

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

Date: Tuesday, March 25, 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 38: States, in consultation and cooperation with indigenous peoples, shall take the appropriate measures, including legislative measures, to achieve the ends of this Declaration.

2. Call to Order

3. Adoption of Agenda

Motion

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

4. Minutes

4.1 Adoption of Minutes

1

Motion

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

4.2 Business Arising from the Minutes

None.

5. Closed

Motion

THAT: pursuant to Section 90(1) of the Community Charter, the subject matter being considered relates to one or more of the following:

(2) A part of a council meeting must be closed to the public if the subject matter being considered relates to the following:

(b) the consideration of information received and held in confidence relating to negotiations between the municipality and a provincial government or the federal government or both, or between a provincial government or the federal government or both and a third party;

AND THAT: the Board close this portion of the meeting to the public and move into the Closed Session of the meeting.

6. Correspondence

6.1 For Information

Motion

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

6.1.1 NOCSRHD 2024 Final Report 8

6.1.2 From the January 21, 2025 Hospital District Board Meeting

6.1.2.1 Minister of Health (March 10, 2025) 28

Letter from the Board requesting the Ministry of Health respond to the Board's questions concerning urgent and primary care centre financial obligations.

7. Reports

7.1 2024 NOCSRHD Year End Financial Statements 29

Report from Jodi Pierce, General Manager, Financial Services, dated February 27, 2025.

Motion

THAT: in accordance with the Local Government Act, the 2024 NOCSRHD Year End Financial Statements be approved.

Corporate Vote Unweighted

8. Bylaws

8.1 2025 NOCSRHD Five Year Financial Plan 46

Report from Jodi Pierce, General Manager, Financial Services, dated February 27, 2025. Bylaw for adoption.

Motion

THAT: Bylaw No. 87, 2025, cited as “2025 North Okanagan/Columbia Shuswap Regional Hospital District Financial Plan Bylaw No. 87, 2025, be read a first, second and third time, this 25th day of March, 2025.

Corporate Vote Weighted

Motion

THAT: Bylaw No. 87, 2025, cited as “2025 North Okanagan/Columbia Shuswap Regional Hospital District Financial Plan Bylaw No. 87, 2025, be adopted, this 25th day of March, 2025.

Corporate Vote Weighted

8.2 2025 NOCSRHD Capital Expenditure Bylaw No. 88, 2025 56

Report from Jodi Pierce, General Manager, Financial Services dated February 27, 2025.

Motion

THAT: Bylaw No. 88, 2025, cited as “North Okanagan/Columbia Shuswap Regional Hospital District Capital Expenditure Bylaw No. 88, 2025”, be read a first, second, and third time, this 25th day of March, 2025.

Corporate Vote Weighted

Motion

THAT: Bylaw No. 88, 2025, cited as “North Okanagan/Columbia Shuswap Regional Hospital District Capital Expenditure Bylaw No. 88, 2025”, be adopted, this 25th day of March, 2025.

Corporate Vote Weighted

9. Date of Next Meeting

June 25, 2025 at 10:00 AM.

RDNO Boardroom, 9848 Aberdeen Rd, Coldstream, BC.

10. Adjournment

Motion

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

NORTH OKANAGAN/COLUMBIA SHUSWAP REGIONAL HOSPITAL DISTRICT

Minutes of a Regular meeting of the North Okanagan/Columbia Shuswap Regional Hospital District Board.

**Note: The following minutes are subject to correction when endorsed by the Board at the
next Regular meeting.**

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

Directors Present	D. Brooks-Hill^	Area B, CSRD
	M. Gibbons^*	Area C, CSRD
	R. Martin*	Area E, CSRD
	J. Smith	Alternate Electoral Area G Director
	T. Stapenhurst^	Alternate Director, City of Revelstoke
	C. Anderson^	Sicamous, CSRD
	K. Flynn (Vice Chair)	Salmon Arm, CSRD
	T. Lavery^	Salmon Arm, CSRD
	B. Fleming^	Area B, RDNO
	A. Shatzko^	Area C, RDNO
	R. Fairbairn	Area D, RDNO
	A. Hopkins	Area F, RDNO
	S. Fowler^	Armstrong, RDNO
	R. Hoyte^	Coldstream, RDNO
	B. Schreiner^	Enderby, RDNO
	K. Acton (Chair)	Lumby, RDNO
	V. Cumming	Vernon, RDNO
	K. Fehr^	Vernon, RDNO
	K. Gares^	Vernon, RDNO
	A. Mund^	Vernon, RDNO

Directors Absent	D. Trumbley	Area D, CSRD
	N. Melnychuk	Area G, CSRD
	G. Sulz	Revelstoke, CSRD
	J. Johnson	Area E, RDNO
	C. Fraser	Spallumcheen, RDNO

Staff In Attendance	J. MacLean	Chief Administrative Officer
	J. Sham	General Manager, Corporate Services (Corporate Officer)
	J. Pierce	General Manager, Financial Services (Chief Financial Officer)
	J. Freund	Legislative Clerk/Executive Assistant

^ electronic participation

*attended a portion of the meeting

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

The Corporate Officer called the meeting to order at 10:01 AM.

3. Election of Chair and Vice Chair

3.1 Election of Chair

The Corporate Officer called for nominations for the position of Chair for 2025. Director Cumming nominated Director Acton. Director Acton consented to the nomination. After calling three times for nominations and hearing no further nominations for the position of Chair, the Corporate Officer declared Director Acton as Chair of the North Okanagan Columbia Shuswap Regional Hospital District for 2025 by acclamation.

3.2 Election of Vice Chair

The Corporate Officer called for nominations for the position of Vice Chair for 2025. Chair Acton nominated Director Flynn. Director Acton consented to the nomination. After calling three times for nominations and hearing no further nominations for the position of Vice Chair, the Corporate Officer declared Director Flynn as Vice Chair of the North Okanagan Columbia Shuswap Regional Hospital District for 2025 by acclamation.

3.3 Chair's Remarks

4. Adoption of Agenda

HD 2025-01-01

Moved By Director Fairbairn

Seconded By Director Hopkins

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

CARRIED

5. Minutes

5.1 Adoption of Minutes

Late Agenda - November 28, 2024 meeting minutes added.

HD 2025-01-02

Moved By Director Hopkins

Seconded By Director Flynn

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

CARRIED

5.2 Business Arising from the Minutes

None.

6. Delegations

Interior Health Authority, Dan Goughnour, Corporate Director Business Operations presented in person and Chris Simms, Executive Director Clinical Operations, North Okanagan participated electronically.

Director Martin entered the meeting at 10:04 AM.

Director Gibbons joined electronically at 10:04 AM.

Interior Health (IH) Armstrong noted that the larger size of the chiller/cooling tower at Pleasant Valley Manor precipitated the need to relocate the chilling and cooling tower to another location, so this construction component was not included in original plan. IH explained that dryer air is better from an infection control perspective and the water cooling supports water conservation.

The IH-wide digital health upgrade to Network and Technology Infrastructure includes items such as additional servers for Kelowna and additional storage capacity in the Kelowna and Kamloops data centres, support plans for data recovery in a catastrophic event, supporting migration and better long term system stability. These upgrades will provide better patient safety, increase sites with access to patient records, standardize systems in the ER, and provide access in UPCC, among many other benefits.

Interior Health indicated that their plan is to bring a more fulsome update to Board at the next meeting.

It was noted that there are no equipment requests over \$100 000.

VJG Inpatient Psychiatric Unit Business Centre has completed a refresh of the clinical services plan, the schematic work plan report is being finalized, and the business plan is on track with original timelines. IH will provide an update in June to the Regional Hospital District (RHD) board, with the final approval submitted to IH Board in July, and it is anticipated it will be submitted to the Ministry around October 2025.

SLGH Perioperative Redevelopment Business Case a rough plan was submitted to the Ministry. The RHD board will get updated with incorporated feedback and changes from new Ministry and Minister. No changes will be made before presenting details to the RHD Board.

Discussion:

A director had a question on HVAC systems, where some places have gone to modular heating systems, so there are very few traditional boilers operating until there are extreme cold conditions. The series of smaller machines is more economical for operating costs. Interior Health (IH) will consult with the technical team and bring back details. IH has gas reduction targets, and this is a priority in new infrastructure.

IH indicated the staff duress system is complimentary to the voice communication system, but the voice system does not have an alert function to trigger an alarm at the central security station if staff. This system will be for the Emergency

Department, but all higher risk areas are being assessed. IH will inquire if an event is recorded so information is available after and follow up with directors.

HD 2025-01-03

Moved By Director Martin

Seconded By Director Hopkins

THAT: the Board receive the presentation from Interior Health attached to the North Okanagan/Columbia Shuswap Regional Hospital District Board meeting agenda.

CARRIED

7. Correspondence

HD 2025-01-04

Moved By Director Cumming

Seconded By Director Fairbairn

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

CARRIED

HD 2025-01-05

Moved By Director Cumming

Seconded By Director Hopkins

THAT: the North Okanagan/Columbia Shuswap Regional Hospital District Board of Directors write a letter thanking the Ministry of Health for the educational component of their response received on December 13, 2024 and encourage the Ministry to reply to the question asked in our letter.

CARRIED

7.1 Interior Health Authority (December 16, 2024)

Capital Funding Requests for the 2025/2026 Fiscal Year.

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

7.3 Ministry of Health Response to Letters

Response letter from Ministry of Health regarding letters sent by the North Okanagan Columbia Shuswap Regional Hospital District Board regarding primary care facilities sent:

[NOCSRHD Meeting - March 28, 2024](#)

NOCSRHD Meeting - November 28, 2024

8. Reports

8.1 2025 Five Year Financial Plan

Report presented in person by Jodi Pierce, General Manager, Financial Services, dated January 10, 2025.

Discussion:

General Manager Pierce noted that she looks to taxation increases and recommends borrowing when a tax increase would be unmanageable in terms of cost of living and CPI. She also commented that there is no policy specific to the RHD, but she has been using low risk investments as permitted within the Local Government Act and through the Municipal Finance Authority (MFA). The Hospital District also holds safer GICs. She has not looked to longer higher risk as in the past, the RHD has been subject to significant fluctuations in taxes.

HD 2025-01-06

Moved By Director Martin

Seconded By Director Flynn

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

CARRIED

9. Bylaws

None.

10. Date of Next Meeting

March 25, 2025 at 10:00 AM.

CSRD Boardroom, 555 Harbourfront Drive NE, Salmon Arm

11. Adjournment

HD 2025-01-07

Moved By Director Hopkins

Seconded By Director Martin

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

CARRIED

10:54 AM

CORPORATE OFFICER

CHAIR

North Okanagan Columbia Shuswap Regional Hospital District

Audit final 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 the results of our audit of North Okanagan Columbia Shuswap Regional Hospital District (the “Regional Hospital District”) financial statements for the year ended December 31, 2024.

The enclosed final communication includes our approach to your audit, including: significant risks identified and 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.

During the course of our audit, management made certain representations to us - in discussions and in writing. We documented these representations in the audit working papers.

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

Yours truly,

BDO Canada LLP
March 25, 2025



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Audit at a glance

Preliminary materiality was \$175,000. Final materiality remained unchanged from our preliminary assessment.

We are not aware of any fraud affecting the Hospital District. If you have become aware of changes to processes or are aware of any instances of actual, suspected, or alleged fraud since our discussions held at planning, please let us know.

We have complied with relevant ethical requirements and are not aware of any relationships between North Okanagan Columbia Shuswap Regional Hospital District and our Firm that may reasonably be thought to bear on our independence.

LEAD PARTNER ON YOUR AUDIT	Angie Spencer, CPA, CA	START DATE	November 2024	END DATE	March 2025
	Email: ASpencer@bdo.ca				
	Direct: (250) 832 -7171				



Status of the audit

We have substantially completed our audit of the year ended December 31, 2024 financial statements.

We conducted our audit in accordance with Canadian generally accepted auditing standards. The objective of our audit was to obtain reasonable, not absolute, assurance about whether the financial statements are free from material misstatement. See [Appendix A](#) for our final independent auditor's report.

The scope of the work performed was substantially the same as that described in our Planning Communication to the Board of Directors dated December 6, 2024.



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Audit findings

As part of our ongoing communications with you, we are required to have a discussion on our views about significant qualitative aspects of the Regional Hospital District's accounting practices, including accounting policies, accounting estimates and financial statements disclosures. We look forward to exploring these topics in depth and answering your questions. A summary of the key discussion points are below:

Financial statement areas	Risks noted	Audit findings
Management override of controls	<p>Management is in a unique position to perpetrate fraud because of management's ability to directly or indirectly manipulate accounting records and prepared fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.</p> <p><i>This risk is required to be addressed for all audit pursuant to Canadian Audit Standards.</i></p>	<ul style="list-style-type: none"> BDO tested appropriateness of journal entries recorded in the general ledger and reviewed other adjustments made in the preparation of financial statements. All audit testing in this area was executed as planned with no issues to be reported.
Revenue recognition	<p>There is a risk that revenue may be incorrectly deferred into future periods or recognized before stipulations have been met.</p> <p><i>This risk is required to be addressed for all audit pursuant to Canadian Audit Standards.</i></p>	<ul style="list-style-type: none"> Confirmed tax requisitions received to ensure that the amounts recorded exist, are complete, and are recorded accurately. Other revenue streams were reviewed in accordance with the latest revenue recognition standards. All audit testing in this area was executed as planned with no issues to be reported.



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Internal control matters

- ▶ During the audit, we performed the following procedures regarding the Regional Hospital District's internal control environment:
- ▶ Documented operating systems to assess the design and implementation of control activities that were relevant to the audit.
- ▶ Discussed and considered potential audit risks with management.
- ▶ We considered the results of these procedures in determining the extent and nature of audit testing required.



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

A significant deficiency is defined as a deficiency or combination of deficiencies in internal control that merits the attention of those charged with governance.

The audit expresses an opinion on the Regional Hospital District's financial statements. As a result, it does not cover every aspect of internal controls—only those relevant to preparing the financial statements and designing appropriate audit procedures. This work was not for the purpose of expressing an opinion on the effectiveness of internal control.

No control deficiencies were noted that, in our opinion, are of significant importance to discuss.

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Adjusted and unadjusted differences

Summary of unadjusted differences

There were no unadjusted differences noted during the course of our audit engagement.

Summary of adjusted differences

There were no differences that were corrected by management during the course of our audit engagement.

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Other required communications

Professional standards require independent auditors to communicate with those charged with governance certain matters in relation to an audit. In addition to the points communicated within this letter, the attached table summarizes these additional required communications.

Issue	BDO response
Potential effect on the financial statements of any material risks and exposures, such as pending litigation, that are required to be disclosed in the financial statements.	No pending litigation that would require financial statement disclosure noted.
Material uncertainties related to events and conditions that may cast significant doubt on the entity's ability to continue as a going concern.	No material uncertainties noted.
Disagreements with management about matters that, individually or in the aggregate, could be significant to the entity's financial statements or our audit report.	No disagreements with management occurred during the audit process.
Matters involving non-compliance with laws and regulations.	No non-compliance with laws and regulations noted.
Significant related party transactions that are not in the normal course of operations and which involve significant judgments made by management concerning measurement or disclosure.	BDO did not identify any related party transactions outside of the normal course of business.
Management consultation with other accountants about significant auditing and accounting matters.	No consultations with other accountants noted.

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Recommended Resources

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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.

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ESG Insights



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Public sector Insights



Resources to support your business

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Appendices

- ▶ Appendix A: Independent auditor's report
- ▶ Appendix B: Representation letter



Appendix A: Independent auditor's report

Independent Auditor's Report

To the Directors of North Okanagan Columbia Shuswap Regional Hospital District

Opinion

We have audited the financial statements of North Okanagan Columbia Shuswap Regional Hospital District (the "Regional Hospital District"), which comprise the statement of financial position as at December 31, 2024, and the statements of operations, change in net debt and accumulated deficit and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Regional Hospital District as at December 31, 2024, and its results of operations, its change in net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Regional Hospital District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Regional Hospital District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Regional Hospital District or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Regional Hospital District's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 the Regional Hospital District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Regional Hospital District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Regional Hospital District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

Salmon Arm, British Columbia
March 25, 2025

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Appendix B: Representation letter

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

March 25, 2025

BDO Canada LLP
Chartered Professional Accountants
571 - 6th Street NE
Salmon Arm, BC
V1E 1R6

This representation letter is provided in connection with your audit of the financial statements of North Okanagan Columbia Shuswap Regional Hospital District for the year ended December 31, 2024, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with Canadian Public Sector Accounting Standards.

We confirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated August 21, 2024, for the preparation of the financial statements in accordance with Canadian Public Sector Accounting Standards; in particular, the financial statements are fairly presented in accordance therewith.

- The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement and/or disclosure that are reasonable in accordance with Canadian Public Sector Accounting Standards.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian Public Sector Accounting Standards.
- All events subsequent to the date of the financial statements and for which Canadian Public Sector Accounting Standards require adjustment or disclosure have been adjusted or disclosed.
- The financial statements of the entity use appropriate accounting policies that have been properly disclosed and consistently applied.

Information Provided

- We have provided you with:
 - access to all information of which we are aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- We are responsible for the design, implementation and maintenance of internal controls to prevent, detect and correct fraud and error, and have communicated to you all deficiencies in internal control of which we are aware.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.

- We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Fraud and Error

- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements.
- We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others.

General Representations

- We have provided you with significant assumptions that in our opinion are reasonable and appropriately reflect our intent and ability to carry out specific courses of action on behalf of the entity when relevant to the use of fair value measurements or disclosures in the financial statements.
- We confirm that there are no derivatives or off-balance sheet financial instruments held at year end that have not been properly recorded or disclosed in the financial statements.
- Except as disclosed in the financial statements, there have been no changes to title, control over assets, liens or assets pledged as security for liabilities or collateral.
- The entity has complied with all provisions in its agreements related to debt and there were no defaults in principal or interest, or in the covenants and conditions contained in such agreements.
- There have been no plans or intentions that may materially affect the recognition, measurement, presentation or disclosure of assets and liabilities (actual and contingent).
- The nature of all material uncertainties have been appropriately measured and disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.
- There were no direct contingencies or provisions (including those associated with guarantees or indemnification provisions), unusual contractual obligations nor any substantial commitments, whether oral or written, other than in the ordinary course of business, which would materially affect the financial statements or financial position of the entity, except as disclosed in the financial statements.

Other Representations Where the Situation Exists

- We have informed you of all known actual or possible litigation and claims, whether or not they have been discussed with legal counsel. Since there are no actual, outstanding or possible litigation and claims, no disclosure is required in the financial statements.

Yours truly,

Signature

Position

Draft - Subject to Change

**NORTH OKANAGAN/COLUMBIA SHUSWAP
REGIONAL HOSPITAL DISTRICT**

555 HARBOURFRONT DRIVE NE
BOX 978 SALMON ARM BC
V1E 4P1
TEL: 250.832.8194
FAX: 250.832.3375
TOLL FREE: 1.888.248.2773
WEBSITE: www.csrld.bc.ca

March 10, 2025

Sent by email: HLTH.Minister@gov.bc.ca

FILE: 8900

Honourable Josie Osborne
Minister of Health
PO Box 9050 Stn Prov Govt
Victoria, BC V8W 9E2

Dear Minister:

Re: Urgent and Primary Care Centre Financial Obligations Ministry of Health Response 1280186

The North Okanagan Columbia Shuswap Regional Hospital District (NOCSRHD) Board of Directors thanks you for your correspondence of December 13, 2024 and appreciates the time you took to address our communication. The Province's primary care strategy, which supports the transition from a traditional family practice model to a team-based approach with a diverse mix of providers and innovative clinic models, is intriguing.

At the Board meeting on January 21, 2025, the Directors passed the following resolution:

THAT: the North Okanagan/Columbia Shuswap Regional Hospital District Board of Directors write a letter thanking the Ministry of Health for the educational component of their response received on December 13, 2024 and encourage the Ministry to reply to the question asked in our letter.

The Board has consistently supported the Urgent and Primary Care Centre (UPCC) model for its patient-centered approach. However, we are gravely concerned about the potential downloading of cost to the Regional Hospital District. The Board seeks clarity on how these facilities will be funded. Will the Province fully fund the cost of construction, operation, and maintenance? If not, the Board foresees an issue as these facilities start to increase in numbers as it will create considerable financial stress on the Regional Districts, leaving other critical projects in jeopardy. The Board requests a straightforward explanation of the Province's funding expectations for these UPCCs.

We look forward to your timely response on the shift of funding responsibility from the Province and the concerning impact it has on Regional Hospital Districts in our collective efforts to invest in the health care of BC residents.

Yours truly,

NORTH OKANAGAN COLUMBIA SHUSWAP REGIONAL HOSPITAL DISTRICT

Per:



Kevin Acton
Board Chair

cc: Kelly McQuillen, Executive Director, Primary Care Division

NOCSRHD BOARD REPORT

TO: Chair and Directors

File No: 8900 55

SUBJECT: 2024 NOCSRHD Year End Financial Statements

DESCRIPTION: Report from Jodi Pierce, General Manager, Financial Services, dated February 27, 2025.

RECOMMENDATION: THAT: in accordance with the Local Government Act, the 2024 NOCSRHD Year End Financial Statements be approved.

Corporate Vote Unweighted

SUMMARY:

The Canadian Auditing Standard 700 states that “*The auditor’s report shall be dated no earlier than the date on which the auditor has obtained sufficient appropriate audit evidence on which to base the auditor’s opinion on the financial statements, including evidence that those with the recognized authority have asserted that they have taken responsibility for those financial statements.*”

The attached draft financial statements have been provided to BDO Canada LLP on which to base their audit, and as such are subject to change. If necessary, a final copy of the 2024 NOCSRHD Year End Financial Statements will be distributed to Directors at the beginning of the Board meeting.

Ms. Angie Spencer, BDO Canada, will review the 2024 Financial Statements at the Board Meeting.

POLICY:

The Year-End Financial Statements must be approved as required by Section 376(1) of the Local Government Act.

COMMUNICATIONS:

The approved financial statements will be distributed to member Municipalities and various Provincial Ministries no later than June 30, 2025 and also posted on the CSRD website.

DESIRED OUTCOMES:

That the Board approve the 2024 NOCSRHD Year End Financial Statements.

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:	2025-03-25_NOCSRHD_FIN 2024 Audited Financial Statements.docx
Attachments:	- Draft 2024 NOCSRHD Financial Statements March 17.pdf
Final Approval Date:	Mar 18, 2025

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



Jennifer Sham



John MacLean

**North Okanagan Columbia Shuswap
Regional Hospital District
Client Information Package
For the Year Ended December 31, 2024**

Contact Information

**Angie Spencer, CPA, CA
BDO Canada LLP
Chartered Professional Accountants
Ph: 250-832-7171 Fax: 250-832-2429
Email: aspencer@bdo.ca**

**North Okanagan
Columbia Shuswap
Regional Hospital District
Financial Statements
For the year ended December 31, 2024**

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Management's Responsibility for Financial Reporting

The accompanying financial statements of North Okanagan Columbia Shuswap Regional Hospital District (the "Regional Hospital District") are the responsibility of management and have been approved by the Chief Financial Officer and Chief Administrative Officer on behalf of the Board of Directors (the "Board").

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Certain amounts used in the preparation of the financial statements are based on management's best estimates and judgments. Actual results could differ as additional information becomes available in the future. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Regional Hospital District maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Regional Hospital District's assets are appropriately accounted for and adequately safeguarded.

The Chief Financial Officer, the Chief Administrative Officer and the Board are responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Chief Financial Officer, the Chief Administrative Officer and the Board members meet periodically with management, as well as, the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging its responsibilities, and to review the financial statements and the external independent auditor's report.

The financial statements have been audited by BDO Canada LLP Chartered Professional Accountants in accordance with Canadian generally accepted auditing standards on behalf of the Board. The independent auditor's report expresses its opinion on these financial statements. The auditors have full and free access to the accounting records and to the Chief Financial Officer, the Chief Administrative Officer and the Board.

_____ Chief Financial Officer

_____ Chief Administrative Officer



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

Independent Auditor's Report

To the Directors of North Okanagan Columbia Shuswap Regional Hospital District

Opinion

We have audited the financial statements of North Okanagan Columbia Shuswap Regional Hospital District (the "Regional Hospital District"), which comprise the statement of financial position as at December 31, 2024, and the statements of operations, change in net debt and accumulated deficit and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Regional Hospital District as at December 31, 2024, and its results of operations, its change in net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Regional Hospital District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Regional Hospital District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Regional Hospital District or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Regional Hospital District's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 the Regional Hospital District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Regional Hospital District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Regional Hospital District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

Salmon Arm, British Columbia
March 25, 2025

North Okanagan Columbia Shuswap Regional Hospital District Statement of Financial Position

December 31	2024	2023
Financial assets		
Cash	\$ 9,913,068	\$ 1,278,318
Investment funds - MFA (Note 1)	21,233,535	24,267,040
Accounts receivable	22,522	22,953
Due from member municipalities	484,337	359,797
Deposit and demand notes - MFA (Note 2)	3,216,695	3,174,638
	34,870,157	29,102,747
Liabilities		
Accounts payable	252,220	282,797
Accrued MFA interest payable	484,337	359,797
MFA debt reserve (Note 2)	3,216,695	3,174,638
Temporary borrowing (Note 5)	-	720,000
Long-term debt (Note 6)	48,503,067	52,175,950
	52,456,319	56,713,183
Net debt and accumulated deficit	\$ (17,586,162)	\$ (27,610,437)

Treasurer

North Okanagan Columbia Shuswap Regional Hospital District Statement of Operations

For the year ended December 31	2024	2023
Revenue	Actual	Actual
Requisition on member municipalities		
City of Armstrong	\$ 376,500	\$ 374,658
City of Revelstoke	1,061,499	963,243
City of Salmon Arm	1,615,296	1,605,781
District of Sicamous	358,817	350,413
City of Enderby	199,825	196,145
City of Vernon	4,272,730	4,192,894
District of Coldstream	1,073,407	1,037,958
Township of Spallumcheen	474,384	456,533
Village of Lumby	153,355	145,147
Electoral Areas	3,441,258	3,453,069
Little Shuswap Indian Band	66,758	64,252
Adams Lake Indian Band	23,801	22,907
	13,117,629	12,863,000
Payments in lieu of taxes	26,743	27,825
Debt reserve fund refund	-	19,336
Interest	1,271,944	1,089,592
Actuarial adjustments on MFA debt	1,240,327	1,166,199
	15,656,643	15,165,952
Expenses		
Administration	75,600	72,000
Audit	12,840	4,708
Director's remuneration	12,360	10,230
Director's travel	1,706	1,350
Project - Vernon Jubilee Hospital	146,878	96,388
Project - Shuswap Lake Hospital	161,431	273,399
Project - Queen Victoria Hospital	188,347	9,709
Project - Regional	1,499,313	1,403,436
Equipment - Vernon Jubilee Hospital	38,768	303,348
Equipment - Shuswap Lake Hospital	68,933	686,682
Equipment - Queen Victoria Hospital	-	38,252
Equipment - Regional	1,129,161	953,925
Interest on short-term debt	14,662	37,556
Interest on long-term debt	1,564,907	1,588,532
Staff travel	463	-
Section 20-2 funding - Interior Health Authority	717,000	665,500
	5,632,368	6,145,015
Annual surplus	\$ 10,024,275	\$ 9,020,937

North Okanagan Columbia Shuswap Regional Hospital District
Statement of Change in Net Debt and Accumulated Deficit

For the year ended December 31	2024	2024	2023
	Budget (Note 3)	Actual	Actual
Annual surplus	\$ (6,985,359)	\$ 10,024,275	\$ 9,020,937
Net debt and accumulated deficit, beginning of year	(27,610,437)	(27,610,437)	(36,631,374)
Net debt and accumulated deficit, end of year	\$ (34,595,796)	\$ (17,586,162)	\$ (27,610,437)
Net debt and accumulated deficit represented by:			
Cash and investments funds - MFA		\$ 31,146,604	\$ 25,545,358
Other current fund		(229,699)	(259,844)
Short term debt recoverable from future taxation (Note 5)		-	(720,000)
Long-term Debt recoverable from future taxation (Note 6)		(48,503,067)	(52,175,950)
Net debt and accumulated deficit, end of year		\$ (17,586,162)	\$ (27,610,437)

North Okanagan Columbia Shuswap Regional Hospital District Statement of Cash Flows

For the year ended December 31	2024	2023
Operating		
Annual surplus	\$ 10,024,275	\$ 9,020,937
Decrease in accounts receivable	432	1,800
Decrease in due from member municipalities	(124,540)	10,874
Increase in accounts payable	(30,578)	203,786
Decrease in accrued interest on long-term debt	124,540	(10,873)
	<u>9,994,129</u>	<u>9,226,524</u>
Investing		
Increase in investment funds	<u>3,033,505</u>	<u>(5,892,828)</u>
Financing		
Long-term debt retirement	(3,672,884)	(3,723,693)
Short-term debt retirement	(720,000)	-
	<u>(4,392,884)</u>	<u>(3,723,693)</u>
Net change in cash	8,634,750	(389,997)
Opening cash	<u>1,278,317</u>	<u>1,668,315</u>
Closing cash	<u>\$ 9,913,068</u>	<u>\$ 1,278,317</u>

North Okanagan Columbia Shuswap Regional Hospital District Summary of Significant Accounting Policies

December 31, 2024

Government Reporting Entity	The North Okanagan Columbia Shuswap Regional Hospital District ("Regional Hospital District") was incorporated January 1, 1996 by Letters Patent and operates under the authority of the Hospital District Act of British Columbia. Its principal activities are to finance capital construction projects and capital equipment purchases for designated health care facilities within the Regional Hospital District. These activities are funded through current property taxes, property tax revenues set aside as reserves and long-term debt. As a public body performing the function of a government in Canada, the Regional Hospital District is exempt from income tax under the Income Tax Act (Canada).
Management's Responsibility for the Financial Statements and Basis of Presentation	The Regional Hospital District financial statements have been prepared by management in accordance with the recommendations of the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada and include all funds belonging to the economic entity of the Regional Hospital District.
Tax Requisitions	Each municipality and electoral area within the Regional Hospital District is requisitioned for their portion of the Regional Hospital District service. These funds are then levied by the municipalities and the Province (for electoral areas) to individual taxpayers and turned over to the Regional Hospital District by August 1 of each year. Tax requisition revenues are recognized in the year in which they are levied.
MFA Debt Reserve	The Municipal Finance Authority ("MFA") requires a cash contribution of 1% of the face value of debt when issued. The MFA debt reserve earns interest income and is used to pay expenses of the debt issue. Any remaining balance will be returned to the Regional Hospital District at the maturity of the underlying debt issue.
Use of Estimates	The financial statements of the Regional Hospital District have been prepared by management in accordance with Canadian public sector accounting standards. As such, management is required to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. The financial estimates have, in management's opinion, been properly prepared using careful judgment within reasonable limits of materiality and within the framework of the accounting policies identified.
Long-term Debt	Long-term debt is recorded net of any sinking fund balances. Debt service charges, including principal and interest, are charged against current revenue in the period incurred.

North Okanagan Columbia Shuswap Regional Hospital District Summary of Significant Accounting Policies

December 31, 2024

Financial Instruments

Cash and equity instruments quoted in an active market are measured at fair value. Accounts receivable, and accounts payable are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

When investment income and realized and unrealized gains and losses from changes in the fair value of financial instruments are externally restricted, the investment income and fair value changes are recognized as revenue in the period in which the resources are used for the purpose specified.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

North Okanagan Columbia Shuswap Regional Hospital District Notes to Financial Statements

December 31, 2024

1. Investment Funds

The investments totalling \$21,233,535 (2023 - \$24,267,040) are held in MFA under the name of the Columbia Shuswap Regional District. They are invested in money market funds; as such, fair market value is equal to carrying value. The 2024 annual rate of return was 4.83% (2023 - 5.07%).

2. MFA Debt Reserve Deposits and Demand Notes

The MFA administers the debenture debt of the Regional Hospital District. As a condition of these borrowings, a portion of the debenture proceeds are withheld as a debt reserve fund. At December 31, 2024, the cash balance in the debt reserve fund was \$1,249,792 (2023 - \$1,207,736). The Regional Hospital District also excludes demand notes in connection with each debenture totalling \$1,966,902 (2023 - \$1,966,902) whereby the Regional Hospital District may be required to loan certain amounts to MFA.

3. Budget

The scope of the financial activity reported in the Statement of Operations is not the same as that reported in the Annual Budget. For comparative purposes, actual financial activities have been summarized below in the same manner as was budgeted.

	2024 Actual	2024 Budget
Revenue		
Tax requisition total	\$ 13,027,071	\$ 13,027,071
Other revenue - Agreement - Indian Bands	90,558	88,903
Payments in lieu of taxes	26,743	25,000
Debt Reserve Fund refund	-	-
Interest	1,271,944	300,000
Actuarial adjustment on MFA debt	1,240,327	1,240,327
	15,656,643	14,681,301
Expenses		
Debt		
Debenture debt - interest and expenses	1,564,907	1,564,907
MFA Debt Reserve fund and expenses	-	14,000
Interim borrowing interest	14,662	42,000
Administration Expenditures	102,968	95,100
Capital Expenditures		
Capital Projects	50,119	5,448,870
Capital Equipment	128,028	1,276,540
Maintenance and equipment < \$ 100,000	717,000	717,000
Capital Equip/Projects - carried forward from prior year	3,054,684	12,508,243
	5,632,368	21,666,660
Annual Surplus	10,024,275	(6,985,359)
Plus:		
Transfer (to) from accumulated deficit	(5,297,246)	9,353,141
Proceeds from issue of debt	-	1,305,102
Debenture debt - principal	2,432,557	(2,432,557)
Less:		
Actuarial adjustment	(1,240,327)	(1,240,327)
Financial Plan Balance	\$ 5,919,259	\$ -

North Okanagan Columbia Shuswap Regional Hospital District
Notes to Financial Statements

December 31, 2024

4. Commitments

- a) The Regional Hospital District has committed to the following expenditures which have been approved by the Interior Health Authority and the Board and are to be financed from reserve funds:

		Total	Unexpended
Vernon Jubilee Hospital	Ortho Templating Software for Surgical Efficiency	\$ 29,600	\$ 5,952
	Medstations, IH Wife Pyxis Replacement, Phase 4	1,175,600	230,087
	North Tower Electrical Primary Distribution - Planning	30,000	19,135
	Inpatient Psychiatry Redesign - Concept Plan	280,000	192,139
	Remote Patient Observation System (Telesitter)	114,000	114,000
	Meal Delivery System	572,000	245,524
	Autopsy Suite Upgrade	2,200,000	2,113,998
	Medstation - Additional	38,800	38,800
	Cooler and Freezer upgrades	591,600	555,708
	MHSU Business Plan	320,000	320,000
	Secure Room Safety Upgrade	207,200	207,200
	Domestic Hot Water	94,500	69,624
	MRI Scan Suite Humidity	39,600	39,600
	Equipment Management System	777,100	750,015
	Cart Washer	136,000	7,972
	Heat Recovery Chiller	2,012,160	2,012,160
	Second Secure Room	415,530	415,530
	Monitoring System, Physiological	385,440	385,440
Shuswap Lake Hospital (Salmon Arm)	Inpatient Care Services - Planning	400,000	202,329
	Physiological Monitoring System (add'l funding)	16,000	2,955
	Hot Water Loop Upgrade	184,100	92,054
	MDR Storage Upgrades	34,000	34,000
	Medstations, Additional	79,200	10,267
	Steam Sterilizer	76,800	76,800
	High Acuity Unit/Critical Care Unit	100,000	100,000
	Medical Air Distribution System	30,000	30,000
	Medstations, Additional	35,200	35,200
Queen Victoria Hospital (Revelstoke)	Access Control Enhancement	30,000	30,000
	Security Camera Upgrade (Mount Cartier Court)	29,600	29,600
	Chiller Replacement	429,600	241,253
	OR Lights	343,600	343,600
Regional	IH Wide IMIT 19/20	643,200	84,533
	Laboratory Middleware (additional funding)	156,400	81,129
	Generator Replacement	480,000	130,273
	IH Wide IMIT 20/21	646,100	100,872
	Generator & Switchgear Replacement	380,000	37,302
	Long-term Care Facility - Business Plan	160,000	160,000
	IH Wide IMIT 21/22	853,900	285,942
	Chiller Replacement (add'l funding)	115,600	36,265
	Air Handling Unit	34,000	9,236
	Loading Dock Upgrade	32,000	978
	IH Wide IMIT 22/23	649,700	51,667
	Chiller and Cooling Tower Replacement	438,400	401,625
	Chiller Replacement	200,000	200,000
	Leasehold Improvements (add'l funding)	396,000	21,953
	Boiler Upgrade	306,800	160,071
	Elevator Upgrade	135,400	107,448
	Heat Trace for Gutters	36,000	36,000
	Upgrade to Front Entrance	34,000	4,188
	IH-Wide IMIT 23/24	936,000	88,216
	Generator & Switchgear Replacement (add'l funding)	57,800	57,800
	Primary Care Project	2,000,000	2,000,000
	Generator & Distribution Upgrade	833,380	833,380
	Digital Health - 24/25	855,900	855,900
		\$ 21,587,810	\$ 14,695,720

- b) The Regional Hospital District has committed to the following expenditures which have been approved by the Interior Health Authority and the Board and to be financed through borrowing bylaws at completion of the projects:

		Total	Unexpended
Vernon Jubilee Hospital	Electrical Infrastructure Upgrade - Phase 1 (Bylaw 79)	\$ 1,400,000	\$ 1,305,102

North Okanagan Columbia Shuswap Regional Hospital District Notes to Financial Statements

December 31, 2024

5. Temporary Borrowing

Capital Expenditure & Borrowing Bylaw	Rate	2024 Net Debt	2023 Net Debt
74	5.62%	\$ -	\$ 720,000

Interest on short-term debt is paid monthly. There are no specific terms of repayment. Interest is a daily variable rate through the MFA. Repayment of short-term debt is either by cash payment at the completion of the project or by conversion to long term debt. The debt was fully repaid April 2024.

6. Long-term Debt

Security Issuing Bylaw	Maturity Date	Rate	Original Debt Amount	2023 Net Debt	Principal Repayments	Actuarial Adjustment Recognized	2024 Net Debt
32	2029	2.25%	3,822,900	1,474,590	(128,380)	(93,932)	1,252,278
38	2035	1.28%	7,480,000	4,466,596	(200,421)	(105,469)	4,160,706
45/106	2034	2.25%	27,280,235	15,298,082	(655,052)	(479,286)	14,163,744
45/116	2036	1.47%	30,586,554	19,472,930	(819,544)	(388,977)	18,264,410
46	2036	1.47%	10,500,000	6,684,825	(281,340)	(133,531)	6,269,955
58	2033	3.20%	3,383,838	2,417,908	(181,937)	(28,978)	2,206,993
68	2035	1.99%	2,868,687	2,361,018	(165,883)	(10,153)	2,184,981
			\$ 85,922,214	\$ 52,175,952	\$ (2,432,557)	\$ (1,240,327)	\$ 48,503,067

Principal payments, actuarial adjustments and interest obligations for the next five years and thereafter:

Year	Principal	Actuarial Adjustment	Interest
2025	2,432,557	1,371,966	2,140,315
2026	2,432,557	1,508,399	2,140,315
2027	2,432,557	1,649,803	2,140,315
2028	2,432,557	1,796,362	2,140,315
2029	2,432,557	1,948,264	2,140,315
Thereafter	13,907,019	14,158,469	10,917,014
Totals	\$ 26,069,803	\$ 22,433,263	\$ 21,618,589

Interest is calculated on a semi-annual basis and is based on the original debt amount. An actuarial adjustment is recorded to adjust the outstanding loan balance to actual.

North Okanagan Columbia Shuswap Regional Hospital District Notes to Financial Statements

December 31, 2024

7. Financial Instruments

The Hospital District is potentially exposed to credit risk, market and interest rate risk, and liquidity risk from the Hospital District's financial instruments. Qualitative and quantitative analysis of the significant risks from the Hospital District's financial instruments is provided below by type of risk. There has been no changes to the risk exposures from 2023.

Credit Risk

Credit risk primarily arises from the Hospital District's cash and cash equivalents and accounts receivable. The risk exposure is limited to their carrying amounts at the date of the statement of financial position.

Accounts receivable primarily consist of amounts receivable from government organizations. To reduce the risk, the Hospital District regularly reviews the collectibility of its accounts receivable, and if needed, will establish an allowance based on its best estimate of potentially uncollectable amounts.

Market and Interest Rate Risk

Market risk is the risk that changes in market prices and inputs, such as interest rates, will affect the Hospital District's income. The objective of market risk management is to control market risk exposures within acceptable parameters while optimizing the return on risk.

The Hospital District manages market risk by holding cash balances with a top-rated Canadian Schedule I financial institution and the Municipal Finance Authority (MFA). To mitigate interest rate risk and market risk on its portfolio investments, the Hospital District monitors the cash and investment balances regularly and compares interest and investment income earned against market performance.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Hospital District is exposed to interest rate risk through its long-term debt and the value of portfolio investments. It is management's opinion that the Hospital District is not exposed to significant interest rate risk as it manages interest rate risk on its long-term debt by holding all debt through MFA at a fixed rate, with refinancing typically being completed at the ten or fifteen year mark. Therefore fluctuations in market interest rates would not impact future cash flows and operations relating to long-term debt.

Investments that are subject to interest rate risk are MFA pooled investment funds (see Note 1). The risk is caused by changes in interest rates. As interest rates rise, the fair value of the MFA pooled investment funds notes decrease and, and interest rates fall, the fair value of these investments increase.

Liquidity Risk

Liquidity risk is the risk that the Hospital District will not be able to meet its financial obligations as they become due. This Hospital District manages this risk by continually monitoring the actual and forecasted cash flows from operations, anticipated investing, and financial activities to ensure that its financial obligations are met.

NOCSRHD BOARD REPORT

TO: Chair and Directors **File No:** 8900 42
BL87, 2025

SUBJECT: 2025 NOCSRHD Five Year Financial Plan

DESCRIPTION: Report from Jodi Pierce, General Manager, Financial Services, dated February 27, 2025. Bylaw for adoption.

RECOMMENDATION #1: THAT: Bylaw No. 87, 2025, cited as "2025 North Okanagan/Columbia Shuswap Regional Hospital District Financial Plan Bylaw No. 87, 2025, be read a first, second and third time, this 25th day of March, 2025.

Corporate Vote Weighted

RECOMMENDATION #2: THAT: Bylaw No. 87, 2025, cited as "2025 North Okanagan/Columbia Shuswap Regional Hospital District Financial Plan Bylaw No. 87, 2025, be adopted, this 25th day of March, 2025.

Corporate Vote Weighted

SUMMARY:

Attached is the proposed 2025 Five Year Financial Plan for the North Okanagan Columbia Shuswap Regional Hospital District. This financial plan includes all previously approved but uncompleted projects, all traditionally funded capital initiatives and all projects in the Capital Funding request submitted December 16, 2024.

BACKGROUND:

On December 16, 2024, a Capital Funding request letter was submitted to the North Okanagan Columbia Shuswap Regional Hospital District in the amount of \$7,442,410 (2024 - \$7,442,410). At a budget meeting held on January 28, 2025 a preliminary budget was presented to the Board that reflected a 1.9% tax increase. The Board supported the staff recommendation to proceed to develop the budget with a 1.9% increase as presented.

The budget has not changed since January 28. After finalization of the year end, a 1.9% tax increase will allow for 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. Previous discussions with the Board indicated support for building reserves to offset some larger capital projects that are on the horizon.

POLICY:

An annual budget must be approved by March 31st of each year and a provisional budget must be approved by December 31st each year as required by Section 23 of the Hospital District Act. The 2025 Five Year Financial Plan serves as both documents.

FINANCIAL:

The 2025 Five Year Financial Plan is produced in the same format as previous years and is compliant with Public Sector Accounting Board (PSAB) requirements. The current year actuals, as per the Annual

Financial statements, are compared to the related budget and are projected out based on reasonable estimates for five years to meet the requirement to approve a provisional budget by December 31.

The annual deficit projected for 2025 is due, in large part, to the projects that had previously been approved but have not yet been completed and will require reserve funds to complete. In years following, the annual surplus component of the budget includes actuarial adjustments; but not transfers to reserves, debt payments nor proceeds from additional debt. These comparisons are necessary for internal financial reporting purposes. To arrive at a balanced financial plan per the Hospital District Act requirements, the transfers from reserves, debt payments and proceeds from additional debt are added or subtracted to the annual surplus or deficit as determined under PSAB requirements.

The overall proposed 2025 tax requisition is a 1.9% increase over 2024 which when applied across jurisdictions can range from a decrease of 2.7% in the City of Armstrong to an increase of 5.5% in the City of Revelstoke due to changes in assessments. This financial plan is projecting approximately 2% increases in taxation in the next four years but will be reconsidered annually. This will allow the Hospital District to cover all expenditures, including debt payments and accumulate cash reserves for the significant projects on the horizon.

The tax rate implication is a increase in the mill rate from \$0.2371/\$1,000 assessment in 2024 to \$0.2432/\$1,000 in 2025. The average residential tax would increase from \$149.92 per average residence assessed at \$632,290 in 2024 to \$155.66 per average residence assessed at \$639,981 in 2025.

KEY ISSUES/CONCEPTS:

The 2023 Five Year Financial Plan includes the following:

1. Total Tax Requisition has increased by 1.9% to \$13,268,332 (2024 - \$13,027,072).
2. The financial plan includes annual IHA capital expenditure request of \$5,525,200 for the current year. Prior approved capital expenditures carried over from previous years to 2025 is \$16,000,822 which includes completion of the Electrical Upgrade project at Vernon Jubilee Hospital.
3. Transfer to reserves in the amount of \$2,550,000.
4. Budget indicates a deficit of \$8,341,197 (2024 – deficit of \$6,985,359) largely because of projects that have been carried forward for completion that were budgeted and taxed for in prior years.
5. Final 2025 Tax Requisition will change slightly utilizing BC Assessment 2025 Revised Roll (and 2024 Final roll) due March 31, 2025 (current rates have been calculated using the 2025 Completed Roll)
6. The Regional Hospital District does not fund Hospital operating expenditures which are the responsibility of the Interior Health Authority.

IMPLEMENTATION:

The approved budget will be implemented upon adoption and will provide the authority for expenditures.

COMMUNICATIONS:

The approved annual budget will be distributed to member Municipalities, Interior Health and various Provincial Ministries as well as posted on the CSRD website.

DESIRED OUTCOMES:

That the 2025 NOCSRHD Five Year Financial Plan in the amount of \$23,398,865 be approved.

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:	2025-03-25_NOCSRHD_FIN 2025 Five Year Financial Plan Bylaw No. 87, 2025.docx
Attachments:	- BL87, 2025 2025 NOCSRHD Five Year Financial Plan.pdf - Bylaw No 87, 2025 Estimated Tax Requisition - Completed Roll.pdf - Status of Approved and Proposed Projects - Bylaw No 87, 2025.pdf
Final Approval Date:	Mar 18, 2025

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



Jennifer Sham



John MacLean

**NORTH OKANAGAN/COLUMBIA SHUSWAP
REGIONAL HOSPITAL DISTRICT**

BYLAW NO. 87, 2025

A bylaw to adopt the Five Year Financial Plan for the period 2025 – 2029, inclusive

The Board of the North Okanagan/Columbia Shuswap Regional Hospital District, in open meeting assembled, HEREBY ENACTS as follows:

1. Schedule "A" attached hereto and made a part of this bylaw is the 2025 Five Year Financial Plan of the North Okanagan/Columbia Shuswap Regional Hospital District for the years 2025 to 2029, inclusive.
2. This bylaw may be cited as "2025 North Okanagan/Columbia Shuswap Regional Hospital District Financial Plan Bylaw No. 87, 2025."

READ A FIRST TIME this _____ day of _____, 2025.

READ A SECOND TIME this _____ day of _____, 2025.

READ A THIRD TIME this _____ day of _____, 2025.

ADOPTED this _____ day of _____, 2025.

Corporate Officer

Chair

CERTIFIED a true copy of
Bylaw No. 87, 2025, as adopted.

Corporate Officer

**NORTH OKANAGAN COLUMBIA SHUSWAP REGIONAL HOSPITAL DISTRICT
2025 FIVE YEAR FINANCIAL PLAN BYLAW NUMBER 87
SCHEDULE A**

	2024 Actual YTD	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget
REVENUES:							
Tax Requisition:	\$ 13,027,072	\$ 13,027,072	\$ 13,268,332	\$ 13,511,338	\$ 13,766,498	\$ 14,013,645	\$ 14,257,876
Other:							
Payment in lieu of taxes	26,743	25,000	25,000	25,000	25,000	25,000	25,000
Interest	1,271,944	300,000	300,000	150,000	75,000	50,000	50,000
Actuarial adjustment	1,240,327	1,240,327	1,371,966	1,508,399	1,649,803	1,796,362	1,948,264
Service agreements - Indian Bands	90,558	88,902	92,370	93,294	94,227	95,169	96,121
Debenture surplus & debt reserve refund	-	-	-	-	-	-	-
	<u>15,656,644</u>	<u>14,681,301</u>	<u>15,057,668</u>	<u>15,288,031</u>	<u>15,610,528</u>	<u>15,980,176</u>	<u>16,377,260</u>
EXPENDITURES							
Expenses:							
Administration	102,969	95,100	97,000	98,940	100,919	102,937	104,996
Debenture debt - interest (existing)	1,564,907	1,564,907	1,775,843	1,775,843	1,775,843	1,775,843	1,775,843
Debenture debt - interest (new)	-	-	-	-	-	-	-
MFA Debt Reserve fund and expenses	-	14,000	-	-	-	-	-
Interim Borrowing MFA - Interest	14,662	42,000	-	-	-	-	-
Expenditures under Section 20(2)							
Global Grant	717,000	717,000	745,040	782,292	821,407	862,477	905,601
Capital Equipment - new requests	-	1,276,540	743,680	3,440,000	5,030,000	3,410,000	3,410,000
Capital Projects - new requests	-	5,448,870	4,036,480	-	-	-	-
Capital Equip/Projects - carried forward from prior year	3,232,831	12,508,243	16,000,822	-	-	-	-
	<u>5,632,368</u>	<u>21,666,659</u>	<u>23,398,865</u>	<u>6,097,074</u>	<u>7,728,168</u>	<u>6,151,256</u>	<u>6,196,439</u>
ANNUAL SURPLUS (DEFICIT)	<u>\$ 10,024,275</u>	<u>\$ (6,985,359)</u>	<u>\$ (8,341,197)</u>	<u>\$ 9,190,957</u>	<u>\$ 7,882,361</u>	<u>\$ 9,828,919</u>	<u>\$ 10,180,822</u>
(for financial reporting purposes - PSAB)							
Plus:							
Transfer from/(to) reserves	(7,071,392)	8,633,141	12,145,720	(5,250,000)	(3,800,000)	(5,600,000)	(5,800,000)
Repayment to interim borrowing	720,000	720,000	-	-	-	-	-
Proceeds from issue of debt	-	1,305,102	-	-	-	-	-
Less:							
Debenture debt - Principal payments (existing debt)	(2,432,557)	(2,432,557)	(2,432,557)	(2,432,557)	(2,432,557)	(2,432,557)	(2,432,557)
Debenture debt - Principal payments (new debt)	-	-	-	-	-	-	-
Actuarial Adjustment	(1,240,327)	(1,240,327)	(1,371,966)	(1,508,399)	(1,649,803)	(1,796,362)	(1,948,264)
FINANCIAL PLAN BALANCE	<u>\$ (0)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (0)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

NOCSRHD - 2025 TAX REQUISITION (Completed Roll)

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

Comparison of Total Assessments

Member Municipality	2025 Total Assessments	2024 Total Assessments	+/-	%
City of Revelstoke	3,967,181,392	3,755,614,691	211,566,701	5.6%
Village of Lumby	545,923,855	532,248,355	13,675,500	2.6%
Township of Spallumcheen	1,679,603,478	1,623,165,752	56,437,726	3.5%
City of Enderby	753,007,805	741,240,255	11,767,550	1.6%
Electoral Areas	14,249,237,092	13,970,943,402	278,293,690	2.0%
City of Salmon Arm	5,919,081,588	5,809,465,473	109,616,115	1.9%
District of Sicamous	1,394,580,114	1,363,220,516	31,359,598	2.3%
City of Armstrong	1,424,870,968	1,465,147,304	-40,276,336	-2.7%
City of Vernon	15,605,622,348	15,444,791,175	160,831,173	1.0%
District of Coldstream	4,526,003,478	4,463,757,205	62,246,273	1.4%
\$ 50,065,112,118	\$ 49,169,594,128	\$895,517,990	1.8%	

(COMPLETED Roll)

(REVISED Roll)

**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										
<u>Shuswap Lake, Salmon Arm:</u>										
	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	-
<u>Regional:</u>										
	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>

NOCSRHD BOARD REPORT

TO: Chair and Directors

SUBJECT: 2025 NOCSRHD Capital Expenditure Bylaw No. 88, 2025

DESCRIPTION: Report from Jodi Pierce, General Manager, Financial Services dated February 27, 2025.

RECOMMENDATION #1: THAT: Bylaw No. 88, 2025, cited as "North Okanagan/Columbia Shuswap Regional Hospital District Capital Expenditure Bylaw No. 88, 2025", be read a first, second, and third time, this 25th day of March, 2025.

Corporate Vote Weighted

RECOMMENDATION #2: THAT: Bylaw No. 88, 2025, cited as "North Okanagan/Columbia Shuswap Regional Hospital District Capital Expenditure Bylaw No. 88, 2025", be adopted, this 25th day of March, 2025.

Corporate Vote Weighted

SUMMARY:

Attached is the Capital Expenditure Bylaw No. 88, 2025 to be enacted by the Board as required by Section 32 of the Hospital District Act.

POLICY:

Section 32 of the Hospital District Act says that a Board that proposes to spend money to meet capital expenditures must prepare and enact a capital bylaw permitting the spending of that money.

FINANCIAL:

The 2025 Five Year Financial Plan includes an additional \$5,525,200 in capital expenditures as submitted by Interior Health for the 2025/2026 fiscal year. These expenditures will be funded through monies budgeted in the current year of operation.

IMPLEMENTATION:

The approved bylaw will authorize the Treasurer to settle the terms and conditions of the expenditures.

COMMUNICATIONS:

The approved Capital Expenditure Bylaw will be distributed to Interior Health and various Provincial Ministries as well as posted on the CSRD website as part of the Five Year Financial Plan.

DESIRED OUTCOMES:

That the Board endorse the staff recommendation(s).

BOARD'S OPTIONS:

1. *Endorse the Recommendation(s).*

2. *Deny the Recommendation(s).*
3. *Defer.*
4. *Any other action deemed appropriate by the Board.*

Report Approval Details

Document Title:	2025-03-25_NOCSRHD_FIN Capital Expenditure Bylaw No. 88, 2025.docx
Attachments:	- BL88, 2025 2025 NOCSRHD Capital Expenditure.pdf
Final Approval Date:	Mar 18, 2025

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



Jennifer Sham



John MacLean

**NORTH OKANAGAN/COLUMBIA SHUSWAP
REGIONAL HOSPITAL DISTRICT**

BYLAW NO. 88, 2025

WHEREAS the Board of the North Okanagan/Columbia Shuswap Regional Hospital District proposes to expend money for the capital expenditures described in Schedule "A" attached hereto and forming an integral part of this bylaw;

AND WHEREAS those capital expenditures have received the approval required under Section 23 of the Hospital District Act;

NOW THEREFORE the Board of the North Okanagan/Columbia Shuswap Regional Hospital District enacts the following capital expenditure bylaw as required by Section 32 of the Hospital District Act:

1. The Board hereby authorizes and approves expenditure of money necessary to complete the capital expenditures as described in Schedule "A" attached hereto totaling \$5,525,200.
2. The payment of the portion that the Regional Hospital District is responsible for, shall be funded through monies budgeted in the current year of operation.
3. Board hereby delegates the necessary authority to the Treasurer to settle the terms and conditions of the expenditure.
4. This bylaw may be cited as the "North Okanagan/Columbia Shuswap Regional Hospital District Capital Expenditure Bylaw No. 88, 2025".

READ A FIRST TIME this _____ day of _____, 2025.

READ A SECOND TIME this _____ day of _____, 2025.

READ A THIRD TIME this _____ day of _____, 2025.

ADOPTED this _____ day of _____, 2025.

Corporate Officer

Chair

CERTIFIED a true copy of
Bylaw No. 88, 2025 as adopted.

Corporate Officer

SCHEDULE "A"
NORTH OKANAGAN/COLUMBIA SHUSWAP REGIONAL HOSPITAL DISTRICT
CAPITAL EXPENDITURE BYLAW NO. 88, 2025

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	\$ 84,080				\$ 210,200	\$ 84,100
Vernon Jubilee Hospital	Vernon	Autopsy Suite Upgrade	3,680,600	1,472,240	\$ 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	641,120	1,095,900	438,400	83	2,698,700	1,079,500
Various	Various	Building Management System Upgrade	163,600	65,440				163,600	65,500
		IH-Wide Digital Health							
Regional		Various	1,859,200	743,680				1,859,200	743,700
		Equipment under \$100,000 (Global Grant)							
All Facilities		Equipment under \$100,000	1,862,600	745,040				1,862,600	745,100
TOTAL			\$ 13,813,000	\$ 5,525,200	\$ 10,182,900	\$ 4,068,400		\$ 23,995,900	\$ 9,593,800