

Financial Statements of

SUNSHINE COAST
REGIONAL HOSPITAL DISTRICT

For the Year Ended December 31, 2022

Sunshine Coast Regional Hospital District

Statement Of Financial Position
As at December 31, 2022 and 2021

	2022	2021
Financial Assets		
Cash and cash equivalents	\$ 706,011	\$ 707,181
Portfolio investments (Note 4)	3,494,763	3,232,651
Accounts receivable	50,592	15,354
Restricted cash: MFA debt reserve fund	228,462	223,471
	4,479,828	4,178,657
Liabilities		
Accounts payable	140,794	27,669
Long-term debt (Note 5)	4,901,090	5,771,162
	5,041,884	5,798,831
Net Debt and Accumulated Deficit (Note 6)	\$ (562,056)	\$ (1,620,174)



Tina Perreault
Chief Financial Officer



Silas White
Chair

The accompanying "Notes to the Financial Statements" form an integral part of these financial statements.

Sunshine Coast Regional Hospital District

Statement Of Change In Net Debt

For the Years Ended December 31, 2022 and 2021

	Fiscal Plan 2022 (Note 7)	2022	2021
Annual surplus (deficit)	\$ (526,121)	\$ 1,058,118	\$ 477,204
Net debt, beginning	(1,620,174)	(1,620,174)	(2,097,378)
Net debt, ending	\$ (2,146,295)	\$ (562,056)	\$ (1,620,174)

The accompanying "Notes to the Financial Statements" form an integral part of these financial statements.

Sunshine Coast Regional Hospital District

Statement Of Operations

For the Years Ended December 31, 2022 and 2021

	Fiscal Plan 2022 (Note 7)	Actual 2022	Actual 2021
Revenue			
Grants in lieu of taxes	\$ 110	\$ 105	\$ 110
Tax requisitions	1,285,224	1,285,224	1,374,966
Investment income	55,100	96,515	44,474
Other revenue (Note 5(b))	367,627	367,627	334,163
	1,708,061	1,749,471	1,753,713
Expenses			
Administration (Note 3)	39,334	39,334	34,215
Debt charges - interest	336,641	356,932	336,641
Government transfers - capital grants	1,858,105	294,775	905,551
Bank charges and interest	102	312	102
	2,234,182	691,353	1,276,509
Annual Surplus (Deficit)	(526,121)	1,058,118	477,204
Accumulated Deficit, beginning of year	(1,620,174)	(1,620,174)	(2,097,378)
Accumulated Deficit, end of year	\$ (2,146,295)	\$ (562,056)	\$ (1,620,174)

The accompanying "Notes to the Financial Statements" form an integral part of these financial statements.

Sunshine Coast Regional Hospital District

Statement Of Cash Flows

For the Years Ended December 31, 2022 and 2021

	2022	2021
Operating Transactions:		
Annual Surplus	\$ 1,058,118	\$ 477,204
Items not involving cash included in annual surplus:		
Increase in accounts receivable	(35,238)	16,487
Increase in accounts payable	113,125	(100)
Total Operating Transactions	1,136,005	493,591
Investing Transactions:		
Increase in portfolio investments	(262,112)	(94,905)
Financing Transactions:		
Repayment of long-term debt	(870,072)	(836,607)
Increase in restricted cash: MFA debt reserve fund	(4,991)	(3,738)
Total Financing Transactions	(875,063)	(840,345)
Net increase (decrease) in cash and equivalents	(1,170)	(441,659)
Cash and equivalents, beginning of year	707,181	1,148,840
Cash and equivalents, end of year	\$ 706,011	\$ 707,181

The accompanying "Notes to the Financial Statements" form an integral part of these financial statements.

Sunshine Coast Regional Hospital District

Notes To The Financial Statements

For the Years Ended December 31, 2022 and 2021

1. Operations:

The Sunshine Coast Regional Hospital District is responsible for financing and funding of capital activities relating to hospital facilities on the Sunshine Coast. This includes the Sechelt Hospital and Totem Lodge.

2. Significant Accounting Policies

The preparation of the Financial Statements is the responsibility of the management of the Sunshine Coast Regional Hospital District. The accounting policies used within these statements conform to Canadian Public Sector Accounting Standards ("PSAS"). They have been prepared in accordance with current recommendations issued by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada

(a) Revenue recognition:

Sources of revenue are recorded on an accrual basis and recognized in the period in which they are earned.

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. Annual tax requisitions are recorded as taxes for Hospital District services in the year they are requisitioned.

(b) Expense recognition:

Operating expenses are recognized on an accrual basis in the period in which they are incurred.

(c) Cash and cash equivalents:

Cash consists of cash on hand, cash in transit, and cash on deposit. Cash equivalents are short-term investments maturing within one year made to obtain a return on a temporary basis and are carried at cost.

(d) Portfolio investments:

Investments consist of marketable securities which are carried at cost but written down when there has been a permanent decline in value.

(e) Government Transfers

Grants and transfers are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

Sunshine Coast Regional Hospital District

Notes To The Financial Statements

For the Years Ended December 31, 2022 and 2021

3. Related Party Transactions:

The Sunshine Coast Regional Hospital District is related to the Sunshine Coast Regional District since the same individuals are members of the Board of Directors of both organizations. As legislated by the Hospital District Act, the officers and employees of the Sunshine Coast Regional Hospital District are the corresponding officers and employees of the Sunshine Coast Regional District. Each of the Hospital District and Regional District are separate legal entities as defined by separate Letters Patent and authorized by separate legislation. In 2022, the Hospital District paid, at cost, to the Sunshine Coast Regional District an amount of \$39,334 (2021 - \$34,215) for general accounting and administration services provided to the Hospital District. These transactions are recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

4. Portfolio Investments:

	2022	2021
Municipal Finance Authority ¹	\$ 753,174	\$ 738,871
Raymond James ²	904,318	-
Sunshine Coast Credit Union ³	1,248,252	1,910,304
BlueShore Financial ⁴	589,019	583,476
	\$ 3,494,763	\$ 3,232,651

¹ Municipal Finance Authority investments are pooled investment funds by which local governments in B.C. can access high-quality investments while maintaining a high degree of security and liquidity. Interest rates are variable. The average yield in 2022 was 1.91% (2021 - 0.15%).

² Investments with Raymond James consists of money a market security at an interest rate of 5% to maturity in 2023 , recorded at cost.

³ Investments with Sunshine Coast Credit Union consist of money market securities at interest rates ranging from 2.25% to 2.35% to maturity in 2023, recorded at cost.

⁴ Investments with BlueShore Financial consists of money a market security at an interest rate of 2.15% to maturity in 2023 , recorded at cost.

Sunshine Coast Regional Hospital District

Notes To The Financial Statements

For the Years Ended December 31, 2022 and 2021

5. Long Term Debt:

All long term debt is issued through the Municipal Finance Authority of British Columbia. The Authority is the borrowing agent for municipalities and regional districts in the province of British Columbia. All debenture debt issued by the Municipal Finance Authority is sinking fund debt.

(a) Sinking fund debentures issued through the Municipal Finance Authority:

Issue	Interest Rate	2022	2021
102 Issued in 2007, maturing in 2027	3.90 %	\$ 4,901,090	\$ 5,771,162

Future principal repayments on existing long term debt:

2023	\$ 913,962
2024	945,951
2025	979,059
2026	1,013,326
2027	1,048,792
	\$ 4,901,090

(b) Actuarial earnings:

Long term debt is recorded net of any sinking fund balances. Actuarial sinking fund earnings recognized in 2022 totalled \$367,627 (2021 - \$334,163).

Sunshine Coast Regional Hospital District

Notes To The Financial Statements

For the Years Ended December 31, 2022 and 2021

6. Accumulated Deficit:

	2022	2021
Fund Balances:		
Current fund ¹	\$ 636,093	\$ 693,528
Reserve fund ²	2,300,277	2,084,188
Capital fund ³	(3,726,888)	(4,621,361)
Debt reserve funds	228,462	223,471
Accumulated Deficit, end of year	\$ (562,056)	\$ (1,620,174)

¹ Consists of surplus funds requisitioned to fund capital improvement projects and equipment with a value less than \$150,000.

² Consists of surplus funds requisitioned to fund capital improvement projects and equipment with a value greater than \$150,000.

³ Consists of surplus funds borrowed and/or requisitioned to fund major capital projects, less outstanding long-term debt repayable in future years. Surplus funds available to fund projects as at December 31, 2022 total \$1,174,203 (2021 - \$1,149,801).

Sunshine Coast Regional Hospital District

Notes To The Financial Statements

For the Years Ended December 31, 2022 and 2021

7. Fiscal Plan:

The 2022 Fiscal Plan was approved by the Board through the adoption of the Sunshine Coast Regional Hospital District Annual Budget Bylaw No. 91 on March 24, 2022. The Fiscal Plan includes items not shown on the Statement Of Operations as identified below:

	2022
	Fiscal Plan
Budgeted surplus per bylaw:	\$ -
Fiscal Plan funding sources that are not revenues for accounting purposes:	
Surplus - operating carryover	(693,528)
Transfer from Section 20 reserves - carryover	(1,017,365)
Fiscal Plan expenditures that are not expenses for accounting purposes:	
Principal debt payments	870,072
Transfer to reserves	296,400
Transfer to appropriated capital surplus	18,300
Budgeted deficit per statement of operations	\$ (526,121)

8. Commitments

The Hospital District has committed, through the annual budgeting process, to fund Vancouver Coastal Health for various capital equipment purchases. It does not have any large capital facility projects committed at this time. The equipment items range in scope from minor (less than \$150,000) to major equipment (greater than \$150,000). As at December 31, 2022 the Hospital District has committed \$652,035 for minor equipment, \$911,295 for various major equipment items.