

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

Date: Thursday, March 28, 2024  
Time: 10:00 AM  
Location: Regional District of North Okanagan  
9848 Aberdeen Road, Coldstream, BC

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 Syilx Okanagan people. 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 40*

Indigenous peoples have the right to access to and prompt decision through just and fair procedures for the resolution of conflicts and disputes with States or other parties, as well as to effective remedies for all infringements of their individual and collective rights. Such a decision shall give due consideration to the customs, traditions, rules and legal systems of the indigenous peoples concerned and international human rights.

## 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

**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. Delegations

None.

## 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 BDO Audit Final Report 8

Draft letter of representation, management letter and audit final communication to the Board of Directors for the year ending December 31, 2023.

#### 6.1.2 Interior Health Authority (February 2, 2024) 33

Letter from Cindy Rephin, Corporate Director Capital Finance & Controller regarding the 2022-23 Global Grant.

#### 6.1.3 Letter from NOCSRHD Board Chair to Minister Dix (February 9, 2024) 35

Correspondence regarding urgent and primary care centre financial obligations.

## 7. Reports

### 7.1 2023 NOCSRHD Year End Financial Statements 37

Report from Jodi Pierce, General Manager, Financial Services, dated February 29, 2024.

#### Motion

THAT: in accordance with the Local Government Act, the 2023 NOCSRHD Year End Financial Statements be approved.

*Corporate Vote Unweighted*

## 8. Bylaws

## 8.1 2024 NOCSRHD Five Year Financial Plan 52

Report from Jodi Pierce, General Manager, Financial Services, dated February 29, 2024. Bylaw for adoption.

### **Motion**

THAT: Bylaw No. 84, 2024, cited as “2024 North Okanagan/Columbia Shuswap Regional Hospital District Financial Plan Bylaw No. 84, 2024, be read a first, second and third time, this 28th day of March, 2024.

*Corporate Vote Weighted*

### **Motion**

THAT: Bylaw No. 84, 2024, cited as “2024 North Okanagan/Columbia Shuswap Regional Hospital District Financial Plan Bylaw No. 84, 2024, be adopted, this 28th day of March, 2024.

*Corporate Vote Weighted*

## 8.2 2024 NOCSRHD Capital Expenditure Bylaw No. 85, 2024 63

Report from Jodi Pierce, General Manager, Financial Services dated March 12, 2024.

### **Motion**

THAT: Bylaw No. 85, 2024, cited as “North Okanagan/Columbia Shuswap Regional Hospital District Capital Expenditure Bylaw No. 85, 2024”, be read a first, second, and third time, this 28th day of March, 2024.

*Corporate Vote Weighted*

### **Motion**

THAT: Bylaw No. 85, 2024, cited as “North Okanagan/Columbia Shuswap Regional Hospital District Capital Expenditure Bylaw No. 85, 2024”, be adopted, this 28th day of March, 2024.

*Corporate Vote Weighted*

## 8.3 Repeal of NOCSRHD Capital Expenditure and Borrowing Bylaw No. 74 68

Report from Jodi Pierce, General Manager, Financial Services, dated March 8, 2024.

**Motion**

THAT: "North Okanagan Columbia Shuswap Regional Hospital District Capital Expenditure and Borrowing Repeal Bylaw No. 86, 2024", be read a first, second, and third time, this 28<sup>th</sup> day of March, 2024.

*Corporate Vote Unweighted Majority*

**Motion**

THAT: "North Okanagan Columbia Shuswap Regional Hospital District Capital Expenditure and Borrowing Repeal Bylaw No. 86, 2024", be adopted this 28<sup>th</sup> day of March, 2024.

*Corporate Vote Unweighted Majority*

**9. Date of Next Meeting**

Tuesday, June 25, 2024 at 10:00 AM

CSRD Boardroom, 555 Harbourfront Drive NE, Salmon Arm, 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 23, 2024  
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
	D. Trumbley	Area D, CSRD
	R. Martin (Vice Chair)	Area E, CSRD
	J. Smith	Alternate Director Area G, CSRD
	G. Sulz^	Revelstoke, CSRD
	C. Anderson^	Sicamous, CSRD
	K. Flynn^*	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
	B. Schreiner^	Enderby, RDNO
	K. Acton (Chair)	Lumby, RDNO
	C. Fraser^	Spallumcheen, RDNO
	V. Cumming	Vernon, RDNO
	K. Fehr^	Vernon, RDNO
	K. Gares^	Vernon, RDNO
Directors Absent	J. Johnson	Area E, RDNO
	R. Hoyte	Coldstream, RDNO
	B. Quiring	Vernon, RDNO
Staff	J. Sham	General Manager, Corporate Services (Corporate Officer)

C. Robichaud  
J. Pierce

Deputy Corporate Officer  
General Manager, Financial Services  
(Chief Financial Officer)

\*attended a portion of the meeting only

^electronic participation

## 1. **Land Acknowledgement**

We acknowledge that we are meeting in service to the North Okanagan Columbia Shuswap Regional Hospital District which is 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 32:

1. Indigenous peoples have the right to determine and develop priorities and strategies for the development or use of their lands or territories and other resources.
2. States shall consult and cooperate in good faith with the indigenous peoples concerned through their own representative institutions in order to obtain their free and informed consent prior to the approval of any project affecting their lands or territories and other resources, particularly in connection with the development, utilization or exploitation of mineral, water or other resources.
3. States shall provide effective mechanisms for just and fair redress for any such activities, and appropriate measures shall be taken to mitigate adverse environmental, economic, social, cultural or spiritual impact.

## 3. **Call to Order**

The Corporate Officer called the meeting to order at 10:03 AM.

## 2. **Election of Chair and Vice-Chair**

### 2.1 **Election of Chair**

The Corporate Officer called for nominations for the position of Chair for 2024.

Director Martin 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 2024 by acclamation.

## **2.2 Election of Vice Chair**

The Corporate Officer called for nominations for the position of Vice Chair for 2024.

Chair Acton nominated Director Martin. Director Martin 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 Martin as Vice Chair of the North Okanagan Columbia Shuswap Regional Hospital District for 2024 by acclamation.

## **2.3 Chair's Remarks**

Chair Acton felt that the Board was in a good place and gaining traction with the relationship with Interior Health with the introduction of recent Memorandum of Understanding.

## **4. Adoption of Agenda**

**HD2024-0101**

**Moved By** Director Fairbairn

**Seconded By** Director Cumming

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

**CARRIED**

## **5. Minutes**

### **5.1 Adoption of Minutes**

**HD2024-0102**

**Moved By** Director Hopkins

**Seconded By** Director Martin

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

**CARRIED**

### **5.2 Business Arising from the Minutes**

None.

## 6. Closed Meeting

**HD2024-0103**

**Moved By** Director Hopkins

**Seconded By** Director Fairbairn

THAT: pursuant to Section 90(2) of the Community Charter, the subject matter being considered relates to one or more of 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 to into the Closed Session of the meeting.

**CARRIED**

The Board convened into the Closed Meeting at 10:08 AM and the Regular (Open) meeting resumed at 10:40 AM.

## 7. Delegations

### 7.1 Interior Health Authority

Dan Goughnour, Corporate Director, Business Operations and Chris Simms, Executive Director, Clinical Operations North Okanagan to present.

## 8. Correspondence

**HD2024-0104**

**Moved By** Director Fairbairn

**Seconded By** Director Fraser

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

**CARRIED**

### 8.1 Support for Warming and Cooling Centres (November 16, 2023)

Letter from CSRD Board Chair requesting Provincial support for warming and cooling centres during extreme temperature events.

### 8.2 BDO Audit Planning Report for Year Ending December 31, 2023

### 8.3 Capital Funding Request for 2024/2025 (December 7, 2023)



## 9. Reports

### 9.1 2024 Five Year Financial Plan

Report from Jodi Pierce, General Manager, Financial Services, dated January 18, 2024. For information and consideration.

**HD2024-0105**

**Moved By** Director Fraser

**Seconded By** Director Martin

THAT: the Board approve a 2.0% tax increase for the 2024 tax year.

**CARRIED**

### 9.2 Request to pursue designated Health Facility status under the Hospital District Act

Report from Jodi Pierce, General Manager, Financial Services, dated January 18, 2024.

**HD2024-0106**

**Moved By** Director Martin

**Seconded By** Director Hopkins

THAT: the North Okanagan Columbia Shuswap Regional Hospital District request the Interior Health Authority (IHA) to pursue the designation of “health facility” for all IHA owned and operated Urgent and Primary Care Centres within the North Okanagan Columbia Shuswap Regional Hospital District for the purposes of the Hospital District Act;

AND THAT: the Board recognize funding for all IHA owned Urgent and Primary Care Centres within the North Okanagan Columbia Shuswap Regional Hospital District as downloading from the Province.

Discussion on the main motion:

The Board voiced concerns regarding the Ministry of Health downloading the responsibility of funding 40 per cent of UPCC costs to the regional hospital district.

**Main motion as amended: CARRIED**

**HD2024-0107**

**Amendment:**

**Moved By** Director Cumming

**Seconded By** Director Fraser

THAT: the Board recognize funding for all IHA owned Urgent and Primary Care Centres within the North Okanagan Columbia Shuswap Regional Hospital District as downloading from the Province.

**Amendment to the main motion: CARRIED**

**HD2024-0108**

**Moved By** Director Cumming

**Seconded By** Director Hopkins

THAT: the Board write a letter to the Minister of Health expressing concerns about provincial downloading requiring the regional hospital district to provide 40 per cent of capital funding for existing Urgent and Primary Care Centres within the NOCSRHD.

**CARRIED**

**HD2024-0109**

**Moved By** Director Fairbairn

**Seconded By** Director Cumming

THAT: the North Okanagan Columbia Shuswap Regional Hospital District approve funding in principle to the Primary Care Project in accordance with the funding request letter dated December 8, 2023 subject to the Primary Care Centre qualifying as a designated facility pursuant to the Hospital District Act.

**CARRIED**

**10. Bylaws**

None.

**11. Date of Next Meeting**

Thursday, March 28, 2024, 10:00 AM

RDNO Boardroom, 9848 Aberdeen Rd, Coldstream, BC

**12. Adjournment**

**HD2024-0110**

**Moved By** Director Hopkins

**Seconded By** Director Fraser

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

**CARRIED**

11:48 AM

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CORPORATE OFFICER

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CHAIR

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

March 18, 2024

BDO Canada LLP  
Chartered Professional Accountants  
571 - 6th Street NE  
Suite 201  
Salmon Arm British Columbia  
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, 2023, 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 November 29, 2023, 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,

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Signature

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Position

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Signature

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Position

North Okanagan Columbia Shuswap Regional Hospital District  
Summary of Unadjusted Misstatements  
December 31, 2023

Description of Misstatement	Identified Misstatements	Projections of Identified Misstatements	Estimates	Proposed Adjustments			
				Assets Dr(Cr)	Liabilities Dr(Cr)	Opening R/E Dr(Cr)	Income Dr(Cr)
Likely Aggregate Misstatements Before Effect of Previous Year's Errors and Estimates	-	-	-	-	-	-	-
Effect of Previous Year's Errors				-	-	-	-
Likely Aggregate Misstatements				-	-	-	-

Details of why no adjustment has been made to the financial statements for the above items:

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

March 18, 2024

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

Dear Jodi Pierce, CPA, CGA, Chief Financial Officer

The objective of an audit is to obtain reasonable assurance whether the financial statements are free of any material misstatement and it is not designed to identify matters that may be of interest to management in discharging its responsibilities. Accordingly an audit would not usually identify all such matters.

During the course of our audit of the financial statements of North Okanagan Columbia Shuswap Regional Hospital District for the year ended December 31, 2023, we did not encounter any significant matters which we believe should be brought to your attention.

This communication is prepared solely for the information of management and is not intended for any other purposes. We accept no responsibility to a third party who uses this communication.

We would like to express our appreciation for the cooperation and assistance which we received during the course of our audit from yourself and your finance team.

We shall be pleased to discuss with you further any matters mentioned in this report at your convenience.

Yours truly,

Angie Spencer, CPA, CA  
Partner  
BDO Canada LLP  
Chartered Accountants

AS/cdn



# North Okanagan Columbia Shuswap Regional Hospital District

Audit final communication to the Board of Directors  
for the year ended December 31, 2023

START

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# 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, 2023.

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 28, 2024



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# Audit at a glance

As communicated to you in our Planning Communication to the Board of Directors, preliminary materiality was \$115,000. Final materiality was increased to \$175,000 to reflect the final expenditure figures for the year.

We are not aware of any fraud affecting the Regional 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

Email: [aspencer@bdo.ca](mailto:aspencer@bdo.ca)

Direct: (250) 832 -7171

START  
DATE

November 27, 2023

END DATE

March 28, 2024





# Status of the audit

We have substantially completed our audit of the year ended December 31, 2023 financial statements, pending completion of the following items:

- ▶ Approval of financial statements by the Board of Directors

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 draft 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 13, 2023.





# 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"> <li>BDO tested appropriateness of journal entries recorded in the general ledger and reviewed other adjustments made in the preparation of financial statements.</li> <li>All audit testing in this area was executed as planned with no issues to be reported.</li> </ul>
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"> <li>Confirmed tax requisitions received, ensuring that the amounts recorded exist, are complete, and are recorded accurately.</li> <li>Other revenue streams were reviewed in accordance with the latest revenue recognition standards.</li> <li>All audit testing in this area was executed as planned with no issues to be reported.</li> </ul>



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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.



# 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.	None noted
Material uncertainties related to events and conditions that may cast significant doubt on the entity's ability to continue as a going concern.	None 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.	None noted
Matters involving non-compliance with laws and regulations.	None 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.	None noted
Management consultation with other accountants about significant auditing and accounting matters.	None noted





# Recommended Resource

Staying in the know with knowledge and perspective

## Key changes to financial reporting



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

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## The latest tax pointers



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

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## Trending topics



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

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## Asset Retirement Obligations (ARO): A Practical Approach to Section PS 3280



This publication will walk through a practical approach to applying Section PS 3280 including: identification, recognition and measurement of an obligation, and the different options available to entities on transition.

READ ARTICLE

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# Spotlight on ESG



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## ESG Insights



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# Spotlight on public sector



## Industry insights to shape your business

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

### Public sector Insights



Resources to support your business

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# Appendices

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





# Appendix A: Independent auditor's report



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## Independent Auditor's Report

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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, 2023, 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, 2023, 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 28, 2024



# Appendix B: Representation letter



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

March 18, 2024

BDO Canada LLP  
Chartered Professional Accountants  
571 - 6th Street NE  
Suite 201  
Salmon Arm British Columbia  
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, 2023, 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 November 29, 2023, 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

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Position

North Okanagan Columbia Shuswap Regional Hospital District  
Summary of Unadjusted Misstatements  
December 31, 2023

Description of Misstatement	Identified Misstatements	Projections of Identified Misstatements	Estimates	Proposed Adjustments			
				Assets Dr(Cr)	Liabilities Dr(Cr)	Opening R/E Dr(Cr)	Income Dr(Cr)
Likely Aggregate Misstatements Before Effect of Previous Year's Errors and Estimates	-	-	-	-	-	-	-
Effect of Previous Year's Errors				-	-	-	-
Likely Aggregate Misstatements				-	-	-	-

Details of why no adjustment has been made to the financial statements for the above items:

--



Health and well-being for all

Quality | Integrity | Compassion | Safety

February 2, 2024

Mr. John MacLean, CAO

North Okanagan/Columbia Shuswap Regional Hospital District

PO Box 978, 555 Harbourfront Drive NE

Salmon Arm, BC V1E 4P1

*Sent via email:*

Mr. MacLean:

RE: 2022-23 Global Grant

Attached is a listing of capital expenditures which were funded in part by the North Okanagan/Columbia Shuswap Regional Hospital District's global grant for capital equipment costing less than \$100,000.

There are commitments that Interior Health has entered into for which the expenditure had not yet occurred by fiscal year-end resulting in a timing difference on the report. The annual priority setting process considers all available funding to maximize the equipment that can be purchased. Interior Health will apply unused funds to capital purchases on a prioritized basis.

If you require further information, or if you have any questions or concerns, please contact me directly.

Sincerely,

A handwritten signature in blue ink, appearing to read 'C. Rephin'.

Cindy Rephin, BBA, CPA, CA

Corporate Director Capital Finance & Controller

/at

Encl. NOCS RHD Global Grant Summary

cc: Jodi Pierce, Chief Financial Officer, NOCSRHD

We recognize and acknowledge that we are collectively gathered on the traditional, ancestral, and unceded territories of the seven Interior Region First Nations. This region is also home to 15 Chartered Métis Communities. It is with humility that we continue to strengthen our relationships with First Nation, Métis, and Inuit peoples across the Interior.



# North Okanagan Columbia Shuswap Regional Hospital District Global Grant Summary

Balance March 31, 2022

\$ 342,116.41

2022/23 Global Grant Received

766,800.00

**Total Funding Available****\$ 1,108,916.41****Expenditures April 1, 2022 - March 31, 2023**

Fixed Asset #	(2) Facility	Description	Total Cost	Funding Sources			(1)
				RHD Grant		Other Funding	
				2022/23	Prior Years		
1612005100	VJH	Ventilator	80,817.50	32,327.00			48,490.50
1612005200	VJH	Ventilator	32,285.00	12,914.00			19,371.00
1612110900	POL	Freezer	18,496.27	7,398.51			11,097.76
1612112400	VJH	Garburator	7,500.15	3,000.06			4,500.09
1612112700	NHE	Autoscrubber	10,123.53	294.75	3,754.67		6,074.11
1612112800	PVM	Autoscrubber	10,123.53	294.75	3,754.67		6,074.11
1612112900	VJH	Autoscrubber	30,815.40	12,326.16			18,489.24
1612114300	PVC	Centrifuge	6,364.88	815.88			5,549.00
1612130200	VJH	Ceiling Lift (x2)	11,252.88	185.82	4,315.34		6,751.72
1612130300	VJH	Ceiling Lift (x3)	15,999.75	6,399.90			9,599.85
1612207000	VJH	Ultrasound	74,416.50	(26,574.24)	26,574.24		74,416.50
1612207900	VJH	Bed, Low Falls (x2)	20,319.30	531.72			12,191.58
1612208100	VJH	MRI Software	28,041.00	612.30			16,824.60
1612208500	GIF	Walk-In Cooler/Freezer Upgrade	63,398.50	6,893.73	18,465.67		38,039.10
1612215600	VJH	Tug, Electric Towing Unit	6,580.47	2,632.19			3,948.28
1612220700	VJH	Cart, Medication	5,233.47	2,093.39			3,140.08
1612222300	PVP	Garburator	14,054.86	662.69	4,959.26		8,432.91
1612224800	PVC	Stretcher	25,010.41	2,539.41			22,471.00
1612227100	NHE	Medication Carts (x4)	22,671.81	9,068.73			13,603.08
1612306800	NHE	Autoscrubber	7,988.00	3,195.20			4,792.80
1612307200	VJH	Gastroscope (x2)	69,369.12	27,747.65			41,621.47
1612307300	VJH	Colonoscopy (x2)	86,929.26	34,771.71			52,157.55
1612307400	VJH	Bronchoscope (x2)	59,252.79	23,269.72			35,983.07
1612307500	VJH	Table, OR Procedure (x2)	43,679.25	17,471.70			26,207.55
1612307600	VJH	Table, Urology Procedure	31,107.55	12,443.02			18,664.53
1612307700	VJH	Laryngoscope (Glidescope)	46,627.43	18,650.98			27,976.45
1612307800	VJH	Laryngoscope (Glidescope)	42,561.68	17,024.68			25,537.00
1612308000	VJH	Plasma Thawer	11,540.07	4,616.03			6,924.04
1612308100	VJH	Analyzer, Urinalysis, Clinitek	64,710.00	25,884.00			38,826.00
1612308200	VJH	Blades, Laryngoscope (x6)	45,438.27	18,175.31			27,262.96
1612308600	VPC	Analyzer, Spectrometer	46,124.12	18,449.65			27,674.47
1612309700	VJH	Endo Monitor with cover (x2)	11,162.47	4,464.99			6,697.48
1612313600	VJH	Centrifuge, Blood Bank	5,379.56	2,151.83			3,227.73
1612315300	VJH	Probe, Echocardiology	8,628.00	3,451.20			5,176.80
1612315500	VJH	Stretcher (x10)	67,115.05	26,846.02			40,269.03
1612315600	VJH	Stretcher, Bariatric	10,862.65	4,345.06			6,517.59
1612315800	VJH	Hysteroscopy Fluid Management System	32,349.81	12,939.85			19,409.76
1612315801	VJH	Hysteroscopy Sets plus Trays	58,239.00	23,295.60			34,943.40
1612315900	PVM	Smartboard, Interactive	9,416.97	3,766.79			5,650.18
1612316900	EDH	Exam Table, Bariatric	18,549.40	7,419.79			11,129.61
1612317000	EDH	Bladder Scanner & Cart	1,720.21	688.09			1,032.12
1612317100	VJH	Irrigation Tower	6,771.00	2,708.40			4,062.60
1612319600	VJH	Stretcher, Gynecological	10,551.00	4,220.40			6,330.60
1612320400	VJH	Disinfectant, Ultrasound Probe	10,848.65	4,339.46			6,509.19
1612320500	VJH	Disinfectant, Ultrasound Probe	10,848.65	4,339.46			6,509.19
1612321100	VJH	MRI Table, Dockable	61,237.23	24,494.90			36,742.33
1612326200	VJH	Monitor, Bronchoscope Portable	8,896.54	3,588.62			5,307.92
1622002800	SLH	Chemistry Analyzer	94,008.97	22,325.99	15,277.60		56,405.38
1622104300	QVH	Analyzer, Coagulation	37,747.50	15,099.00			22,648.50
1622104600	QVH	Digital Radiography Panel (14x17) With Skyflow	86,158.12	5,944.20	28,519.05		51,694.87
1622105500	QVH	Lift, Ceiling	8,741.14	3,496.46			5,244.68
1622206500	QVH	Stretcher	10,038.68	4,015.48			6,023.20
1622206700	QVH	Stretcher, Gynecological	7,874.12	3,149.65			4,724.47
1622207000	QVH	Bed, Labour And Delivery	22,222.56	8,889.03			13,333.53
1622207300	SLH	Hypo/Hyperthermia Machine	25,574.78	744.60	9,485.32		15,344.86
1622208200	SLH	Neonatal Fetal Monitor	33,739.93	4,620.43			29,119.50
1622208600	SLH	Probe	21,186.05	5,008.55			16,177.50
1622214300	SLH	Pump, Repeater	5,508.67	155.27	2,048.20		3,305.20
1622216400	SLH	Dental X-Ray With Stand, Portable	7,403.90	2,961.56			4,442.34
1622300800	MCC	Dishwasher	12,782.54	5,113.02			7,669.52
1622300900	MCC	Washer and Dryer	12,817.97	5,127.19			7,690.78
1622301000	MCC	Blanket Warmer	8,968.88	3,587.56			5,381.32
1622301200	QVH	Tub	44,158.29	17,663.32			26,494.97
1622301400	QVH	Probe, Ultrasound	14,740.94	5,896.38			8,844.56
1622301500	QVH	Ultrasound, Portable	70,235.45	28,094.18			42,141.27
1622301700	QVH	Sink, Ergonomic	49,651.79	19,860.72			29,791.07
1622302000	SLH	Chest Compression System, Lucas	18,486.44	7,394.58			11,091.86
1622302200	SLH	Coagulation Analyzer	37,747.50	15,099.00			22,648.50
1622302600	SLH	Stretcher, Echo	10,691.98	4,276.80			6,415.18
1622302700	SLH	Cassette, DR, 25x30	43,797.88	17,519.16			26,278.72
1622302800	SLH	Bed, Birthing (x2)	41,416.02	16,566.41			24,849.61
1622302900	SLH	Table, Surgical (x2)	121,859.53	48,743.82			73,115.71
1622311300	SLH	Colonoscopy (x2)	88,879.18	6,469.18			82,410.00
1622311301	SLH	Scopeguide	31,491.12	4,379.12			27,112.00
1622311800	SLH	Laryngoscope (Glidescope) (x2)	54,457.78	17,219.78			37,238.00
1622313700	SLH	Probe Disinfectant	15,128.09	4,196.22			10,931.87
1622315900	SAC	Stretcher	10,358.98	4,143.60			6,215.38
1622316000	SAC	Lift, Bathing	12,309.41	4,923.77			7,385.64
1622316400	SLH	Fit Testing System	29,983.04	11,993.22			17,989.82
1622318300	SLH	Digital X-ray Cassette	53,288.68	21,315.48			31,973.20
1622319000	SLH	Disinfectant, Ultrasound Probe	10,848.26	4,339.31			6,508.95
1622320000	BSP	Washer	17,971.00	7,188.40			10,782.60
<b>Total Expenditures</b>			<b>\$ 2,543,683.91</b>	<b>\$ 786,667.30</b>	<b>\$ 135,354.12</b>	<b>\$ 1,621,662.49</b>	
<b>Funding as Percent of Total Cost</b>				<b>36%</b>		<b>64%</b>	
<b>NOCS RHD Global Grant Balance March 31, 2023</b>				<b>\$ 322,249.11</b>			

**Notes:**

(1) Other Funding includes Ministry of Health, Foundations, Auxiliaries, Other Donation, Insurance Recovery, Trade-in, Internally funded by Interior Health

(2) Legend:

BSP = Bastion Place  
 EDH = Enderby Community Health Centre  
 GIF = Gateby Care Centre  
 MCC = Mount Carlier Court  
 NHE = Noric House  
 POL = Polson Residential  
 PVC = Pleasant Valley Health Centre  
 PVM = Pleasant Valley Manor  
 PVP = Parkview Place  
 QVH = Queen Victoria Hospital  
 SAC = Salmon Arm Continuing Care  
 SLH = Shuswap Lake General Hospital  
 VJH = Vernon Jubilee Hospital  
 VPC = Downtown Vernon Mental Health & Substance Use

## 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.csr.bc.ca](http://www.csr.bc.ca)

February 9, 2024

Sent by email: [HLTH.Minister@gov.bc.ca](mailto:HLTH.Minister@gov.bc.ca)

FILE: 8900

Honourable Adrian Dix  
Minister of Health

Dear Minister:

### **Re: Urgent and Primary Care Centre Financial Obligations**

At the North Okanagan Columbia Shuswap Regional Hospital District (NOCSRHD) Board meeting held on January 23, 2024, the Board discussed Interior Health's request for the NOCSRHD to fund 40 per cent of Vernon's Urgent and Primary Care Centre (UPCC) capital costs. It is recognized that, in accordance with the Hospital District Act, a facility that is not a hospital must be designated as a "health facility" by the Minister under Section 49 of the Act to be eligible to be funded through a Regional Hospital District. The current Vernon UPCC has not yet received this designation.

While the Board carried a motion to grant Interior Health Authority's (IHA) request to pursue the designation of "health facility" for all IHA owned and operated Urgent and Primary Care Centres within the NOCSRHD for the purposes of the Hospital District Act, the motion was amended to include THAT: the Board recognizes the funding for all IHA owned Urgent and Primary Care Centres within the North Okanagan Columbia Shuswap Regional Hospital District is viewed as downloading from the Province.

The Board also made a motion THAT: the Board write a letter to the Minister of Health expressing concerns about provincial downloading requiring the Regional Hospital District to provide 40 per cent of capital funding for existing Urgent and Primary Care Centres within the NOCSRHD.

The NOCSRHD Board is in full support of the UPCC model as the team-based, holistic care approach, with coordination of care with other doctors and providers, is an integrated and comprehensive approach. This all-encompassing approach not only offsets emergency room visits but is equipped to handle the complexity of patient care requirements and provides a wide scope of patient-centred options. Investing in the health care of BC residents is essential and non-negotiable.

However, the Board is highly concerned with the downloading of costs from the government onto regional hospital districts and the taxpayer base. The Board discussed that the UPCC model seems to be the mechanism for replacing walk-in health care clinics and would therefore have 40 per cent of the capital costs funded by local taxpayers, whereas walk-in health care clinics and private medical clinics have been historically funded 100 per cent by the Ministry of Health through Medical Services Plan billings.

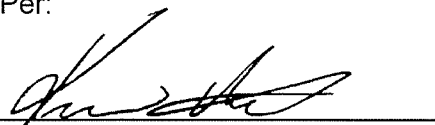
In closing, the NOCSRHD Board supports the patient-centred possibilities of the UPCC network but is concerned about the impact of the requested ask on our taxpayers and the download of financial

responsibility from the Province onto the NOCSRHD.

Yours truly,

**NORTH OKANAGAN COLUMBIA SHUSWAP REGIONAL HOSPITAL DISTRICT**

Per:

A handwritten signature in black ink, appearing to read 'Kevin Acton', is written over a horizontal line.

Kevin Acton  
Board Chair



# NOCSRHD BOARD REPORT

**TO:** Chair and Directors

**File No:** 8900 55

**SUBJECT:** 2023 NOCSRHD Year End Financial Statements

**DESCRIPTION:** Report from Jodi Pierce, General Manager, Financial Services, dated February 29, 2024.

**RECOMMENDATION:** THAT: in accordance with the Local Government Act, the 2023 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 2023 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 2023 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, 2024 and also posted on the CSRD website.

## DESIRED OUTCOMES:

That the Board approve the 2023 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:	2024-03-28_NOCSRHD_2023 Audited Financial Statements.docx
Attachments:	- Final Draft NOCSRHD Financial Statements - March 18.pdf
Final Approval Date:	Mar 22, 2024

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



Jennifer Sham

**No Signature - Task assigned to John MacLean was completed by assistant Jennifer Sham**

John MacLean

North Okanagan Columbia Shuswap  
Regional Hospital District  
Client Information Package  
For the Year Ended December 31, 2023

Contact Information

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

**North Okanagan  
Columbia Shuswap  
Regional Hospital District  
Financial Statements  
For the year ended December 31, 2023**

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## Management's Responsibility for Financial Reporting

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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 Manager of Financial Services 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 judgements. 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 Manager of Financial Services, 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 Manager of Financial Services, 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 Manager of Financial Services, the Chief Administrative Officer and the Board.

---

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Administrative Officer



Tel: 250 832 7171  
Fax: 250 832 2429  
www.bdo.ca

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

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## Independent Auditor's Report

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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, 2023, 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, 2023, 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 28, 2024

## North Okanagan Columbia Shuswap Regional Hospital District

### Statement of Financial Position

December 31	2023	2022
<b>Financial assets</b>		
Cash	\$ 1,278,318	\$ 1,668,315
Investment funds - MFA (Note 1)	24,267,040	18,374,213
Accounts receivable	22,953	24,753
Due from member municipalities	359,797	370,671
Deposit and demand notes - MFA (Note 2)	3,174,638	3,228,492
	<u>29,102,747</u>	<u>23,666,444</u>
<b>Liabilities</b>		
Accounts payable	282,797	79,011
Accrued MFA interest payable	359,797	370,671
MFA debt reserve (Note 2)	3,174,638	3,228,492
Temporary borrowing (Note 5)	720,000	720,000
Long-term debt (Note 6)	52,175,950	55,899,644
	<u>56,713,183</u>	<u>60,297,817</u>
<b>Net debt and accumulated deficit</b>	<b>\$ (27,610,437)</b>	<b>\$ (36,631,373)</b>

\_\_\_\_\_  
Treasurer



## North Okanagan Columbia Shuswap Regional Hospital District

### Statement of Operations

For the year ended December 31	2023	2022
<b>Revenue</b>	<b>Actual</b>	<b>Actual</b>
Requisition on member municipalities		
City of Armstrong	\$ 374,658	\$ 358,477
City of Revelstoke	963,243	928,782
City of Salmon Arm	1,605,781	1,533,230
District of Sicamous	350,413	337,707
City of Enderby	196,145	186,507
City of Vernon	4,192,894	4,076,330
District of Coldstream	1,037,958	1,032,832
Township of Spallumcheen	456,533	448,819
Village of Lumby	145,147	135,029
Electoral Areas	3,453,069	3,263,189
Little Shuswap Indian Band	64,252	60,105
Adams Lake Indian Band	22,907	21,429
	<b>12,863,000</b>	<b>12,382,436</b>
Payments in lieu of taxes	27,825	30,274
Debenture surplus payout	-	3,325
Debt reserve fund refund	19,336	20,306
Interest	1,089,592	368,521
Actuarial adjustments on MFA debt	1,166,199	1,085,397
	<b>15,165,952</b>	<b>13,890,259</b>
<b>Expenses</b>		
Administration	72,000	72,000
Audit	4,708	6,761
Director's remuneration	10,230	6,820
Director's travel	1,350	179
Project - Vernon Jubilee Hospital	96,388	231,870
Project - Shuswap Lake Hospital	273,399	808,918
Project - Queen Victoria Hospital	9,709	5,835
Project - Regional	1,403,436	431,758
Equipment - Vernon Jubilee Hospital	303,348	981,571
Equipment - Shuswap Lake Hospital	686,682	395,973
Equipment - Queen Victoria Hospital	38,252	53,135
Equipment - Regional	953,925	577,412
Interest on short-term debt	37,556	15,167
Interest on long-term debt	1,588,532	1,642,078
Supplies	-	15
Section 20-2 funding - Interior Health Authority	665,500	766,800
	<b>6,145,015</b>	<b>5,996,293</b>
<b>Annual surplus</b>	<b>\$ 9,020,937</b>	<b>\$ 7,893,967</b>

## North Okanagan Columbia Shuswap Regional Hospital District

### Statement of Change in Net Debt and Accumulated Deficit

For the year ended December 31	2023	2023	2022
	Budget (Note 3)	Actual	Actual
Annual surplus	\$ (7,286,398)	\$ 9,020,937	\$ 7,893,967
Net debt and accumulated deficit, beginning of year	(36,631,374)	(36,631,374)	(44,525,340)
Net debt and accumulated deficit, end of year	\$ (43,917,772)	\$ (27,610,437)	\$ (36,631,374)
Net debt and accumulated deficit represented by:			
Cash and investments funds - MFA		\$ 25,545,358	\$ 20,042,527
Other current fund		(259,844)	(54,258)
Short term debt recoverable from future taxation (Note 5)		(720,000)	(720,000)
Long-term Debt recoverable from future taxation (Note 6)		(52,175,950)	(55,899,644)
Net debt and accumulated deficit, end of year		\$ (27,610,437)	\$ (36,631,374)

# North Okanagan Columbia Shuswap Regional Hospital District

## Statement of Cash Flows

For the year ended December 31	2023	2022
<b>Operating</b>		
Annual surplus	\$ 9,020,937	\$ 7,893,967
Decrease (increase) in accounts receivable	1,800	(22,743)
Decrease in due from member municipalities	10,874	2,459
Increase in accounts payable	203,786	27,935
Decrease in accrued interest on long-term debt	(10,873)	(2,459)
	<u>9,226,524</u>	<u>7,899,159</u>
<b>Investing</b>		
Increase in investment funds	<u>(5,892,828)</u>	<u>(4,823,311)</u>
<b>Financing</b>		
Long-term debt retirement	<u>(3,723,693)</u>	<u>(3,709,303)</u>
<b>Net change in cash</b>	<b>(389,997)</b>	<b>(633,455)</b>
<b>Opening cash</b>	<u>1,668,315</u>	<u>2,301,771</u>
<b>Closing cash</b>	<b>\$ 1,278,318</b>	<b>\$ 1,668,315</b>

## North Okanagan Columbia Shuswap Regional Hospital District

### Summary of Significant Accounting Policies

**December 31, 2023**

<b>Government Reporting Entity</b>	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).
<b>Management's Responsibility for the Financial Statements and Basis of Presentation</b>	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.
<b>Tax Requisitions</b>	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.
<b>MFA Debt Reserve</b>	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.
<b>Use of Estimates</b>	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.
<b>Long-term Debt</b>	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.
<b>Financial Instruments</b>	The Regional Hospital District's financial instruments consist of cash, investment funds, accounts payable and accrued liabilities, and long term debt. Unless otherwise noted, it is management opinion that the District is not exposed to significant interest, currency, liquidity or credit risks arising from these financial instruments.

## North Okanagan Columbia Shuswap Regional Hospital District

### Notes to Financial Statements

December 31, 2023

**1. Investment Funds**

The investments totalling \$24,267,040 (2022 - \$18,374,213) 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 2023 annual rate of return was 5.07% (2022 - 1.93%).

**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, 2023, the cash balance in the debt reserve fund was \$1,207,736 (2022 - \$1,190,497). The Regional Hospital District also excludes demand notes in connection with each debenture totalling \$1,966,902 (2022 - \$2,037,995) 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.

	2023 Actual	2023 Budget
<b>Revenue</b>		
Tax requisition total	\$ 12,775,841	\$ 12,775,842
Other revenue - Agreement - Indian Bands	87,159	84,794
Payments in lieu of taxes	27,825	25,000
Debt Reserve Fund refund	19,336	-
Interest	1,089,592	100,000
Actuarial adjustment on MFA debt	1,166,199	1,166,199
	<b>15,165,952</b>	<b>14,151,835</b>
<b>Expenses</b>		
Debt		
Debenture debt - interest and expenses	1,588,532	2,423,544
MFA Debt Reserve fund and expenses	-	33,800
Interim borrowing interest	37,556	101,400
Administration Expenditures	88,287	91,500
Capital Expenditures		
Capital Projects	50,119	5,449,000
Capital Equipment	128,028	998,500
Maintenance and equipment < \$ 100,000	665,500	665,500
Capital Equip/Projects - carried forward from prior year	3,586,992	11,674,989
	<b>6,145,014</b>	<b>21,438,233</b>
<b>Annual Surplus</b>	<b>9,020,938</b>	<b>(7,286,398)</b>
<b>Plus:</b>		
Transfer (to) from accumulated deficit	(5,297,246)	8,365,510
Proceeds from issue of debt	-	2,559,479
Debenture debt - principal	(2,557,493)	(2,472,392)
<b>Less:</b>		
Actuarial adjustment	(1,166,199)	(1,166,199)
<b>Financial Plan Balance</b>	<b>\$ -</b>	<b>\$ -</b>

## North Okanagan Columbia Shuswap Regional Hospital District

### Notes to Financial Statements

December 31, 2023

#### 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	19,244
	Inpatient Psychiatry Redesign - Concept Plan	280,000	192,139
	Remote Patient Observation System (Telesitter)	114,000	114,000
	Meal Delivery System	572,000	257,207
	Autopsy Suite Upgrade	2,200,000	2,200,000
	Medstation - Additional	38,800	38,800
	Cooler and Freezer upgrades	591,600	591,600
	MHSU Business Plan	320,000	320,000
	Secure Room Safety Upgrade	207,200	207,200
	Domestic Hot Water	94,500	94,500
	MRI Scan Suite Humidity	39,600	39,600
	Equipment Management System	777,100	777,100
	Cart Washer	136,000	7,972
Shuswap Lake Hospital (Salmon Arm)	Inpatient Care Services - Planning	400,000	363,760
	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	79,200
Queen Victoria Hospital (Revelstoke)	Steam Sterilizer	76,800	76,800
	Access Control Enhancement	30,000	30,000
	Security Camera Upgrade (Mount Cartier Court)	29,600	29,600
	Chiller Replacement	429,600	429,600
Regional	OR Lights	343,600	343,600
	Leasehold Improvements-Renovation and Expansion	720,000	141,699
	Leasehold Improvements-Reno (add'l funding)	520,000	520,000
	IH Wide IMIT	643,200	87,577
	Laboratory Middleware (additional funding)	156,400	93,457
	Generator Replacement	480,000	160,245
	IH Wide IMIT	646,100	103,806
	Generator & Switchgear Replacement	380,000	213,256
	Long-term Care Facility - Business Plan	160,000	160,000
	IH Wide IMIT	853,900	341,171
	Chiller Replacement (add'l funding)	115,600	75,158
	Air Handling Unit	34,000	34,000
	Loading Dock Upgrade	32,000	3,813
	IH Wide IMIT	649,700	210,308
	Bus for Adult Day Care	49,200	49,200
	Chiller and Cooling Tower Replacement	438,400	438,400
	Chiller Replacement	200,000	200,000
	Leasehold Improvements (add'l funding)	396,000	396,000
	Boiler Upgrade	306,800	256,681
	Elevator Upgrade	135,400	135,400
	Heat Trace for Gutters	36,000	36,000
	Upgrade to Front Entrance	34,000	34,000
	IH-Wide IMIT 23/24	936,000	936,000
		<b>\$ 16,151,600</b>	<b>\$ 11,203,141</b>

- 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
Queen Victoria Hospital	Generator (Bylaw 74)	\$ 1,980,000	\$ 1,149,769
Vernon Jubilee Hospital	Electrical Infrastructure Upgrade - Phase 1 (Bylaw 79)	1,400,000	1,305,102
		<b>\$ 3,380,000</b>	<b>\$ 2,454,871</b>

## North Okanagan Columbia Shuswap Regional Hospital District

### Notes to Financial Statements

December 31, 2023

#### 5. Temporary Borrowing

Capital Expenditure & Borrowing Bylaw	Rate	2023 Net Debt	2022 Net Debt
74	5.62%	\$ 720,000	\$ 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.

#### 6. Long-term Debt

Security Issuing Bylaw	Maturity Date	Rate	Original Debt Amount	2022 Net Debt	Principal Repayments	Actuarial Adjustment Recognized	2023 Net Debt
32	2029	2.25%	3,822,900	1,688,352	(128,380)	(85,382)	1,474,590
38	2035	1.28%	7,480,000	4,762,142	(200,421)	(95,125)	4,466,596
44	2023	3.15%	1,500,000	177,823	(124,936)	(52,887)	-
45/106	2034	2.25%	27,280,235	16,388,792	(655,052)	(435,658)	15,298,082
45/116	2036	1.47%	30,586,554	20,640,583	(819,544)	(348,109)	19,472,930
46	2036	1.47%	10,500,000	7,085,667	(281,340)	(119,502)	6,684,825
58	2033	3.20%	3,383,838	2,622,680	(181,937)	(22,835)	2,417,908
68	2035	1.99%	2,868,687	2,533,603	(165,883)	(6,702)	2,361,018
			\$ 87,422,214	\$ 55,899,644	\$ (2,557,493)	\$ (1,166,199)	\$ 52,175,950

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

Year	Principal	Actuarial Adjustment	Interest
2024	2,432,557	1,240,327	1,588,532
2025	2,432,557	1,371,966	1,564,907
2026	2,432,557	1,508,399	1,564,907
2027	2,432,557	1,649,803	1,564,907
2028	2,432,557	1,796,362	1,564,907
Thereafter	16,339,576	16,106,733	11,523,408
Totals	\$ 28,502,360	\$ 23,673,590	\$ 19,371,566

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.

#### 7. Comparative Figures

Certain comparative figures have been reclassified to conform with the current year's presentation.

# NOC SRHD BOARD REPORT

**TO:** Chair and Directors

<b>File No:</b> 8900 42 BL84, 2024
---------------------------------------

**SUBJECT:** 2024 NOCSRHD Five Year Financial Plan

**DESCRIPTION:** Report from Jodi Pierce, General Manager, Financial Services, dated February 29, 2024. Bylaw for adoption.

**RECOMMENDATION #1:** THAT: Bylaw No. 84, 2024, cited as "2024 North Okanagan/Columbia Shuswap Regional Hospital District Financial Plan Bylaw No. 84, 2024, be read a first, second and third time, this 28th day of March, 2024.

*Corporate Vote Weighted*

**RECOMMENDATION #2:** THAT: Bylaw No. 84, 2024, cited as "2024 North Okanagan/Columbia Shuswap Regional Hospital District Financial Plan Bylaw No. 84, 2024, be adopted, this 28th day of March, 2024.

*Corporate Vote Weighted*

## SUMMARY:

Attached is the proposed 2024 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 12, 2023.

## BACKGROUND:

On December 12, 2023, a Capital Funding request letter was submitted to the North Okanagan Columbia Shuswap Regional Hospital District in the amount of \$7,442,410 (2023 - \$7,113,000). At a budget meeting held on January 23, 2024, a preliminary budget was presented to the Board that reflected a 2% tax increase.

On February 2, 2024, Interior Health submitted the 2022/2023 Closed Projects letter. The impacts of the closed projects are summarized in the Status of Approved and Proposed Projects 2024 – Bylaw No. 84, 2024 document attached to this board report. The approved total of the closed projects was \$5,738,050 including \$1,980,000 for the Queen Victoria Hospital generator project that was to be funded using long term borrowing. The value of the closed projects came in at \$3,888,942.48 or approximately \$1.85 million under budget. This represents \$699,000 available to go into reserve funds and \$1.150 million of unneeded borrowing. As the Hospital District had drawn down \$720,000 of temporary borrowing towards the long-term borrowing bylaw, staff are now recommending that this amount be paid from the reserve funds, which is only \$21,000 from existing reserves and the \$699,000 from the previously unaccounted for reserves as the closed project list was not available during the draft 1 budget presentation. The funding of the generator project from reserves can be accommodated without any change to the approved tax increase and frees up approximately \$80,000 annually in debt repayment and interest if long-term borrowing were to be utilized.

After finalization of the year end, a 2% tax increase will allow for a contribution to reserves of approximately \$2,500,000 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.

The Board supported the staff recommendation to proceed to develop the budget with a 2.0% increase as presented.

### **POLICY:**

An annual budget must be approved by March 31<sup>st</sup> of each year and a provisional budget must be approved by December 31<sup>st</sup> each year as required by Section 23 of the Hospital District Act. The 2024 Five Year Financial Plan serves as both documents.

### **FINANCIAL:**

The 2023 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 2024 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 2024 tax requisition is a 2.0% increase over 2023 which when applied across jurisdictions can range from a decrease of .3% in the Electoral Areas to an increase of 10.7% 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 \$0.2370/\$1,000 assessment in 2023 to \$0.2421/\$1,000 in 2023. The average residential tax would increase from \$146.84 per average residence assessed at \$619,561 in 2023 to \$153.25 per average residence assessed at \$632,966 in 2024.

### **KEY ISSUES/CONCEPTS:**

The 2024 Five Year Financial Plan includes the following:

1. Total Tax Requisition has increased by 2.0% to \$13,027,072 (2023 - \$12,775,842).
2. The financial plan includes annual IHA capital expenditure request of \$7,442,410 for the current year. Prior approved capital expenditures carried over from previous years to 2024 is \$12,508,243 which includes completion of the Electrical Upgrade project at Vernon Jubilee Hospital.
3. Transfer to reserves in the amount of \$2,570,000.
4. Budget indicates a deficit of \$6,985,359 (2023 – deficit of \$7,286,398) largely because of projects that have been carried forward for completion that were budgeted and taxed for in prior years and/or using borrowing as a source of funding.

5. Final 2024 Tax Requisition will change slightly utilizing BC Assessment 2024 Revised Roll (and 2023 Final roll) due March 31, 2024 (current rates have been calculated using the 2024 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 2024 NOCSRHD Five Year Financial Plan in the amount of \$21,666,659 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:	2024-03-28_NOCSRHD_2024 Five Year Financial Plan Bylaw No. 84.docx
Attachments:	<ul style="list-style-type: none"><li>- BL84, 2024 2024 Five Year Financial Plan page 1.pdf</li><li>- NOCSRHD Bylaw No 84, 2024 Schedule A.pdf</li><li>- Status of Approved and Proposed Projects 2024 - Bylaw No 84, 2024.pdf</li><li>- Bylaw No 84, 2024 Estimated Tax Requisition - Completed Roll.pdf</li></ul>
Final Approval Date:	Mar 22, 2024

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



Jennifer Sham

**No Signature - Task assigned to John MacLean was completed by workflow administrator Crystal Robichaud**

John MacLean

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

**BYLAW NO. 84, 2024**

A bylaw to adopt the Five Year Financial Plan for the period 2024 – 2028, 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 2024 Five Year Financial Plan of the North Okanagan/Columbia Shuswap Regional Hospital District for the years 2024 to 2028, inclusive.
2. This bylaw may be cited as "2024 North Okanagan/Columbia Shuswap Regional Hospital District Financial Plan Bylaw No. 84, 2024."

READ A FIRST TIME this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

READ A SECOND TIME this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

READ A THIRD TIME this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Corporate Officer

\_\_\_\_\_  
Chair

CERTIFIED a true copy of  
Bylaw No. 84, 2024, as adopted.

\_\_\_\_\_  
Corporate Officer

**NORTH OKANAGAN COLUMBIA SHUSWAP REGIONAL HOSPITAL DISTRICT  
2024 FIVE YEAR FINANCIAL PLAN BYLAW NUMBER 84, 2024  
SCHEDULE A**

	2023 Actual YTD	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget
<b>REVENUES:</b>							
<b>Tax Requisition:</b>	\$ 12,775,841	\$ 12,775,842	\$ 13,027,072	\$ 13,290,288	\$ 13,561,232	\$ 13,828,250	\$ 14,106,535
<b>Other:</b>							
Payment in lieu of taxes	27,825	25,000	25,000	25,000	25,000	25,000	25,000
Interest	1,089,592	100,000	300,000	150,000	75,000	50,000	50,000
Actuarial adjustment	1,166,199	1,166,199	1,240,327	1,371,966	1,508,399	1,649,803	1,796,362
Service agreements - Indian Bands	87,159	84,794	88,902	89,791	90,689	91,596	92,512
Debenture surplus & debt reserve refund	19,336						
	15,165,952	14,151,835	14,681,301	14,927,045	15,260,320	15,644,649	16,070,408
<b>EXPENDITURES</b>							
<b>Expenses:</b>							
Administration	88,287	91,500	95,100	95,100	95,100	95,100	95,100
Debenture debt - interest (existing)	1,588,532	2,423,544	1,564,907	1,564,907	1,564,907	1,564,907	1,564,907
Debenture debt - interest (new)	-	-	-	37,898	37,898	37,898	37,898
MFA Debt Reserve fund and expenses	-	33,800	14,000	-	-	-	-
Interim Borrowing MFA - Interest	37,556	101,400	42,000	-	-	-	-
<b>Expenditures under Section 20(2)</b>							
Global Grant	665,500	665,500	717,000	752,850	790,493	830,017	871,518
Capital Equipment - new requests	128,028	998,500	1,276,540	6,765,000	6,934,200	7,107,600	7,285,300
Capital Projects - new requests	50,119	5,449,000	5,448,870	-	-	-	-
Capital Equip/Projects - carried forward from prior year	3,586,992	11,674,989	12,508,243	-	-	-	-
	6,145,014	21,438,233	21,666,659	9,215,754	9,422,597	9,635,521	9,854,722
<b>ANNUAL SURPLUS (DEFICIT)</b>	\$ 9,020,938	\$ (7,286,398)	\$ (6,985,359)	\$ 5,711,290	\$ 5,837,724	\$ 6,009,128	\$ 6,215,686
(for financial reporting purposes - PSAB)							
Plus:							
Transfer from/(to) reserves	(5,297,246)	8,365,510	8,633,141	(1,850,000)	(1,840,000)	(1,870,000)	(1,930,000)
Repayment to interim borrowing			720,000				
Proceeds from issue of debt	-	2,559,479	1,305,102	-	-	-	-
Less:							
Debenture debt - Principal payments (existing debt)	(2,557,493)	(2,472,392)	(2,432,557)	(2,432,557)	(2,432,557)	(2,432,557)	(2,432,557)
Debenture debt - Principal payments (new debt)	-	-	-	(56,767)	(56,767)	(56,767)	(56,767)
Actuarial Adjustment	(1,166,199)	(1,166,199)	(1,240,327)	(1,371,966)	(1,508,399)	(1,649,803)	(1,796,362)
<b>FINANCIAL PLAN BALANCE</b>	\$ 0	\$ (0)	\$ 0	\$ (0)	\$ 0	\$ 0	\$ 0

North Okanagan Columbia Shuswap Regional Hospital District  
Status of Hospital District Approved & Proposed Projects for 2024/2025 as at December 31 2023

Facility	Project/Equipment	Budget Category	Total Cost	RHD Cost	Expended in Prior Year(s)	Expended in Current Year	Total Expended	Project	
<b><u>A - Completed Projects per IHA - closed projects at March 31, 2023 - received Feb 2, 2024</u></b>									
Vernon Jubilee	Chemistry Analyzer	Equip over \$100K	\$ 145,000	\$ 58,000	-	58,000.00	58,000.00	2015 Budget	62
	Integrated Chemisty/Immunochemistry Analyzer (add'l in	Equip	\$ 322,000	\$ 70,800	-	19,985.06	19,985.06	2017 Budget	66
	CT Scanner	Equip	\$ 2,859,000	\$ 1,143,600	977,671.57	46,848.03	1,024,519.60	2020 Budget	76
	Psychiatric Unit 3N Redesign	Const over \$100K	\$ 150,000	\$ 60,000	60,000.00		60,000.00	2021 Budget	78
	Psychiatric Unit 3N Redesign (add'l funding)	Const over \$100K	\$ 23,000	\$ 9,200	9,200.00		9,200.00	2022 Budget	81
	Elevator Upgrade	Const over \$100K	\$ 350,000	\$ 140,000	-		-	2022 Budget	81
Queen Victoria, Revelstoke	Emergency Generator	Const over \$100K	\$ 4,950,000	\$ 1,980,000	820,521.27	9,709.26	830,230.53	2019 Budget	73/74
	Chemistry Analyzer	Equip over \$100K	\$ 102,000	\$ 40,800	-	38,251.54	38,251.54	2022 Budget	81
Shuswap Lake General	Operating Room Doors and Access System	Const under \$100K	\$ 85,000	\$ 34,000	28,277.42	3,776.24	32,053.66	2020 Budget	76
	CT Scanner	Equip	\$ 2,509,000	\$ 627,250	477,124.03	125,536.76	602,660.79	2021 Budget	78
Regional	IH Wide IMIT	IMIT - 18/19	\$ 3,274,000	\$ 1,309,600	967,863.68	2,131.48	969,995.16	2018 Budget	71
Noric House	Fire Panel Upgrade	Const under \$100K	\$ 95,000	\$ 38,000	37,352.62		37,352.62	2021 Budget	78
VGH/SLGH	3 Ultrasound Machines (repl. 2013 machines)	Equip	\$ 567,000	\$ 226,800	218,497.92	-11,804.40	206,693.52	2021 Budget	78
			\$ 15,431,000	\$ 5,738,050	3,596,508.51	\$ 292,433.97	\$ 3,888,942.48		
<b><u>B - Fully Funded Projects per NOCSRHD but not officially closed by IHA</u></b>									
Shuswap Lake, Salmon Arm									
	Pharmacy Renovation	Const over \$100K	\$ 1,080,000	\$ 432,000	432,000.00		432,000.00	2019 Budget	73
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			\$ 2,743,750	\$ 1,097,500	432,000.00	\$ 665,500.00	\$ 1,097,500.00		

**North Okanagan Columbia Shuswap Regional Hospital District**  
**Status of Hospital District Approved & Proposed Projects for 2024/2025 as at December 31 2023**

Facility	Project/Equipment	Budget Category	Total Cost	RHD Cost	Expended in Prior Year(s)	Expended in Current Year	Total Expended	Project
<b>C - In Progress Projects</b>								
Queen Victoria, Revelstoke	Access Control Enhancement	Const under \$100K	\$ 75,000	\$ 30,000	-	-	-	2021 Budget 78
	Security Camera Upgrade (Mount Cartier Court)	Const under \$100K	\$ 74,000	\$ 29,600	-	-	-	2021 Budget 78
	Chiller Replacement	Const over \$100K	\$ 1,074,000	\$ 429,600		-	-	2023 Budget 83
	OR Lights	Equip	\$ 859,000	\$ 343,600		-	-	2023 Budget 83
Shuswap Lake General, Salmon Arm	Pharmacy Renovation (additional funding)	Const over \$100K	\$ 1,450,000	\$ 580,000	438,662.88	141,337.12	580,000.00	2021 Budget 78
	Mammography Unit	Equip	\$ 1,938,000	\$ 484,500	-	484,500.00	484,500.00	2021 Budget 78
	Inpatient Care Services - Planning	Const over \$100K	\$ 1,000,000	\$ 400,000	-	36,239.99	36,239.99	2022 Budget 81
	Monitoring System, Physiological	Equip	\$ 159,000	\$ 63,600	-	63,600.00	63,600.00	2022 Budget 81
	Physiological Monitoring System (add'l funding)	Equip	\$ 40,000	\$ 16,000		13,045.37	13,045.37	2023 Budget 83
	Hot Water Loop Upgrade	Const over \$100K	\$ 460,250	\$ 184,100		92,045.56	92,045.56	2023 Budget 83
	MDR Storage Upgrades	Const under \$100K	\$ 85,000	\$ 34,000			-	2023 Budget 83
	Medstations, Additional	Equip	\$ 198,000	\$ 79,200			-	2023 Budget 83
	Steam Sterilizer	Equip	\$ 192,000	\$ 76,800			-	2023 Budget 83
Vernon Jubilee	Ortho Templating Software for Surgical Efficiency	IMIT	\$ 74,000	\$ 29,600	23,647.89		23,647.89	2019 Budget 73
	Medstations, IH Wife Pyxis Replacement, Phase 4	Equip	\$ 2,939,000	\$ 1,175,600	941,201.49	4,311.60	945,513.09	2019 Budget 73
	North Tower Electrical Primary Distribution - Planning	Const over \$100K	\$ 75,000	\$ 30,000	10,756.30		10,756.30	2020 Budget 76
	Electrical Infrastructure Upgrade - Phase 1	Const over \$100K	\$ 3,500,000	\$ 1,400,000	-	94,898.03	94,898.03	2021 Budget 78/79
	Inpatient Psychiatry Redesign - Concept Plan	Const over \$100K	\$ 700,000	\$ 280,000	86,371.03	1,490.17	87,861.20	2021 Budget 78
	Remote Patient Observation System (Telesitter)	IMIT	\$ 285,000	\$ 114,000	-		-	2021 Budget 78
	Meal Delivery System	Equip	\$ 1,430,000	\$ 572,000	256,813.43	57,979.75	314,793.18	2021 Budget 78
	Autopsy Suite Upgrade	Const over \$100K	\$ 5,500,000	\$ 2,200,000	-		-	2022 Budget 81
	Medstation - Additional	Equip	\$ 97,000	\$ 38,800	-		-	2022 Budget 81
	Cooler and Freezer upgrades	Const over \$100K	\$ 1,479,000	\$ 591,600			-	2023 Budget 83
	MHSU Business Plan	Const over \$100K	\$ 800,000	\$ 320,000			-	2023 Budget 83
	Secure Room Safety Upgrade	Const over \$100K	\$ 518,000	\$ 207,200			-	2023 Budget 83
	Domestic Hot Water	Const over \$100K	\$ 236,250	\$ 94,500			-	2023 Budget 83
	MRI Scan Suite Humidity	Const under \$100K	\$ 99,000	\$ 39,600			-	2023 Budget 83
	Equipment Management System	Equip	\$ 1,942,750	\$ 777,100			-	2023 Budget 83
	Cart Washer	Equip	\$ 340,000	\$ 136,000		128,027.87	128,027.87	2023 Budget 83

North Okanagan Columbia Shuswap Regional Hospital District  
Status of Hospital District Approved & Proposed Projects for 2024/2025 as at December 31 2023

Facility	Project/Equipment	Budget Category	Total Cost	RHD Cost	Expended in Prior Year(s)	Expended in Current Year	Total Expended	Project	
<b>C - In Progress Projects, continued</b>									
<u>Regional</u>									
Shuswap Community Care Services	Leasehold Improvements-Reno/Expansion/Relocation	Const over \$100K	\$ 600,000	\$ 240,000	23,311.68	216,688.32	240,000.00	2019 Budget	73
Shuswap Community Care Services	Leasehold Improvements-Renovation and Expansion	Const over \$100K	\$ 1,800,000	\$ 720,000	-	578,300.58	578,300.58	2021 Budget	78
Shuswap Community Care Services	Leasehold Improvements (add'l funding)	Const over \$100K	\$ 1,300,000	\$ 520,000			-	2023 Budget	83
Regional	IH Wide IMIT	IMIT - 19/20	\$ 1,608,000	\$ 643,200	490,347.33	65,275.75	555,623.08	2019 Budget	73
Various	Laboratory Middleware	Equip	\$ 205,750	\$ 82,300	-	82,300.00	82,300.00	2019 Budget	73
Various	Laboratory Middleware (add'l funding)	Equip	\$ 391,000	\$ 156,400	-	62,942.74	62,942.74	2022 Budget	81
Bastion Place	Generator Replacement	Const over \$100K	\$ 1,200,000	\$ 480,000	248,932.66	70,822.54	319,755.20	2020 Budget	76
Regional	IH Wide IMIT	IMIT - 20/21	\$ 1,615,250	\$ 646,100	533,486.25	8,807.66	542,293.91	2020 Budget	76
Pleasant Valley Manor	Generator & Switchgear Replacement	Const over \$100K	\$ 950,000	\$ 380,000	16,274.39	150,470.02	166,744.41	2021 Budget	78
TBD	Long-term Care Facility - Business Plan	Const over \$100K	\$ 400,000	\$ 160,000	-		-	2021 Budget	78
Regional	IH Wide IMIT	IMIT - 21/22	\$ 2,134,750	\$ 853,900	219,653.44	293,075.42	512,728.86	2021 Budget	78
Bastion Place	Chiller	Const over \$100K	\$ 770,000	\$ 308,000	39,593.63	268,406.37	308,000.00	2022 Budget	81
Bastion Place	Chiller Replacement (add'l funding)	Const over \$100K	\$ 289,000	\$ 115,600		40,442.39	40,442.39	2023 Budget	83
Gateby Care Centre	Air Handling Unit	Const under \$100K	\$ 85,000	\$ 34,000	-		-	2022 Budget	81
Bastion Place	Loading Dock Upgrade	Const under \$100K	\$ 80,000	\$ 32,000	-	28,186.92	28,186.92	2022 Budget	81
Regional	IH Wide IMIT	IMIT - 22/23	\$ 1,624,250	\$ 649,700	-	439,392.14	439,392.14	2022 Budget	81
Granville Building - Enderby	Bus for Adult Day Care	Equip	\$ 123,000	\$ 49,200	-		-	2022 Budget	81
Pleasant Valley Manor	Chiller and Cooling Tower Replacement	Const over \$100K	\$ 1,096,000	\$ 438,400			-	2023 Budget	83
Parkview Place	Chiller Replacement	Const over \$100K	\$ 500,000	\$ 200,000			-	2023 Budget	83
Shuswap Lab Services	Leasehold Improvements (add'l funding)	Const over \$100K	\$ 990,000	\$ 396,000			-	2023 Budget	83
Gateby Care Centre	Boiler Upgrade	Const over \$100K	\$ 767,000	\$ 306,800		50,118.63	50,118.63	2023 Budget	83
Noric House	Elevator Upgrade	Const over \$100K	\$ 338,500	\$ 135,400			-	2023 Budget	83
Parkview Place	Heat Trace for Gutters	Const under \$100K	\$ 90,000	\$ 36,000			-	2023 Budget	83
Bastion Place	Upgrade to Front Entrance	Const under \$100K	\$ 85,000	\$ 34,000			-	2023 Budget	83
Regional	IH-Wide IMIT 23/24	IMIT	\$ 2,340,000	\$ 936,000			-	2023 Budget	83
Prior Year Projects - Sub-total			\$ 49,001,750	\$ 19,310,000	\$ 3,329,052.40	\$ 3,472,704.94	\$ 6,801,757.34		



North Okanagan Columbia Shuswap Regional Hospital District  
Status of Hospital District Approved & Proposed Projects for 2024/2025 as at December 31 2023

Facility	Project/Equipment	Budget Category	Total Cost	RHD Cost	Expended in Prior Year(s)	Expended in Current Year	Total Expended	Project
<b>D - New Projects for 2024/2025</b>								
Queen Victoria, Revelstoke								
Shuswap Lake General, Salmon Arm								
	High Acuity Unit/Critical Care Unit	Const over \$100K	\$ 250,000	\$ 100,000				
	Medical Air Distribution System	Const under \$100K	\$ 75,000	\$ 30,000				
	Medstation - Additional	Equipment	\$ 88,000	\$ 35,200				
Vernon Jubilee								
	Heat Recovery Chiller	Const over \$100K	\$ 5,030,400	\$ 2,012,160				
	Second Secure Room	Const over \$100K	\$ 1,038,825	\$ 415,530				
	Monitoring System, Physiological	Equipment	\$ 963,600	\$ 385,440				
<u>Regional</u>								
Pleasant Valley Manor	Generator & Switchgear Replacement (add'l funding)	Const over \$100K	\$ 144,500	\$ 57,800				
TBD	Primary Care Project	Const over \$100K	\$ 5,000,000	\$ 2,000,000				
Polson Extended Care	Generator & Distribution Upgrade	Const over \$100K	\$ 2,083,450	\$ 833,380				
Various	Digital Health - 2024/25	IMIT	\$ 2,139,750	\$ 855,900				
Global Grant	Equipment between \$5,000 and \$100,000	Global	\$ 1,792,500	\$ 717,000				2024 Budget
Sub-total			\$ 18,606,025	\$ 7,442,410	-	\$ -	\$ -	
TOTAL			\$ 85,782,525	\$ 33,587,960	7,357,560.91	\$ 4,430,638.91	\$ 11,788,199.82	

### NOCSRHD - 2024 TAX REQUISITION (Revised Roll)

Member Municipality	2024 Total Assessments	Increase in Total Assessments	2023 Actual Requisition	2024 Actual Requisition	+/-	2024 Tax Requisition Increase %
City of Armstrong	3,758,212,191	16.6%	374,468	375,619	1,151	0.3%
City of Enderby	534,565,150	18.7%	196,047	199,216	3,169	1.6%
City of Revelstoke	1,642,031,192	25.8%	962,863	1,065,759	102,896	10.7%
City of Vernon	741,485,555	16.5%	4,193,854	4,266,246	72,392	1.7%
District of Coldstream	14,016,537,805	15.2%	1,038,048	1,072,290	34,242	3.3%
City of Salmon Arm	5,823,353,109	17.9%	1,605,220	1,615,080	9,860	0.6%
Township of Spallumcheen	1,364,137,958	19.0%	456,877	479,188	22,311	4.9%
District of Sicamous	1,465,625,104	17.0%	350,772	356,843	6,071	1.7%
Village of Lumby	15,462,789,685	23.3%	145,249	155,168	9,919	6.8%
Electoral Areas	4,470,413,507	18.4%	3,452,446	3,441,663	-10,782	-0.3%
	<u>\$ 49,279,151,256</u>	<u>18.0%</u>	<u>\$ 12,775,842</u>	<u>\$ 13,027,072</u>	<u>\$ 251,230</u>	<u>2.0%</u>

### Comparison of Total Assessments

Member Municipality	2024 Total Assessments	2023 Total Assessments
City of Revelstoke	3,758,212,191	2,986,897,366
Village of Lumby	534,565,150	433,438,955
Township of Spallumcheen	1,642,031,192	1,379,752,823
City of Enderby	741,485,555	624,579,690
Electoral Areas	14,016,537,805	11,836,939,924
City of Salmon Arm	5,823,353,109	4,938,606,697
District of Sicamous	1,364,137,958	1,165,684,744
City of Armstrong	1,465,625,104	1,256,438,918
City of Vernon	15,462,789,685	13,276,123,693
District of Coldstream	4,470,413,507	3,879,559,629
	<u>\$ 49,279,151,256</u>	<u>\$ 41,778,022,439</u>

(COMPLETED Roll)

(REVISED Roll)

# NOCSRHD BOARD REPORT

<b>TO:</b>	Chair and Directors
<b>SUBJECT:</b>	2024 NOCSRHD Capital Expenditure Bylaw No. 85, 2024
<b>DESCRIPTION:</b>	Report from Jodi Pierce, General Manager, Financial Services dated March 12, 2024.
<b>RECOMMENDATION #1:</b>	<p>THAT: Bylaw No. 85, 2024, cited as "North Okanagan/Columbia Shuswap Regional Hospital District Capital Expenditure Bylaw No. 85, 2024", be read a first, second, and third time, this 28th day of March, 2024.</p> <p><i>Corporate Vote Weighted</i></p>
<b>RECOMMENDATION #2:</b>	<p>THAT: Bylaw No. 85, 2024, cited as "North Okanagan/Columbia Shuswap Regional Hospital District Capital Expenditure Bylaw No. 85, 2024", be adopted, this 28th day of March, 2024.</p> <p><i>Corporate Vote Weighted</i></p>

## SUMMARY:

Attached is the Capital Expenditure Bylaw No. 85, 2024 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 2024 Five Year Financial Plan includes an additional \$7,442,410 in capital expenditures as submitted by Interior Health for the 2024/2025 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:	2024-03-28_NOCSRHD Capital Expenditure Bylaw No. 85, 2024.docx
Attachments:	- BL85, 2024 2024 NOCSRHD Capital Expenditure page 1.pdf - NOCSRHD Capital Expenditure Bylaw No 85, 2024 Schedule A.pdf
Final Approval Date:	Mar 22, 2024

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



Jennifer Sham

**No Signature - Task assigned to John MacLean was completed by assistant Jennifer Sham**

John MacLean

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

**BYLAW NO. 85, 2024**

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 \$7,442,410.
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. 85, 2024".

READ A FIRST TIME this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

READ A SECOND TIME this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

READ A THIRD TIME this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Corporate Officer

\_\_\_\_\_  
Chair

CERTIFIED a true copy of  
Bylaw No. 85, 2024 as adopted.

\_\_\_\_\_  
Corporate Officer

**NORTH OKANAGAN COLUMBIA SHUSWAP REGIONAL HOSPITAL DISTRICT**  
**CAPITAL EXPENDITURE BYLAW NO. 85, 2024**  
**SCHEDULE "A"**

Facility	Location	Project/Equipment Description	Total Budget	RHD Share	Previous RHD Approval		2024/25 Funding Request
					Amount	B/L #	
		<b><u>Construction Projects over \$100,000</u></b>					
Pleasant Valley Manor	Armstrong	Generator & Switchgear Replacement	\$ 1,094,500	\$ 437,800	\$ 380,000	78	\$ 57,800
Shuswap Lake General Hospital	Salmon Arm	High Acuity Unit/Critical Care Unit	250,000	100,000			100,000
TBD	Vernon	Primary Care Project	5,000,000	2,000,000			2,000,000
Polson Extended Care	Vernon	Generator & Distribution Upgrade	2,083,450	833,380			833,380
Vernon Jubilee Hospital	Vernon	Heat Recovery Chiller	5,030,400	2,012,160			2,012,160
Vernon Jubilee Hospital	Vernon	Second Secure Room	1,038,825	415,530			415,530
		<b><u>Construction Project under \$100,000</u></b>					
Shuswap Lake General Hospita	Salmon Arm	Medical Air Distribution System Upgrade	75,000	30,000			30,000
		<b><u>IH-Wide Digital Health</u></b>					
Regional		Various	2,139,750	855,900			855,900
		<b><u>Equipment over \$100,000</u></b>					
Shuswap Lake General Hospital	Salmon Arm	Medstation - Additional	88,000	35,200			35,200
Vernon Jubilee Hospital	Vernon	Monitoring System, Physiological	963,600	385,440			385,440
		<b><u>Equipment under \$100,000 (Global Grant)</u></b>					
All Facilities		Equipment under \$100,000	1,792,500	717,000			717,000
<b>TOTAL</b>			<b>\$ 19,556,025</b>	<b>\$ 7,822,410</b>	<b>\$ 380,000</b>		<b>\$ 7,442,410</b>

# NOCSRHD BOARD REPORT

**TO:** Chair and Directors

**File No:** BL86, 2024

**SUBJECT:** Repeal of NOCSRHD Capital Expenditure and Borrowing Bylaw No. 74

**DESCRIPTION:** Report from Jodi Pierce, General Manager, Financial Services, dated March 8, 2024.

**RECOMMENDATION #1:** THAT: "North Okanagan Columbia Shuswap Regional Hospital District Capital Expenditure and Borrowing Repeal Bylaw No. 86, 2024", be read a first, second, and third time, this 28<sup>th</sup> day of March, 2024.

*Corporate Vote Unweighted Majority*

**RECOMMENDATION #2:** THAT: "North Okanagan Columbia Shuswap Regional Hospital District Capital Expenditure and Borrowing Repeal Bylaw No. 86, 2024", be adopted this 28<sup>th</sup> day of March, 2024.

*Corporate Vote Unweighted Majority*

## SUMMARY:

Repeal of Bylaw as project is completed considerably under budget and the 2024-2028 Five Year Financial Plan includes repayment of the temporary borrowing from existing reserves.

## BACKGROUND:

In 2019, the Board adopted Bylaw No. 74, cited as "North Okanagan Columbia Shuswap Regional Hospital District Capital Expenditure and Borrowing Bylaw No. 74" for the purpose of funding a \$1,980,000 emergency generator replacement at Queen Victoria Hospital in Revelstoke. The expenditure was to be funded by way of long-term debt.

In February 2024, Interior Health provided there annual listing of all projects and major equipment completed as of March 2023. The generator project has been closed by Interior Health which means there will be no additional funding required. The project was originally budgeted with a contribution from the NOCSRHD in the amount of \$1,980,000, however, the final amount required was only \$830,230.53. To date, \$720,000 has been drawn down on the debt and the balance was paid out of cash reserves. The 2024 – 2028 Five Year Financial Plan includes the repayment of the \$720,000 from reserve funds.

As the borrowing will no longer be required, the Municipal Finance Authority is recommending repeal of the Borrowing Bylaw.

## FINANCIAL:

The total cost of the project ended up being significantly under budget and therefore the 2024-2028 Five Year Financial Plan was able to accommodate repayment of the temporary borrowing without additional cost to the taxpayer.

## IMPLEMENTATION:



The repealed bylaw will be sent to the Municipal Finance Authority.

**COMMUNICATIONS:**

The 2024 Financial Statements will reflect that there are no outstanding commitments in relation to this project.

**DESIRED OUTCOMES:**

The Board support the staff recommendation.

**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:	2024-03-28_NOCSRHD Repeal of Bylaw No. 74 .docx
Attachments:	- BL86, 2024 capital Expenditure and Borrowing Repeal.pdf
Final Approval Date:	Mar 22, 2024

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



Jennifer Sham

**No Signature - Task assigned to John MacLean was completed by assistant Jennifer Sham**

John MacLean

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

BYLAW NO. 86, 2024

The Board of the North Okanagan/Columbia Shuswap Regional Hospital District enacts the following:

1. North Okanagan/Columbia Shuswap Regional Hospital District Capital Expenditure & Borrowing Bylaw No. 74, 2019, is hereby repealed.
2. This bylaw is cited as "North Okanagan/Columbia Shuswap Regional Hospital District Capital Expenditure & Borrowing Repeal Bylaw No. 86, 2024."

READ A FIRST TIME this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

READ A SECOND TIME this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

READ A THIRD TIME this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Corporate Officer

\_\_\_\_\_  
Chair