



**SUNSHINE COAST REGIONAL HOSPITAL DISTRICT  
BOARD MEETING  
AGENDA**

Thursday, October 16, 2025, 1:00 p.m.

**IN THE BOARDROOM OF THE SUNSHINE COAST  
REGIONAL DISTRICT OFFICES AT 1975 FIELD ROAD, SECHELT, B.C.**

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	<b>Pages</b>
<b>1. CALL TO ORDER</b>	
<b>2. AGENDA</b>	
<b>3. MINUTES</b>	
3.1    Sunshine Coast Regional Hospital District Board Meeting Minutes of July 17, 2025	3
<b>4. BUSINESS ARISING FROM MINUTES AND UNFINISHED BUSINESS</b>	
<b>5. PRESENTATIONS AND DELEGATIONS</b>	
5.1    Ellen Adelberg, Board President and Tess Huntly, Executive Director Sunshine Coast Hospice Society  Regarding: A Home for Hospice - Project Update	6
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<b>8. MOTIONS</b>	
<b>9. BYLAWS</b>	
<b>10. NEW BUSINESS</b>	
<b>11. IN CAMERA</b>	
THAT the public be excluded from attendance at the meeting in accordance with Sections 90 (1) (k) and 90 (2) (b) of the <i>Community Charter</i> - "negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages..." and "the consideration of information received and held in confidence relating to negotiations between the municipality and a provincial government...".	
<b>12. RELEASE OF ITEMS FROM IN CAMERA</b>	

**13. ADJOURNMENT**



**SUNSHINE COAST REGIONAL HOSPITAL DISTRICT**  
**MINUTES OF THE SUNSHINE COAST REGIONAL HOSPITAL DISTRICT BOARD**  
**MEETING**

**July 17, 2025**  
**IN THE BOARDROOM OF THE SUNSHINE COAST**  
**REGIONAL DISTRICT OFFICES AT 1975 FIELD ROAD, SEHELDT, B.C.**

PRESENT:           Chair:    S. White, Town of Gibsons  
                          D. McMahon, Electoral Area E  
                          L. Lee, Electoral Area A  
                          J. Gabias, Electoral Area B  
                          K. Backs, Electoral Area D  
                          K. Stamford, Electoral Area F  
                          A. Toth, District of Sechelt  
                          D. Inkster, District of Sechelt  
                          P. Paul, shíshálh Nation Government District

ALSO PRESENT:       T. Perreault, Chief Administrative Officer  
                          S. Reid, Corporate Officer  
                          K. Wiebe, Deputy Corporate Officer  
                          T. Crosby, Administrator / Recorder

VCH:                 J. Marais, Regional Director, Capital Asset Management and Planning  
                          L. Komm, Interim Operations Director - Sunshine Coast  
                          R. Gage, CPO and ED, Capital Planning Proj., Fac. Functional Planning  
                          S. Samsami, Director, Capital Projects, Coastal

OTHERS:             Media: 0  
                          Public: 4

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**CALL TO ORDER**

*The meeting was called to order at 1:00 p.m..*

**AGENDA**

**21/25** It was moved and seconded

THAT the agenda for the meeting be adopted as presented.

**CARRIED**

**MINUTES**

**Sunshine Coast Regional Hospital District Board Meeting Minutes of April 24, 2025**

**22/25** It was moved and seconded

THAT the Sunshine Coast Regional Hospital District Board Meeting Minutes of April 24, 2025 be adopted as presented.

**CARRIED**

**PRESENTATIONS AND DELEGATIONS**

**Johan Marais, Regional Director, Capital Asset Management and Planning, Vancouver Coastal Health**

*Johan Marais, Regional Director, Capital Asset Management and Planning and Sam Samsami, Director, Capital Projects Coastal of Vancouver Coastal Health addressed the Board regarding Vancouver Coastal Health's 2026 Capital Update, Minor Capital Update and the Health Vision Sechelt / shíshálh Project.*

**23/25** It was moved and seconded

THAT the presentation by Vancouver Coastal Health titled FY26 Capital Update and Cost Share Requests be received for information.

**CARRIED**

P. Paul, shíshálh Nation Government District left the meeting at 1:03 pm.

**IN CAMERA**

*The Board moved In Camera at 1:46 p.m.*

**24/25** It was moved and seconded

THAT the public be excluded from attendance at the meeting in accordance with Sections 90 (1) (k) and 90 (2) (b) of the Community Charter - "negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages... " and "the consideration of information received and held in confidence relating to negotiations between the municipality and a provincial government...".

**CARRIED**

*The Board moved out of In Camera at 2:02 p.m.*

**ADJOURNMENT**

**25/25** It was moved and seconded

THAT the Sunshine Coast Regional Hospital District Board meeting be adjourned.

**CARRIED**

*The meeting adjourned at 2:02 p.m.*

\_\_\_\_\_  
Certified Correct by the Corporate Officer

\_\_\_\_\_  
Date Confirmed

\_\_\_\_\_  
Chair

## BRIEFING NOTE for the SC Regional Hospital Board | A Home for Hospice – *Building a Legacy of Compassionate Care on the Coast*

### Mossy Rock Hospice

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#### Highlights:

- First dedicated, permanent home for palliative care on the Coast,
- 8 purpose-designed suites (4 new beds and replacing 4 temporary beds at Silverstone Care Centre)
- Partnership with Vancouver Coastal Health (VCH) who will lease the building from Coast Hospice and assume all medical operating costs.
- Coast Hospice will own the building and be responsible for capital costs.
- Total project cost is \$7.4 million (including a \$500,000 capital reserve)
  - VCH has committed \$3.32 million
  - Through the generosity of Coast residents and community groups, we have raised \$2.45 million, \$1.63 million left to raise to complete the project
- Longman Developments is the General Contractor for the project. Our Build/Design oversight team comprises professional builders, lawyers, accountants and other related experts.
- House neighbours are in support of the project.



#### Community benefits of new hospice:

- Provide 8 new palliative care beds on the Sunshine Coast within 15 months
- Alleviate ER and Acute Bed pressures at Sechelt Hospital
- Release 4 beds at Silverstone Care Centre for long-term care
- Serve up to 308 unique patients annually
- Futureproofing: One third of the population of the Sunshine Coast is currently aged 65+. By 2035, this will grow to 38% of the population, compared with 25% in the remainder of BC. Projections indicate the Sunshine Coast must prepare now for a 2.5X increase in deaths by 2041.

In September 2024, in partnership with VCH, we acquired a 1.48 acre property on Mossy Rock Road in xwesam (Roberts Creek), where we are renovating and expanding an existing house to develop the Coast's first permanent community hospice. Construction will start in the coming weeks.

*Level 1:* 8 private suites with space for family and attached washroom, 2 larger rooms suitable for bariatric patients and/or larger family groups. Family spaces include lounge, open kitchen, and a children's play area, spa room, on site laundry. *Level 2:* office space for VCH and medical teams, family suite for out-of-town visitors, sacred space, meeting room.

VCH staff and Coast hospice volunteers will be a constant presence to support those who are dying, and their loved ones.

## Sunshine Coast Hospice Society Programs and Services

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Since 1987, Coast Hospice has trained community volunteers to provide a compassionate presence for residents facing a life limiting illness, the dying, and those who love them. We support people living from Egmont to Port Mellon through free services including:

- individual and group grief support,
- volunteer training, and
- community learning workshops and resources about advance care planning and end-of-life services available on the Coast.

### Highlights:

- Program and administration hub in Davis Bay
- Support of 4 temporary hospice rooms at Silverstone Care Centre
- Nearly 100 engaged and compassionate volunteers involved in the delivery of programs, community events, and preparation for the new hospice
- Long history with the shísháhlh Nation and collaboration with local community groups
- Annual operating budget of \$575K
- Team of 5 fulltime and part-time staff

### Impacts (over the past year):

- 429 people benefited from our support programs and services
- 440 people attended our workshops about advance care planning
- 8,000 hours donated by volunteers

Many of our programs and activities, such as grief groups and the twice-a-week “The Circle” palliative wellness day program, are hosted at Hospice House in Davis Bay.

*“My favourite aspects of The Circle are its socialization and conversations. I am now 91 years old, and after a career as a professional actress, I find it hard to live in silence. With the group, we can often talk during the activities, and we have a long-table lunch that is usually very lively.” (Cecilia Smith, client, photographed with her caregiver)*

About half of our funding comes from grants and foundations, and the other half relies on private donations. We are grateful for the 1% of our budget that comes from the Town of Gibsons as sustained funding, and for the subsidized space for our program and administration hub from the District of Sechelt.



[www.coasthospice.com](http://www.coasthospice.com) | [mossyrock@coasthospice.com](mailto:mossyrock@coasthospice.com) | [info@coasthospice.com](mailto:info@coasthospice.com)

## A Home for Hospice

### Building a Legacy of Compassionate Care on the Coast

Thursday, Oct. 16, 2025



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## WHAT IS HOSPICE CARE?

- Specialized support for people with a terminal illness and their loved ones.
- 24-hour care for people in their final days, when acute care is no longer appropriate.
- Temporary care for people with a palliative diagnosis needing respite or help with pain and symptom management.



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## THE NEED FOR PERMANENT HOME FOR HOSPICE CARE

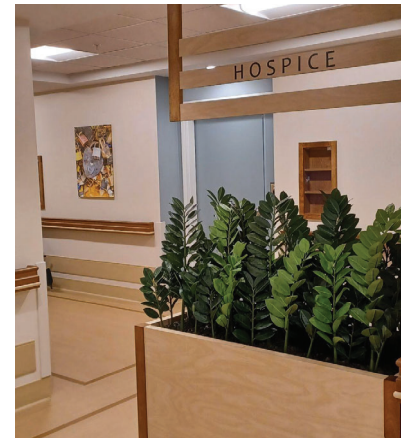
- **By 2035:** a projected **41%** of Coasters will be aged **65+**, compared to 25% on average in BC
- Demographics and demand show the Coast requires a minimum of **8 hospice/palliative respite care beds**



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## CURRENT SITUATION ON THE COAST

- **4 temporary hospice beds** in Silverstone Care Centre
- **No palliative care respite beds**
- Patients needing hospice care sometimes die in hospital waiting for a hospice bed to become available



## A PERMANENT HOME for HOSPICE at MOSSY ROCK



### A PARTNERSHIP BETWEEN VCH AND COAST HOSPICE

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## A PRESSURE VALVE FOR SECHELT HOSPITAL

1. Palliative patients at home will come to Mossy Rock instead of ER and avoid admissions to acute beds
2. Hospital inpatients can be transferred to Mossy Rock for their final days, creating space for patients waiting for a bed for life-saving care
3. Patients at home will come to Mossy Rock instead of hospital for short stay to receive pain and symptom management, or respite care

\*Coast Hospice calculations based on 6 beds used for hospice palliative care and 2 beds used for respite care/short stay symptom management.

Every year, the **8 new beds** at Mossy Rock Hospice could accommodate up to **308 unique patients.\***

## PARTNERS AND EARLY SUPPORTERS



*Smaller, community-based facilities such as Mossy Rock are the way forward for rural communities to meet growing health care needs, and reduce pressure on local hospitals. That's why we are pleased to partner on this project.*

- Fernando Pica CFO, VCH



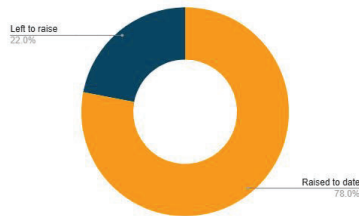
## MOSSY ROCK HOSPICE CAPITAL CAMPAIGN

Project cost: **\$7.4M**  
(includes \$500,000 capital reserve)

We have raised **78%** of the target:

- VCH: \$3.32M
- Charitable gifts: \$2.45M

Outstanding balance **\$1.63M**



## OUR REQUEST TO THE SCRHD

- We invite you to consider a capital contribution of **\$1.5 million** toward the completion of Mossy Rock Hospice.
- This amount reflects **20%** of our total capital cost.
- Your contribution will:
  - Enable **8 palliative beds** on the Sunshine Coast within 15 months.
  - Alleviate **ER and Acute Bed pressures** at Sechelt Hospital
  - Release **4 beds** at Silverstone for LTC



## THANK YOU

**Building a Legacy of Compassionate Care on the Coast**

Ellen Adelberg, President  
Board of Directors





# Staff Report Request for Decision

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**TO:** Sunshine Coast Regional Hospital District Board – October 16, 2025

**AUTHOR:** Tina Perreault, Chief Administrative Officer

**SUBJECT:** **MNP LLP 2025 Audit Service Plan**

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## OVERVIEW

### Purpose of Report:

The purpose of this report is to provide the Board with the 2025 Audit Service Plan from MNP LLP (MNP). This report requests Board decision to accept, reject or provide alternate direction with respect to staff's recommendations as presented below:

### Recommendation(s):

- (1) **THAT the Audit Service Plan from MNP LLP with respect to the Audit of the Financial Statements of the Sunshine Coast Regional Hospital District (SCRHD) for the year ended December 31, 2025 be approved as presented.**
- 

## BACKGROUND

The purpose of MNP LLP's (MNP) 2025 Audit Service Plan is to communicate key issues, responsibilities and audit strategy which will be undertaken for the Sunshine Coast Regional Hospital District's (SCRHD) annual financial audit. The audit conducted by MNP is in accordance with Canadian Generally Accepted Auditing Standards (GAAS), which require the explicit communication of roles and responsibilities by both parties.

The SCRHD Board has the responsibility of providing oversight of the financial reporting process. As part of the two-way communication with the auditors the Board may highlight any areas of specific concerns or questions it may have for the auditors prior to the final audit.

The purpose of this report is to approve the Report and allow the SCRHD Board to relay any communication back to the Auditors.

## DISCUSSION AND ANALYSIS OF OPTIONS

MNP's Audit Service Plan, summarizing the plans and other matters pertinent to the 2025 audit for the SCRHD, which is attached for reference. SCRHD's engagement will include: Audit Risk Areas and Planned Responses; Changes in Accounting Standards potentially impacting the SCRHD.

The 2025 interim audit will be conducted in early December 2025 with the final audit scheduled for March 2026. The draft financial statements and audit report is scheduled for presentation at the April 2026 SCRHD Board in preparation for the final adoption.

As part of the final Report to the Board from MNP LLP for the 2024 audit, there were no audit

differences or significant audit findings reported for the SCRHD.

**STRATEGIC PLAN IMPLICATIONS**

The annual financial audit is a statutory requirement for the SCRHD Board.

**SUMMARY AND CONCLUSION**

The purpose of this report is to provide information to the SCRHD Board related to their fiduciary responsibilities for the financial oversight of the SCRHD.

It is recommended that MNP’s “*Audit Service Plan*” be approved as presented or amended by the Board, subject to any additional items arising. The Board may at any time communicate items with MNP prior to the final audit.

**ATTACHMENT(S):**

A - MNP LLP - SCRHD 2025 Audit Service Plan to the Board of Directors

Reviewed by:			
Manager		Finance	
GM		Legislative	
CAO		Other	



# Sunshine Coast Regional Hospital District

2025 Audit Service Plan

Report to the Board of Directors

December 31, 2025

Cory Vanderhorst, CPA, CA

T: 250.734.4319

E: cory.vanderhorst@mnp.ca



Wherever business takes you

MNP.ca

September 25, 2025

Members of the Board of Directors of Sunshine Coast Regional Hospital District

Dear Board of Directors:

We are pleased to present our Audit Service Plan for Sunshine Coast Regional Hospital District (the "Hospital District"). In this plan we describe MNP's audit approach, our engagement team, the scope of our audit and a timeline of anticipated deliverables. We are providing this Audit Service Plan to the Board of Directors on a confidential basis. It is intended solely for the use of the Board of Directors and is not intended for any other purpose. Accordingly, we disclaim any responsibility to any other party who may rely on this report.

Our audit will include an audit of the Hospital District's financial statements for the year ended December 31, 2025, prepared in accordance with Canadian public sector accounting standards. Our audit will be conducted in accordance with Canadian generally accepted auditing standards.

At MNP, our objective is to perform an efficient, high quality audit which focuses on those areas that are considered higher risk. We adhere to the highest level of integrity and professionalism. We are dedicated to maintaining open channels of communication throughout this engagement and will work with management to coordinate the effective performance of the engagement. Our goal is to exceed the Board of Directors's expectations and ensure you receive outstanding service.

Additional material provided along with this report includes our Engagement Letter. Our Engagement Letter is the formal written agreement of the terms of our audit engagement as negotiated with management and outlines our responsibilities under Canadian generally accepted auditing standards.

We look forward to discussing our Audit Service Plan with you and look forward to responding to any questions you may have.

Sincerely,

The image shows a handwritten signature in black ink that reads "MNP LLP". The letters are stylized and connected, with a cursive-like appearance.

MNP LLP

**Chartered Professional Accountants**

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# MNP's Client Service Commitment

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To make strategic business decisions with confidence, your stakeholders and the Board of Directors of the Hospital District need relevant, reliable and independently audited financial information. But that's not all. You need an audit team that can deliver insight beyond the numbers and enhance the Hospital District's strategic planning and implementation processes so you can embrace new opportunities while effectively managing risk. Our senior team members have extensive knowledge of municipalities from many years of experience. Our audit strategy is risk based, and considers the limitations and opportunities you encounter each day, allowing our recommendations to be implemented with greater ease. Committed to your success, MNP delivers meaningful, reliable financial information to not only help you fulfill your compliance obligations, but also to achieve your key strategic goals.

Our Audit Service Plan outlines the strategy we will follow to provide the Hospital District's Board of Directors with our Independent Auditor's Report on the December 31, 2025 financial statements.


## Topics for Discussion

We are committed to providing superior client service by maintaining effective two-way communication. Topics for discussion include, but are not limited to:

- Changes to your business operations and developments in the financial reporting and regulatory environment
- Business plans and strategies
- Any other issues and/or concerns
- Fraud, including how fraud could occur, the risk of fraud and misstatement, and any actual, suspected or alleged fraud
- The management oversight process
- Your specific needs and expectations

## Key Changes and Developments

Based on our knowledge of the Hospital District and our discussions with management, we have noted the recent developments set out below. Our audit strategy has been developed considering these factors.

Key Issues and Developments		Summary
	<b>New Reporting Developments</b>	<ul style="list-style-type: none"><li>• Financial Statement Presentation (New Section PS 1202)</li></ul>

# Risk Assessment

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## Risk Assessment

Based on the preliminary risk assessment procedures performed, we have identified the following significant and high risks which will be addressed during our audit. We have also outlined the proposed audit response to address those risks. We will update our risk assessment as the audit progresses for additional risks identified and will inform management of any additional significant risks identified.

Significant Risk Area	Proposed Audit Response
Management override of internal controls	To respond to the overall risk of material misstatement due to fraud regarding management's override of controls, we perform the following procedures: <ol style="list-style-type: none"><li>1. Test the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.</li><li>2. Review accounting estimates for biases and evaluate whether the circumstances producing the bias, if any, represent a risk of material misstatement due to fraud, if applicable.</li><li>3. Evaluate the rationale behind significant transactions that are not in the normal course of business and whether they have been entered into to engage in fraudulent financial reporting or to conceal misappropriation of assets.</li></ol>

# Key Milestones

Based on the audit planning performed and areas of audit risks identified, the following timelines for key deliverables have been discussed and agreed upon with management:

Key Deliverable	Expected Date
Delivery of December 31, 2025 Audit Service Plan to the Board of Directors	October 2025
Year-end fieldwork procedures	March 9, 2026 to March 13, 2026
Draft year-end financial statements to be discussed with management	April 2026
Presentation of December 31, 2025 Audit Findings Report to the Board of Directors	April 2026
Presentation of Management Letter to the Board of Directors	April 2026
Issuance of Independent Auditor's Report	April 2026

## Audit Materiality

Materiality is an important audit concept. It is used to assess the significance of misstatements or omissions that are identified during the audit and is used to determine the level of audit testing that is carried out. Specifically, a misstatement or the aggregate of all misstatements in financial statements as a whole (and, if applicable, for particular classes of transactions, account balances or disclosures) is considered to be material if it is probable that the decision of the party relying on the financial statements, who has reasonable understanding of business and economic activities, will be changed or influenced by such a misstatement or the aggregate of all misstatements.

The scope of our audit work is tailored to reflect the relative size of operations of the Hospital District and our assessment of the potential for material misstatements in the Hospital District's financial statements as a whole (and, if applicable, for particular classes of transactions, account balances or disclosures). In determining the scope, we emphasize relative audit risk and materiality, and consider a number of factors, including:

- The size, complexity, and growth of the Hospital District;
- Changes within the organization, management or accounting systems; and
- Concerns expressed by management.

**The scope of our audit work is tailored to reflect the relative size of operations of the Hospital District and our assessment of the potential for material misstatements in the Hospital District's financial statements as a whole.**

Judgment is applied separately to the determination of materiality in the audit of each set of financial statements (and, if applicable, for particular classes of transactions, account balances or disclosures) and is affected by our perception of the financial information needs of users of the financial statements. In this context, it is reasonable to assume that users understand that financial statements are prepared, presented and audited to levels of materiality; recognize uncertainties inherent in the measurement of amounts based on the use of estimates, judgment and consideration of future events; and make reasonable economic decisions based on the financial statements. The foregoing factors are taken into account in establishing the materiality level.

We propose to use \$105,000 as overall materiality for audit planning purposes.

# Audit Team

In order to ensure effective communication between the Board of Directors and MNP, we outline below the key members of our audit team that will be responsible for the audit of the Hospital District and the role they will play:

Team Members	Contact Information
Cory Vanderhorst, CPA, CA, Engagement Partner	E: Cory.Vanderhorst@mnp.ca
Graham Roberts, CPA, CA, Engagement Manager	E: Graham.Roberts@mnp.ca

In order to serve you better and meet our professional responsibilities, we may find it necessary to expand our audit team to include other professionals whose consultation will assist us to evaluate and resolve complex, difficult and/or contentious matters identified during the course of our audit.



Any changes to the audit team will be discussed with you to ensure a seamless process and that all concerned parties' needs are met.

# Fees and Assumptions

DESCRIPTION	2025 ESTIMATE	2024 ACTUAL
Base audit fee as per our fee quote	\$ 6,200	\$ 5,900

If any significant issues arise during the course of our audit work which indicate a possibility of increased procedures or a change in the audit timetable, these will be discussed with management by the engagement partner, so a mutually agreeable solution can be reached.

DESCRIPTION	AMOUNT
On the delivery of the audit service plan, 50% of the estimated fee	\$ 3,100
Upon the delivery of the final consolidated financial statements and Independent Auditor's Report	\$ 3,100
<b>Total</b>	<b>\$ 6,200</b>

# Appendix A – The Audit Process

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## Our Plan

Our audit process focuses on significant risks identified during the pre-planning and planning and risk assessment stage, ensuring that audit procedures are tailored to your specific circumstances and appropriately address those risks.

The Board of Directors is responsible for approval of the financial statements and Hospital District policies, and for monitoring management's performance. The Board of Directors should consider the potential for management override of controls or other inappropriate influences, such as earnings management, over the financial reporting process. The Board of Directors, together with management, is also responsible for the integrity of the accounting and financial reporting systems, including controls to prevent and detect fraud and misstatement, and to monitor compliance with relevant laws and regulations.

Effective discharge of these respective responsibilities is directed toward a common duty to provide appropriate and adequate financial accountability, and quality financial disclosure.

Key responsibilities of MNP and management are outlined in the Engagement Letter (see attached).

Our overall audit strategy is risk-based and controls-oriented. Assessment and identification of risk is performed continuously throughout the audit process. We focus on the risks that have a potential impact on the financial accounting systems and subsequent financial reporting.

Our overall audit strategy does not, and is not intended to involve the authentication of documents, nor are our team members trained or expected to be experts in such authentication. Unless we have reason to believe otherwise, we accept records and documents as genuine. The subsequent discovery of a material misstatement resulting from fraud does not, in and of itself, indicate a failure to comply with Canadian generally accepted auditing standards.

## Audit Procedures

To meet our responsibilities in accordance with Canadian generally accepted auditing standards, our audit examination includes:

- Obtaining an understanding of the entity and its environment, the applicable financial reporting framework and the entity's system of internal controls, in order to identify and assess the risk that the financial statements contain material misstatements due to fraud or misstatement;
- Assessing the design and implementation of and examining, on a test basis, the key controls over significant transaction streams and over the general organizational and computer environments;
- Assessing the systems used to ensure compliance with applicable legislative and related authorities pertaining to financial reporting, revenue raising, borrowing, and investing activities;
- Examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements;
- Assessing the appropriateness and consistency of accounting principles used and their application;
- Assessing the significant estimates used by management; and,


# Appendix A – The Audit Process

(continued from previous page)

- Assessing the entity’s use of the going concern basis of accounting in the preparation of the financial statements.

As part of our planning process, we will also undertake to inform the Board of Directors of concerns relating to management’s implementation and maintenance of controls, and the effects of any such concerns on the overall strategy and scope of the audit. These concerns might arise from the nature, extent and frequency of management’s assessments of controls in place to detect fraud and misstatement, and of the risk that the financial statements may be misstated; from a failure by management to appropriately address significant deficiencies in controls identified in prior audits; and, from our evaluation of the Hospital District’s control environment, and management’s competence and integrity.

## Overall Reliance

Control Reliance Level	Low/None	Moderate	High
<b>Description</b>	Where we cannot rely on controls because they are weak or absent, or where it is deemed to be more efficient to carry out a high level of direct substantive tests of details. Audit evidence is primarily obtained through detailed verification procedures and sufficient substantive tests of details.	Where there are some deficiencies in systems application or procedural controls, or where it is deemed to be inefficient to test systems application controls, but where we can test and rely on the management monitoring systems in place to detect and correct material misstatements in the financial reporting systems. Testing of controls is supplemented with a moderate level of substantive tests of details.	Where a high degree of control is in place in the areas of management monitoring controls AND systems application and procedural controls. Our audit work focuses on testing both management monitoring and systems application and procedural controls, and is supplemented with a low level of substantive tests of details.
<b>Planned Reliance</b>		—	—

# Appendix A – The Audit Process

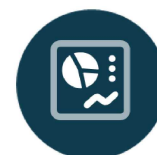
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For the December 31, 2025 audit, we are planning to place low reliance on the Hospital District's controls. This level of reliance is consistent with the prior year, and will involve mainly substantive tests of details.

The amount of substantive work will be reduced for cycles where there are controls in place that MNP can test and rely on.

As part of our audit work we will update our understanding of the entity and its environment, the applicable financial reporting framework and the entity's system of internal controls relevant to our audit of the principal transaction cycles, sufficient to identify and assess the risks of material misstatement of the financial statements resulting from fraud or misstatement. This will be accomplished through inquiries with management and others within the entity, analytical procedures and observation and inspection. Furthermore, we will consider whether effective controls have been established to adequately respond to the risks arising from the use of IT or manual systems and test the operation of those controls to an extent sufficient to enable us to reduce our substantive work. Our review of the Hospital District's controls will not be sufficient to express an opinion as to their effectiveness or efficiency.



Although we will provide the Board of Directors with any information about significant deficiencies in internal control that have come to our attention, we may not be aware of all the significant deficiencies in internal control that do, in fact, exist.

## Inherent Limitations in the Auditing Process

An auditor cannot obtain absolute assurance that material misstatements in the financial statements will be detected due to factors such as the use of significant judgment regarding the gathering of evidence and the drawing of conclusions based on the audit evidence acquired; the use of testing of the data underlying the financial statements; inherent limitations of controls; and, the fact that much of the audit evidence available to the auditor is persuasive, rather than conclusive in nature.

Because of the nature of fraud, including attempts at concealment through collusion and forgery, an audit designed and executed in accordance with Canadian generally accepted auditing standards may not detect a material fraud. While effective controls reduce the likelihood that misstatements will occur and remain undetected, they do not eliminate that possibility. Therefore, the auditor cannot guarantee that fraud, misstatements and non-compliance with laws and regulations, if present, will be detected when conducting an audit in accordance with Canadian generally accepted auditing standards.

The likelihood of not detecting material misstatements resulting from management fraud is greater than for employee fraud, because management is in a position to manipulate records, present fraudulent information or override controls.

We will inform the appropriate level of management or the Board of Directors with respect to identified:

- Misstatements resulting from errors, other than clearly trivial misstatements;

# Appendix A – The Audit Process

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- Fraud, or any information obtained that indicates that fraud may exist;
- Evidence obtained that indicates non-compliance or possible non-compliance with laws and regulations, other than that considered inconsequential;
- Significant deficiencies in the design or implementation of controls to prevent and detect fraud or misstatement; and
- Related party transactions that are not in the normal course of operations and that involve significant judgments made by management concerning measurement or disclosure.

Our concern as auditors is with material misstatements, and thus, we are not responsible for the detection of misstatements that are not material to the financial statements taken as a whole.

# Appendix B – Auditor Independence

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## Auditor Independence

An essential aspect of all our services to the Hospital District is an independent viewpoint, which recognizes that our responsibilities are to the Board of Directors. While the concept of independence demands a questioning and objective attitude in conducting our audit, it also requires the absence of financial or other interests in the Hospital District. In accordance with our firm's policy, and the Code of Professional Conduct, which govern our profession, neither MNP nor any of its team members assigned to the engagement or any of its partners, are permitted to have any involvement in or relationship with the Hospital District that would impair independence or give that appearance. As auditors, we subscribe to the highest standards and are required to discuss the auditor's independence with the Board of Directors on an annual basis. Under the standard an auditor shall:

- Disclose to, the Board of Directors in writing, all relationships between the auditor and the Hospital District that in the auditor's professional judgment may reasonably be thought to bear on our independence;
- Discuss the auditor's independence with the Board of Directors.

During the course of the audit, we will communicate any significant new matters that come to our attention that, in our professional judgment, may reasonably be thought to bear on our independence.

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At MNP we're proud to be the national accounting, consulting and tax firm that is 100% Made in Canada.

Our history defines who we are and our approach to business. Being a Canadian firm has helped shape our values, our collaborative approach, and the way we work with our clients, engaging them every step of the way.

We have a unique perspective. Our decisions are made here – decisions that drive Canadian business and help us all achieve success — and we know the impact that our choices have on the cities and towns we call home.

Throughout our six decades of work, we've seen our communities are more than just a place we do business in. They're a place where our families live, play, and thrive, and we work to make them the best places they can be.

Being 100% Canadian is something we wear proudly. This country provides us with great opportunities, and we're here to help our clients seize the opportunities so we can create a brighter future for the generations to come.



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# Staff Report Request for Decision

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**TO:** Sunshine Coast Regional Hospital District Board – October 16, 2025  
**AUTHOR:** Alex Taylor, Manager, Budgeting and Grants  
**SUBJECT:** **2026 Sunshine Coast Regional Hospital District (SCRHD) Provisional Budget**

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## OVERVIEW

### Purpose of Report:

The purpose of this report is to provide information for the Board in consideration of the approval of the SCRHD 2026 Provisional Budget.

### Recommendation(s):

**THAT the Sunshine Coast Regional Hospital District 2026 Provisional Budget be adopted as presented.**

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## BACKGROUND

Per Section 23(1) of the *Hospital District Act*, a Regional Hospital District Board must prepare and adopt a Provisional Budget for the following calendar year, prior to December 31 each year.

The Final Budget must be adopted on or before March 31 each year. The figures presented in the Final Budget may differ from the Provisional Budget as a result of new property assessments received in early 2026 and final 2025 financial surpluses/deficit balances.

## DISCUSSION AND ANALYSIS OF OPTIONS

For 2026, the Provisional Budget includes a projected operating surplus of \$714,009. The surplus is due to planned revenue exceeding planned capital expenditures. This is not an actual surplus but is a requirement of how funding sources are recorded per Public Sector Accounting Standards (PSAS). A balanced budget is maintained as the surplus is offset by other financial sources such as debt repayments and reserve transfers.

Details on individual budget line items are outlined below.

### *Revenue Highlights*

#### Tax Requisition and Estimated Tax Rate

The projected tax requisition for 2026 has decreased by \$6,142 to \$1,710,300 compared to \$1,716,442 in 2025. The decrease is a result of not having to fund a prior year operational deficit as seen in 2025. This is partially offset by a \$7,842 increase in Administration and

operating expenses funded from taxation due to lower Current fund investment income. This income directly offsets taxation revenue.

The estimated residential tax rate (per \$100,000 of assessed value) based on the 2026 Provisional Budget is \$7.31, down from \$7.34 in 2025. This value will change as revised property assessments and final taxation is determined for the final 2026 Budget.

### Investment Income

Investment income has been budgeted to decrease to \$120,000 in 2026 down \$15,000 from 2025. This reflects the projected actual interest earned and the change in interest rate conditions.

### Other revenue – Municipal Finance Authority (MFA) actuarial

The MFA actuarial adjustment is associated with the interest earned on sinking fund monies held by the MFA for future debt retirement. The actuarial adjustment for 2026 is anticipated to increase by \$34,267 to \$451,490 for 2026.

### *Expense Highlights*

#### Administration, Bank Charges and Other Expenditures

These expenses are budgeted for the reimbursement of administrative costs such as staff wages, Director remuneration and audit fees. The Budgeted amount for administration is estimated at \$37,255 for 2026. This is a \$3,644 increase from 2025 as a result of a decrease in the projected year over year overall surplus. The surplus and other expenses are estimates and will be refined upon the completion of the final budget.

#### Minor Equipment (< \$150,000)

Annual funding of \$250,000 is budgeted for minor equipment purchases valued at less than \$150,000. Any unused funding is carried forward for use in the following year. It is expected that in 2026, there will be \$260,925 in available funding for VCH.

In 2025, minor capital equipment funding was set at \$250,000, an increase of \$130,000 from the prior year in recognition that VCH had established a plan to expend on minor capital equipment. Minor capital equipment funding will be reassessed in 2026 after VCH provides a revised spending projection in January 2026.

#### Capital Equipment (>\$150,000)

Funding for capital equipment projects are approved by the SCHR board on a case-by-case basis when a request is received from VCH. Funding for these requests typically comes from reserve funds. Annual reserve contribution funding from taxation is set at \$275,000 and is held in reserve until such time as VCH invoices the SCRHD. The projected opening reserve balance

for 2026 is \$2,182,000 which is sufficient to fund the \$682,692 in capital equipment projects included in the provisional budget.

### Major Capital Projects

Funding for major capital projects are also approved by the SCRHD Board on a case-by-case basis when a request is received from VCH. The projected 2026 major capital fund balance available for use towards projects is anticipated to be \$1,382,800.

### Transfers and Other

Line items included in the Transfers and Other section are uses and/or sources of funds that do not meet the definition of revenue and/or expenditures in accordance with Public Sector Accounting Standards however are required in order to produce a balanced budget. For 2026, repayment of debt consists of a cash payment totaling \$561,836 and the non-cash MFA actuarial adjustment of \$451,490 for a total principal balance reduction of \$1,013,326. The Provisional Budget anticipates a net \$353,292 transfer from the capital equipment reserve as a result of funding capital equipment expenditures. The Provisional Budget anticipates \$64,900 in net contributions to the major capital fund from investment income.

### **OPTION 1 -Approve the 2026 provisional budget as presented**

Per section 23(1) of the Hospital District Act, a Regional Hospital District Board must adopt a Provisional Budget prior to December 31 each year. This option would allow for the Provisional Budget to be adopted prior to December 31<sup>st</sup>.

#### *Staff Recommendation*

Staff recommend this option. Should the Committee choose to go with Option 1, a recommendation could be considered, as provided in the Overview section on page one of this report.

### **OPTION 2 – Do not approve the 2026 Provisional Budget as presented**

Should the board elect this option, staff would need to seek further direction as to what modifications the board would like to incorporate into the Provisional Budget. An additional SCRHD board meeting would need to be established at which time staff would return with a revised Provisional Budget to be presented for adoption.

#### *Staff Recommendation*

Staff do not recommend this option. Should the Committee choose to go with Option 2, a recommendation could be considered, as follows:

THAT the draft Sunshine Coast Regional Hospital District Provisional Budget be amended to include XYZ changes;

AND THAT the 2025 Meeting Schedule be amended to add a meeting on Month Day, 2025;

AND FURTHER THAT staff return to this meeting with a revised Provisional Budget to be adopted.

**FINANCIAL IMPLICATIONS**

N/A

**LEGISLATIVE IMPLICATIONS**

Adopting the Provisional Budget would ensure that the SCHRHD complies Section 23(1) of the *Hospital District Act* which requires that a Hospital District adopt a Provisional Budget by December 31 each year and a final budget by March 31. Staff will return to a future board meeting to present a Final Budget to ensure that it is adopted before March 31.

**STRATEGIC PLAN IMPLICATIONS**

N/A

**TIMELINE**

The Provisional Budget is being presented for approval on October 16, 2025 as it is the last regularly scheduled SCRHD meeting for 2025.

**SUMMARY AND CONCLUSION**

The Regional Hospital District Board must prepare and adopt a Provisional Budget for the following calendar year, prior to December 31 each year.

It is recommended that the 2026 Provisional Budget be adopted as presented in Attachment A. The final 2026 Budget will be amended for actuals prior to March 31, 2026.

**ATTACHMENT(S):**

A – Draft 2025 SCRHD Provisional Budget

Reviewed by:			
Manager		Finance	
GM		Legislative	
CAO	X – T. Perreault	Other	

# SUNSHINE COAST REGIONAL HOSPITAL DISTRICT

## 2026 Provisional Budget

	2025 - 2026			
	Budget 2026	Budget 2025	\$ Change	% Change
<b>Revenue</b>				
Grants in lieu of taxes	\$ 142	\$ 100.00	\$ 42.00	42.00%
Tax requisitions	\$ 1,710,300	\$ 1,716,442.00	(6,142)	-0.36%
Investment income	\$ 120,000	\$ 135,500.00	(15,500)	-11.44%
Other revenue - MFA actuarial	\$ 451,490	\$ 417,223.00	34,267	8.21%
Other revenue - MFA debt reserve fund payout	\$ -	\$ -	-	0.00%
<b>Total Revenue</b>	<b>\$ 2,281,932</b>	<b>\$ 2,269,265</b>	<b>\$ 12,667</b>	<b>0.56%</b>
<b>Expenses</b>				
Administration	\$ 37,255	\$ 33,611	3,644	10.84%
Bank charges	\$ 40	\$ 100	(60)	-60.00%
Other Expenditures - Sechelt Hospital Auxillary Grant	\$ 3,500	\$ 3,500	-	0.00%
Interest on long term debt	\$ 583,511	\$ 583,511	-	0.00%
Minor equipment (<\$150,000)	\$ 260,925	\$ 483,757	(222,832)	-46.06%
Capital equipment (>\$150,000)	\$ 682,692	\$ 849,304	(166,612)	-19.62%
Major capital projects	\$ -	\$ -	-	n/a
<b>Total Expenses</b>	<b>\$ 1,567,923</b>	<b>\$ 1,953,783</b>	<b>\$ (385,860)</b>	<b>-19.75%</b>
<b>Operating Surplus/(Deficit)</b>	<b>\$ 714,009</b>	<b>\$ 315,482</b>	<b>\$ 398,527</b>	
<b>Transfers and other</b>				
Repayment of long-term debt	\$ (1,013,326)	\$ (979,059)	(34,267)	3.50%
Transfers (to)/from capital equipment reserve fund	\$ 353,292	\$ 525,804	(172,512)	-32.81%
Transfers (to)/from major capital fund	\$ (64,900)	\$ (82,000)	17,100	-20.85%
Prior year budget surplus/(deficit)	\$ 10,925	\$ 219,773	(208,848)	-95.03%
<b>Non-PSAB Budgeted Surplus/(Deficit)</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>n/a</b>
Budgeted Residential Tax Rate (per \$100,000 of assessed value)	\$ 7.31	\$ 7.34	\$ (0.03)	-0.36%

# *Meeting with Regional Hospital Districts*

## Ministry of Infrastructure

September 2025



# Today's Discussion

1. Ministry of Infrastructure roles and responsibilities
2. *Infrastructure Projects Act* – what does it do?
3. Discussion Questions

# Why a Ministry of Infrastructure?

Mandate letter:

- *Faster* delivery of cost-effective, high-quality investments;
- Minimize cost-inflation and *reduce costs* for taxpayers;
- *Expedite construction* of projects; and,
- *Standardize* infrastructure projects including schools.

# Ministry of Infrastructure Overview

- Formed in November 2024
- Responsible for **capital infrastructure** for health care facilities
- Also responsible for capital for:
  - Schools
  - Post-secondary institutions, including student housing
  - Other government “vertical” capital projects
- *Not responsible* for housing, highways or transit, municipal infrastructure like sewers

# Ministry of Infrastructure Responsibilities

Budget 2025/26: \$6.4B

Responsible for **all capital** projects including:

- Major projects / replacements and new builds
- Routine and minor capital

Functionally responsible for:

- Planning
- Procurement
- Delivery
- Funding

# Future of Health Infrastructure

- Going Forward:
  - Addressing permit delays
  - Work to minimize cost inflation due to labour shortages/overlapping demands on labour
  - Opportunities for standardization where applicable and pre-fabrication/modular design

# *Infrastructure Projects Act Purpose and Summary*

- Legislation has three elements:
  1. “Lift and shift” legislative authorities for infrastructure from the *Hospital Act* to the Ministry of Infrastructure
    - Also “lift and shift” from other legislation like the *University Act*
  2. Authorize the Ministry of Infrastructure to deliver projects **on behalf of** Health Authorities and others
  3. Six new tools to speed-up infrastructure construction

# Delivering Projects on Behalf of Partners

The *Infrastructure Projects Act* allows the Ministry of Infrastructure to deliver projects on behalf of school districts, universities and colleges and health authorities.

Only on a case-by-case basis when it makes sense to do so.

Potential examples:

- Procurement support
- Project management for Health Authorities or School Districts needing extra support

# 6 Tools to Speed Up Infrastructure Projects

	Description
<b>Provincial Permits</b>	<ol style="list-style-type: none"> <li>1. Prioritized provincial permitting for “<b>front-of-line</b>” review.</li> <li>2. Develop a <b>qualified professional reliance framework</b>.</li> </ol>
<b>Environmental Assessments</b>	<ol style="list-style-type: none"> <li>1. <b>Expedited</b> environmental assessment process.</li> <li>2. <b>Automatic approval low risk permits</b> after Environmental Assessment certificate issued.</li> </ol>
<b>Local Government Approvals</b>	<ol style="list-style-type: none"> <li>1. Province <b>delay updates to Official Community Plans</b> at request of local government.</li> <li>2. Three-step process provides the Minister of Infrastructure additional authority with local government without their agreement.</li> </ol>

*Does not change: consultation requirements with First Nations and interest holders*

*Does not change: environmental standards and regulations*

# Projects eligible to use the *Infrastructure Projects Act*

## Category One:

Projects in the public interest

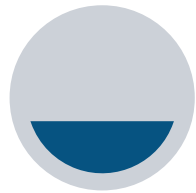
- Education
- Health
- Post-secondary
- Others like transportation

## Category Two:

Provincially Significant projects

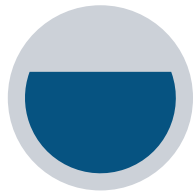
- Private sector
- First Nations
- Local Government
- Crown Agencies (BC Hydro)

# Public Consultation on *Infrastructure Projects Act*



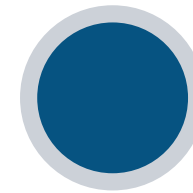
July – September  
2025

**Designation  
Provincially  
Significant**



July – October  
2025

**Qualified  
Professional  
Reliance Model**



Fall 2025 –  
Spring 2026

**Expedited  
Environmental  
Assessment  
Regulations**

*You are encouraged to participate:*  
**[engage.gov.bc.ca/infrastructure](https://engage.gov.bc.ca/infrastructure)**

# Discussion Questions

- *What is the current role of a Regional Hospital District, and how do you envision it evolving into the future?*
- *What funding challenges and opportunities are there for Regional Hospital District contributions to health capital investments?*
- *What are your district's top 2-3 priorities?*



Thank you.