\$ 85,000	\$ 34,000	-	24,764.24	24,764.24	2022 Budget
Bastion Place	Loading Dock Upgrade	Const under \$100K	\$ 80,000	\$ 32,000	28,186.92	2,834.89	31,021.81	2022 Budget
Regional	IH Wide IMIT	IMIT - 22/23	\$ 1,624,250	\$ 649,700	439,392.14	158,641.36	598,033.50	2022 Budget
Pleasant Valley Manor	Chiller and Cooling Tower Replacement	Const over \$100K	\$ 1,096,000	\$ 438,400	-	36,775.08	36,775.08	2023 Budget
Parkview Place	Chiller Replacement	Const over \$100K	\$ 500,000	\$ 200,000	-	-	-	2023 Budget
Shuswap Lab Services	Leasehold Improvements (add'l funding)	Const over \$100K	\$ 990,000	\$ 396,000	-	374,047.39	374,047.39	2023 Budget
Gateby Care Centre	Boiler Upgrade	Const over \$100K	\$ 767,000	\$ 306,800	50,118.63	96,610.84	146,729.47	2023 Budget
Noric House	Elevator Upgrade	Const over \$100K	\$ 338,500	\$ 135,400	-	27,951.65	27,951.65	2023 Budget
Parkview Place	Heat Trace for Gutters	Const under \$100K	\$ 90,000	\$ 36,000	-	-	-	2023 Budget
Bastion Place	Upgrade to Front Entrance	Const under \$100K	\$ 85,000	\$ 34,000	-	29,812.04	29,812.04	2023 Budget
Regional	IH-Wide IMIT 23/24	IMIT - 23/24	\$ 2,340,000	\$ 936,000	-	847,783.80	847,783.80	2023 Budget
Pleasant Valley Manor	Generator & Switchgear Replacement (add'l funding)	Const over \$100K	\$ 144,500	\$ 57,800	-	-	-	2024 Budget
TBD	Primary Care Project	Const over \$100K	\$ 5,000,000	\$ 2,000,000	-	-	-	2024 Budget
Polson Extended Care	Generator & Distribution Upgrade	Const over \$100K	\$ 2,083,450	\$ 833,380	-	-	-	2024 Budget
Various	Digital Health - 2024/25	IMIT	\$ 2,139,750	\$ 855,900	-	-	-	2024 Budget
Global Grant	Equipment between \$5,000 and \$100,000	Global	\$ 1,792,500	\$ 717,000	-	717,000.00	717,000.00	2024 Budget

New Projects for 2025/2026

North Okanagan Columbia Shuswap Regional Hospital District Status of Hospital District Approved & Proposed Projects for 2025/2026 as at January 7 2025

Facility	Project/Equipment	Budget Category	Total Cost	RHD Cost	Expended in Prior Year(s)	Expended in Current Year	Total Expended	Project
<u>D - New Projects for 2025/2026</u>								
Vernon Jubilee								
	Staff Duress System	Const over \$100K	\$ 210,200	\$ 84,080				2025 Budget
	Autopsy Suite Upgrade (add'l funding)	Const over \$100K	\$ 3,680,600	\$ 1,472,240			-	2025 Budget
	Electrical Infrastructure Upgrade - Phase 1 (add'l fun	Const over \$100K	\$ 4,434,000	\$ 1,773,600			-	2025 Budget
<u>Regional</u>								
Pleasant Valley Manor	Chiller and Cooling Tower Replacement (add'l fundi	Const over \$100K	\$ 1,602,800	\$ 641,120			-	2025 Budget
Various	Building Management System Upgrade	Const over \$100K	\$ 163,600	\$ 65,440				2025 Budget
Various	Digital Health - 2025/26	IMIT	\$ 1,859,200	\$ 743,680			-	2025 Budget
Global Grant	Equipment between \$5,000 and \$100,000	Global	\$ 1,862,600	\$ 745,040			-	2025 Budget



NOCSRHD - 2025 Five Year Financial Plan - Cashflow Worksheet

	Bylaw	NOCSRHD Portion	2025	2026	2027	2028	2029
Total Anticipated Expenditures			\$25,831,422	\$5,089,632	\$5,130,725	\$5,173,814	\$5,218,996
Capital Planning Information							
Additional Capital Requirements spread next 5 years (estimated)							
- Equipment				3,440,000	5,030,000	3,410,000	3,410,000
- Facility Projects				0	0	0	0
Agreements - First Nations			-92,370	-93,294	-94,227	-95,169	-96,121
Grants in lieu			-25,000	-25,000	-25,000	-25,000	-25,000
From accumulated cash reserves - prior years' approved projects			-14,695,720				0
To accumulated cash reserves - current year approved projects			2,550,000	5,250,000	3,800,000	5,600,000	5,800,000
Interest Revenue			-300,000	-150,000	-75,000	-50,000	-50,000
Tax Requisition			\$13,268,332	\$13,511,338	\$13,766,498	\$14,013,645	\$14,257,876
			\$0.2432	\$0.2477	\$0.2524	\$0.2569	\$0.2614
		% increase over previous year:	1.9%	1.8%	1.9%	1.8%	1.7%
		Average Home Value	\$ 639,981	\$639,981	\$639,981	\$639,981	\$639,981
		Annual Tax Levy on average home	\$155.66	\$158.51	\$161.51	\$164.41	\$167.27

NOCSRHD - 2025 Five Year Financial Plan - Cashflow Worksheet							
	Bylaw	NOCSRHD Portion	2025	2026	2027	2028	2029
Capital Planning Information							
Additional Capital Requirements spread next 5 years (estimated)							
- Equipment				3,440,000	5,030,000	3,410,000	3,410,000
- Facility Projects				0	0	0	0
Agreements - First Nations			-92,370	-93,294	-94,227	-95,169	-96,121
Grants in lieu			-25,000	-25,000	-25,000	-25,000	-25,000
From accumulated cash reserves - prior years' approved projects			-14,695,720				0
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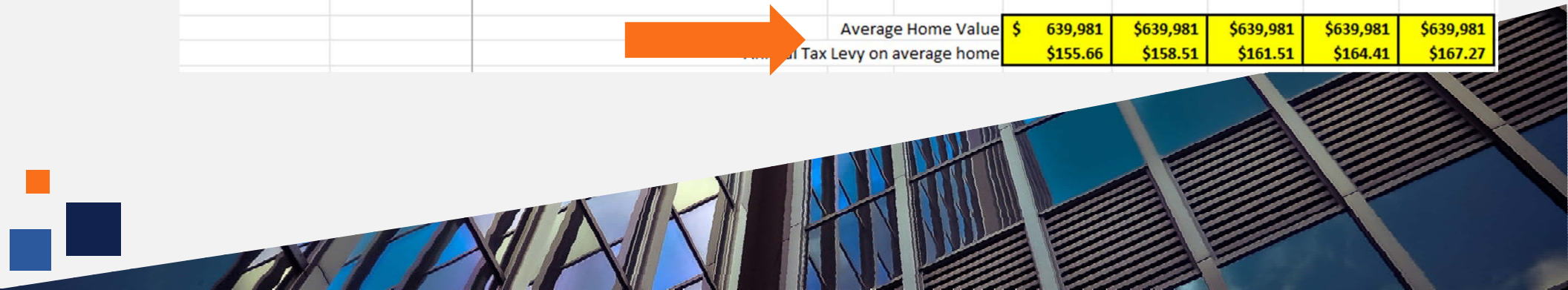
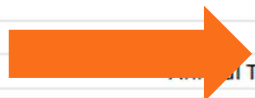
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Allocation of Tax Increase

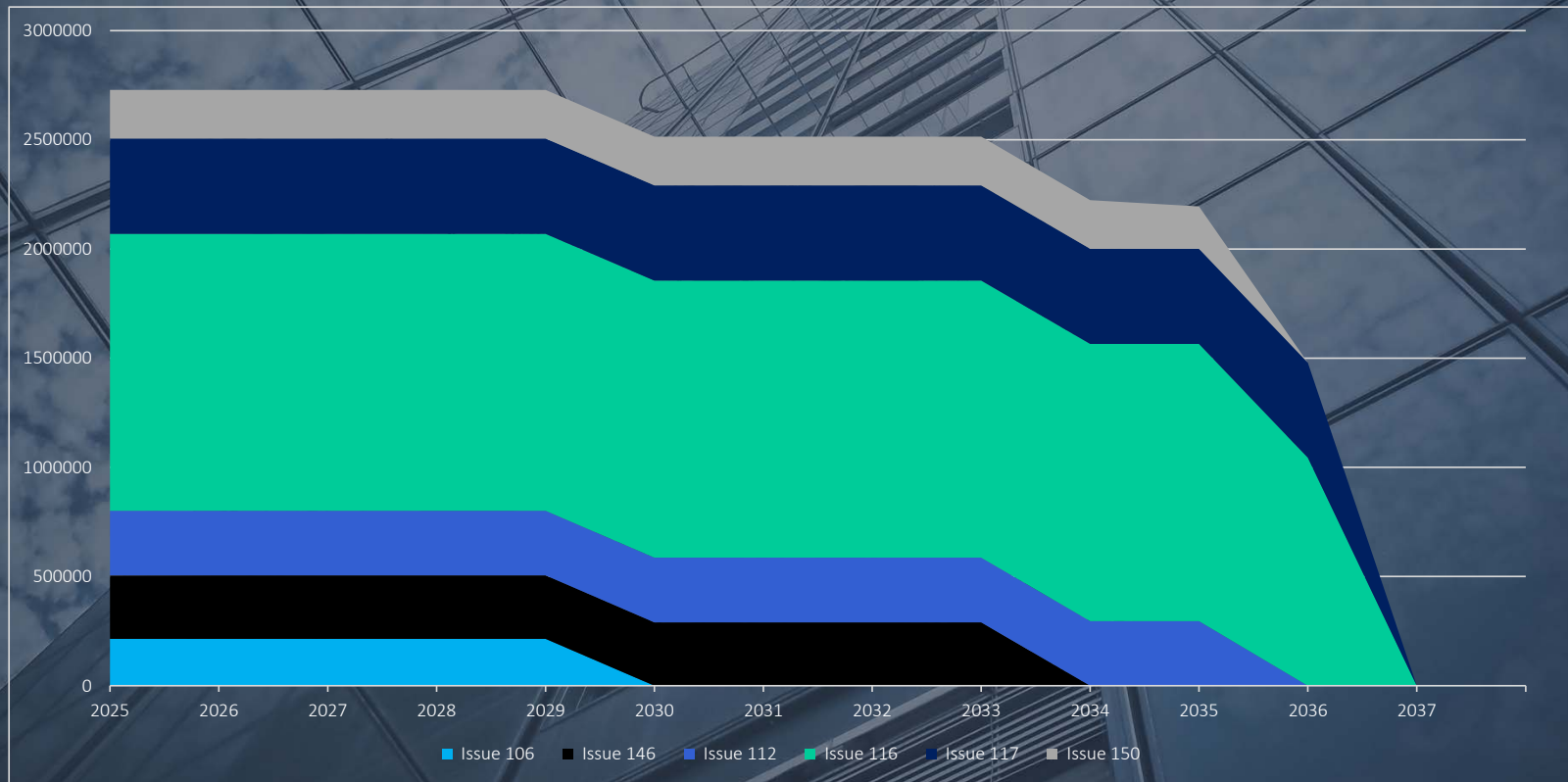
NOC SRHD - 2025 TAX REQUISITION (Revised Roll)						
Member Municipality	2025 Total Assessments	Increase in Total Assessments	2024 Actual Requisition	2025 Actual Requisition	+/-	2025 Tax Requisition Increase %
City of Armstrong	1,424,870,968	-2.7%	376,415	366,193	-10,222	-2.7%
City of Enderby	753,007,805	1.6%	199,695	201,537	1,842	0.9%
City of Revelstoke	3,967,181,392	5.6%	1,059,305	1,117,483	58,178	5.5%
City of Vernon	15,605,622,348	1.0%	4,274,551	4,315,255	40,704	1.0%
District of Coldstream	4,526,003,478	1.4%	1,073,404	1,089,628	16,224	1.5%
City of Salmon Arm	5,919,081,588	1.9%	1,615,115	1,647,102	31,987	2.0%
Township of Spallumcheer	1,679,603,478	3.5%	476,941	490,726	13,785	2.9%
District of Sicamous	1,394,580,114	2.3%	357,370	364,600	7,231	2.0%
Village of Lumby	545,923,855	2.6%	153,651	155,520	1,869	1.2%
Electoral Areas	14,249,237,092	2.0%	3,440,624	3,520,287	79,663	2.3%
	\$ 50,065,112,118	1.8%	\$ 13,027,072	\$ 13,268,332	\$ 241,260	1.9%



\$13,268,332
\$0.2432
1.9%



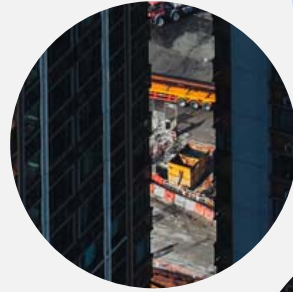
Debt Payment Horizon



Comparative Data to Other RHD's

Regional Hospital District	RD Populatio	2024 Requisition	2024 Tax Rate	2024 Requisition per Capiti	2024 Revised Roll - Residential Hospital Values (RG618)	2024 Revised Roll - Folios (RG618)	Average Residential House Pri	2024 Rate per \$100	2024Rate per Ave Residential home
Sea to Sky RHD (Squamish Lillooet) 26	39,485	1,585,733.00	0.02887	40.16	41,446,401,340	28,589	1,449,732	2.89	41.85
Sunshine Coast RHD 27	29,299	1,509,814.00	0.06603	51.53	19,432,307,728	20,550	945,611	6.60	62.44
West Kootenay-Boundary RHD (16)	59,405	4,923,380.00	0.15752	82.88	9,451,459,413	22,519	419,710	15.75	66.11
Fraser Valley RHD 05	288,062	13,698,300.00	0.08966	47.55	95,466,189,089	107,998	883,963	8.97	79.26
Alberni-Clayoquot RHD 01	29,380	1,836,000.00	0.12943	62.49	10,458,492,514	15,715	665,510	12.94	86.14
Okanagan-Similkameen RHD 21	80,276	7,000,000.00	0.18626	87.20	28,980,882,610	43,037	673,395	18.63	125.43
North Okanagan Columbia Shuswap RHD 08	80,536	13,027,072.00	0.23001	161.75	20,979,328,211	35,478	591,333	23.00	136.01
Capital RHD 03	378,116	26,462,903.00	0.12439	69.99	166,640,790,425	150,783	1,105,170	12.44	137.47
Peace River RHD 22	61,368	22,315,744.00	0.57441	363.64	8,098,324,068	28,056	288,649	57.44	165.80
Thompson RHD 28	125,734	17,216,076.00	0.30724	136.92	35,216,165,799	60,163	585,346	30.72	179.84
Central Okanagan RHD 07	184,190	21,742,855.00	0.19384	118.05	80,443,160,760	86,120	934,082	19.38	181.06
North West RHD (Kitimat-Stikine) 25	29,852	12,956,760.00	0.50940	434.03	5,384,577,996	15,095	356,713	50.94	181.71
Powell River RHD (qathet) 23	19,342	3,012,583.00	0.35163	155.75	6,417,227,873	11,609	552,780	35.16	194.37
Kootenay East RHD (12)	59,735	13,758,787.00	0.36327	230.33	22,084,929,920	40,807	541,204	36.33	196.60
Comox Strathcona RHD 09	43,092	12,600,000.00	0.25783	292.40	25,929,395,462	32,141	806,739	25.78	208.00
Cariboo Chilcotin RHD (Cariboo) 04	59,332	13,775,023.00	0.75424	232.17	12,259,838,046	35,305	347,255	75.42	261.91
Cowichan Valley Regional District (10)	79,663	13,957,427.00	0.36651	175.21	30,341,262,148	38,053	797,342	36.65	292.23
Fraser Fort George RHD 14	94,314	22,312,230.00	0.73951	236.57	16,841,783,289	41,417	406,639	73.95	300.71
Stuart-Nechako RHD (Bulkley Nechako) - 02	35,070	6,816,625.00	1.18866	194.37	5,760,973,464	19,769	291,415	118.87	346.39
Nanaimo RHD 18	154,663	24,321,959.95	0.45203	157.26	59,041,483,291	71,643	824,107	45.20	372.52

Questions?



January 23, 2024

**North Okanagan
Columbia Shuswap
Regional Hospital District**

Budget Discussion