

# *Central Kootenay Regional Hospital District*

## **Open Meeting Agenda**

Date: Thursday, March 15, 2018

Time: Immediately after the RDCK Open Regular Board meeting

Location: RDCK Board Room, 202 Lakeside Drive, Nelson, BC

Directors will have the opportunity to participate in the meeting electronically.  
Proceedings are open to the public.

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### **1. CALL TO ORDER**

### **2. ADOPTION OF THE AGENDA**

#### **RECOMMENDATION:**

**AV**

The agenda for the March 15, 2018 meeting of the Central Kootenay Regional Hospital District be adopted as circulated.

### **3. ADOPTION OF THE MINUTES**

#### **RECOMMENDATION:**

**AV**

The minutes of the May 18, 2017 meeting of the Central Kootenay Regional Hospital District be adopted as circulated.

### **4. NEW BUSINESS**

#### **4.1 2017 FINANCIAL STATEMENTS**

#### **RECOMMENDATION:**

**AV**

The Financial Statements of the Central Kootenay Regional Hospital District for the year ended December 31, 2017 have been received and approved.

#### **4.2 DISSOLUTION OF CENTRAL KOOTENAY REGIONAL HOSPITAL DISTRICT**

The letter from CAO Stuart Horn to Minister of Health Adrian Dix requesting dissolution of the CKRHD has been received.

#### **5. ADJOURNMENT**



**1. CALL TO ORDER**

Acting Chair Chernoff called the meeting to order at 11:17 a.m.

**2. ADOPTION OF THE AGENDA**

**Moved By:** Director Faust and seconded,  
And Resolved:

01/17      The agenda for the March 17, 2016 meeting of the Central Kootenay  
Regional Hospital District be adopted as circulated.

**Carried**

**3. ADOPTION OF THE MINUTES**

**Moved By:** Director Peterson and seconded,  
And Resolved:

02/17      The minutes of the March 17, 2016 meeting of the Central Kootenay  
Regional Hospital District be adopted as circulated.

**Carried**

**4. NEW BUSINESS**

#### 4.1. AUDITORS' REPORT

**Moved By:** Director Jackman and seconded,  
And Resolved:

03/17

The Independent Auditors' Report dated May 18, 2017 from Berg Lehmann regarding the financial statements of the Central Kootenay Regional Hospital District are received.

**Carried**

#### 4.2. FINANCIAL STATEMENTS

**Moved By:** Director Davidoff and seconded,  
And Resolved:

04/17

The audited Financial Statements of the Central Kootenay Regional Hospital District as at December 31, 2016 have been received and approved.

**Carried**

#### 4.3. DISSOLUTION OF CKRHD

**Moved By:** Director Peterson and seconded,  
And Resolved:

05/17

That the Board direct the Corporate Officer to work with the Ministry of Health to dissolve the Central Kootenay Regional Hospital District, as it has fulfilled its function.

**Carried**

5. ADJOURNMENT

**Moved By:** Director Cunningham and seconded,  
And Resolved:

06/17            The meeting be adjourned at 11:19 a.m.

**Carried**

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Secretary Anitra Winje

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Acting Chair Lawrence Chernoff

*Financial Statements of*

**CENTRAL KOOTENAY REGIONAL HOSPITAL DISTRICT**

*December 31, 2017*

# **CENTRAL KOOTENAY REGIONAL HOSPITAL DISTRICT**

**Index to Financial Statements**

**December 31, 2017**

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<b>Management Report</b>	<b>- Page 1</b>
<b>Independent Auditors' Report</b>	<b>- Page 2</b>
<b>Statement of Financial Position</b>	<b>- Page 3</b>
<b>Statement of Operations</b>	<b>- Page 4</b>
<b>Statement of Changes in Net Financial Assets</b>	<b>- Page 5</b>
<b>Statement of Cash Flows</b>	<b>- Page 6</b>
<b>Notes to Financial Statements</b>	<b>- Page 7</b>

**March 15, 2018**

**Nelson, B.C.**



# *Central Kootenay Regional Hospital District*

Box 590, 202 Lakeside Drive

Nelson, B.C.  
V1L 5R4

Phone: 352-6665  
Fax: 352-9300

## MANAGEMENT REPORT

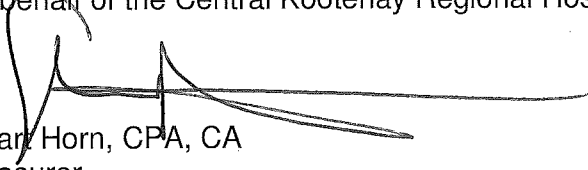
The financial statements have been prepared by management in accordance with Canadian public sector accounting standards and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and exercises this responsibility through the Board. The Board reviews internal financial statements periodically and external Audited Financial Statements yearly.

The external auditors, Berg Lehmann, Chartered Professional Accountants, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination includes a review and evaluation of the Hospital District's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to financial management of the Central Kootenay Regional Hospital District and meet when required.

On behalf of the Central Kootenay Regional Hospital District



Stuart Horn, CPA, CA  
Treasurer  
Central Kootenay Regional Hospital District  
March 15, 2018



Berg  
Lehmann

Chartered  
Professional Accountants  
& Business Advisors

513 Victoria Street  
Nelson BC  
V1L 4K7

phone 250.352.3165  
fax 250.352.7166  
advice@BergLehmann.ca  
www.BergLehmann.ca

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## INDEPENDENT AUDITORS' REPORT

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To the Chair and Members  
Central Kootenay Regional Hospital District

We have audited the accompanying financial statements of Central Kootenay Regional Hospital District, which comprise the statement of financial position as at December 31, 2017, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of Central Kootenay Regional Hospital District as at December 31, 2017, and its financial performance and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

**Chartered Professional Accountants**

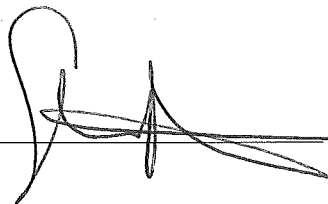
March 15, 2018

Nelson, B.C.



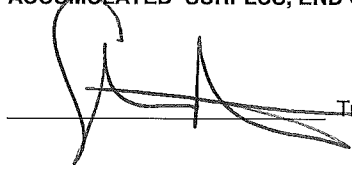
**CENTRAL KOOTENAY REGIONAL HOSPITAL DISTRICT**  
**STATEMENT OF FINANCIAL POSITION**  
As at December 31, 2017

	2017	2016
<b>ASSETS</b>		
<b>FINANCIAL ASSETS</b>		
Cash	\$ 75	\$ 2,037
Accounts receivable	<u>1,679</u>	<u>1,641</u>
	<u>1,754</u>	<u>3,678</u>
 <b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 787	\$ 1,287
<b>NET FINANCIAL ASSETS</b>	<u>967</u>	<u>2,391</u>
 <b>ACCUMULATED SURPLUS</b>	<u>967</u>	<u>2,391</u>
 <b>SURPLUS BALANCES</b>		
Unrestricted	<u>\$ 967</u>	<u>\$ 2,391</u>

  
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Treasurer

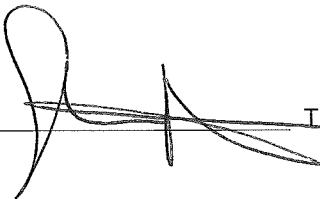
**CENTRAL KOOTENAY REGIONAL HOSPITAL DISTRICT**  
**STATEMENT OF OPERATIONS**  
For the year ended December 31, 2017

	2017	2016
<b>REVENUE</b>		
Tax Levy (note 3)	\$ -	\$ (12,000)
	<u>-</u>	<u>(12,000)</u>
<b>EXPENDITURES</b>		
Administration Fees	500	500
Audit and Legal	750	877
Office	174	215
	<u>1,424</u>	<u>1,592</u>
<b>ANNUAL DEFICIT</b>	<b>(1,424)</b>	<b>(13,592)</b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<b><u>2,391</u></b>	<b><u>15,983</u></b>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<b><u>\$ 967</u></b>	<b><u>\$ 2,391</u></b>

  
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Treasurer

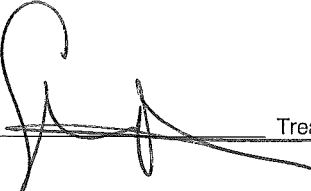
**CENTRAL KOOTENAY REGIONAL HOSPITAL DISTRICT**  
**STATEMENT OF CHANGES IN NET FINANCIAL ASSETS**  
For the year ended December 31, 2017

	2017	2016
ANNUAL DEFICIT	<u>\$ (1,424)</u>	<u>\$ (13,592)</u>
DECREASE IN NET FINANCIAL ASSETS	(1,424)	(13,592)
NET FINANCIAL ASSETS, BEGINNING OF YEAR	<u>2,391</u>	<u>15,983</u>
NET FINANCIAL ASSETS, END OF YEAR	<u><u>\$ 967</u></u>	<u><u>\$ 2,391</u></u>

  
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Treasurer

**CENTRAL KOOTENAY REGIONAL HOSPITAL DISTRICT**  
**STATEMENT OF CASH FLOWS**  
For the year ended December 31, 2017

	2017	2016
<b>OPERATING ACTIVITIES</b>		
Annual deficit	\$ (1,424)	\$ (13,592)
Changes to financial assets and liabilities		
Accounts receivable	(38)	(333)
Accounts payable and accrued liabilities	<u>(500)</u>	<u>(5,850)</u>
Cash Used For Operating Activities	<u>(1,962)</u>	<u>(19,775)</u>
<b>DECREASE IN CASH</b>	(1,962)	(19,775)
<b>CASH, BEGINNING OF YEAR</b>	<u>2,037</u>	<u>21,812</u>
<b>CASH, END OF YEAR</b>	<u><u>\$ 75</u></u>	<u><u>\$ 2,037</u></u>

  
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Treasurer



**CENTRAL KOOTENAY REGIONAL HOSPITAL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
As at December 31, 2017

**1. SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

It is the Central Kootenay Regional Hospital District's policy to follow accounting principles generally accepted for local governments in British Columbia. These financial statements have been prepared using guidelines issued by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

Financial Instruments

The District's financial instruments consist of cash, accounts receivable and accounts payable. It is management's opinion that the District is not exposed to significant interest, currency, or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values.

Use of Estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Revenue Recognition

Taxes are recognized as revenue in the year they are levied.  
Other revenue is recognized on an accrual basis.

**2. INVESTMENT IN DISTRICT HOSPITALS**

The Central Kootenay Regional Hospital District has made the following advances to District Hospitals for construction, as follows:

Arrow Lakes Hospital	\$	923,104
Castlegar and District Hospital		4,502,467
Creston Valley Hospital		1,914,988
Kootenay Lake Regional Hospital		1,762,371
Mount St. Francis Hospital		498,607
Slocan Community Hospital		967,691
Victorian Hospital of Kaslo		248,008
		10,817,236
	\$	10,817,236

These advances are non-recoverable and were removed from the District's statement of financial position in 2009.

**3. TAX LEVY**

Tax requisitions of \$12,000 were refunded to taxpayers in 2016 as funds were not required to meet financial obligations. It is expected that the organization will be wound up in 2018.



# *Central Kootenay Regional Hospital District*

Box 590, 202 Lakeside Drive

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Phone: 352-6665  
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March 8 , 2018

Hon. Adrian Dix  
Minister  
Ministry of Health  
PO Box 9050 Stn Prov Govt  
Victoria, BC V8W 9E2

Dear Minister Dix:

**Re: Dissolution of Central Kootenay Regional Hospital District (CKRHD)**

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Please be advised that the Board of the Central Kootenay Regional Hospital District is seeking Ministry approval to dissolve the CKRHD.

The CKRHD was established in 1967 by Letters Patent and carried out the duties prescribed therein as well as those assigned in the *Regional Hospital Districts Act*.

In 2014, the CKRHD Board disposed of its remaining asset, land legally described as Lot 2, District Lot 891, Kootenay District Plan 18164 (property adjacent to the Creston hospital). The CKRHD purchased the land from the Province in 1977 but never used it. The Board transferred the land to the Interior Health Authority.

Considering that the previous functions of the CKRHD are for all intents and purposes now discharged through the West Kootenay Boundary Regional Hospital District and the East Kootenay Regional Hospital District, the CKRHD Board passed the following resolution at its May 18, 2017 regular meeting:

05/17

*That the Board direct the Corporate Officer to work with the Ministry of Health to dissolve the Central Kootenay Regional Hospital District, as it has fulfilled its function.*

The CKRHD has paid all of its outstanding debts and encumbrances. The 2017 Financial Statements are attached for your reference. The 2017 statement shows remaining assets of \$967 for the CKRHD. These funds will be used for the final 2018 CKRHD audit and to cover the Regional District of Central Kootenay's administrative charges.

As the CKRHD has fulfilled its mandate, we respectfully request that the Ministry of Health initiate the processes required to rescind the Letters Patent of the Central Kootenay Regional Hospital District at your earliest convenience.

If you require anything further, please do not hesitate to contact me.

Kind regards,

  
Stuart Horn

Chief Administrative Officer, Regional District of Central Kootenay

Enclosures – 2

cc: Dragana Perisic, Director, Capital Policy and Planning, Ministry of Health  
Manjit Sidhu, Assistant Deputy Minister, Finance and Corporate Services, Ministry of Health