

**Attention: Mike Bernier, Chair and Rick Glumac, Deputy Chair of the Select Standing Committee on Public Accounts**

Monitoring Fiscal Sustainability - Released June 2015

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PAC Meeting Plan <sup>1</sup>	[02/02/16]	Prepared by: Keith Godin, Treasury Board Staff	Reviewed by: George Farkas, Deputy Secretary to Treasury Board
1 <sup>st</sup> APPA Update	[28/11/16]	Prepared by: Jonathan Dube, Treasury Board Staff	Reviewed by: David Galbraith, Secretary to Treasury Board
2 <sup>nd</sup> APPA Update	[24/11/17]	Prepared by: Jonathan Dube, Treasury Board Staff	Reviewed by: David Galbraith, Secretary to Treasury Board
3 <sup>rd</sup> APPA Update	[26/02/19]	Prepared by: Jonathan Dube, Treasury Board Staff	Reviewed by: David Galbraith, Secretary to Treasury Board
4 <sup>th</sup> APPA Update	[16/03/21]	Prepared by: Fisnik Preniqi, Treasury Board Staff	Reviewed by: Tiffany Ma, Deputy Secretary to Treasury Board

Rec. # Accepted? Yes / No <sup>2</sup>	OAG Recommendations	Actions Planned & Target Date(s) <sup>3</sup>	Assessment of Progress to date <sup>4</sup> and Actions Taken <sup>5</sup> (APPA update)
1 Yes	Report publicly on its assessment of the province's long-term fiscal sustainability, including the reporting of relevant targets and results. This assessment should inform the annual budget process.	<ol style="list-style-type: none"> <li>1. Jurisdictional scan of best practices: complete a report that gathers other approaches to identifying and reporting on long-term sustainability. This report is near completion and is expected to be released in 2019.</li> <li>2. Publicly report on the assessment of key issues that impact long-term fiscal sustainability:                             <ol style="list-style-type: none"> <li>a) Demographics / Economy: Report on long-term economic growth prospects, including demographic trends was completed.</li> <li>b) Capital: Report on capital spending to include a summary of provincial facility condition assessment programs, including a discussion of performance measures that assesses the condition of capital infrastructure. Government plans to report publicly in 2019.</li> <li>c) Revenue: Report on long-term potential changes to the tax base and Province's revenue capability. Government plans to publicly report on potential revenue implications in 2020.</li> <li>d) Expenses: Government plans to publicly report on potential long-term spending trends in 2020.</li> <li>e) Debt: Report on provincial debt will be based on findings from the capital, revenue and expense examinations. Following the reports of these aspects of fiscal planning, government plans to publicly report on potential debt implications in 2021.</li> </ol> </li> </ol>	<p>1. Substantially implemented</p> <p>2a: Fully implemented. The report was included in the First Quarterly Report 2016/17.</p> <p>2b: Partially implemented. Asset management programs are overseen by the Deputy Minister's Committee on Capital (DMCC). As part of the annual budget process, DMCC and Treasury Board assess funding levels and indicators of asset condition. These factors are taken into consideration as part of the annual capital plan update which informs the budget.</p> <p>2c: No action taken. The examination of long-term economic and demographic effects will help form the basis of potential revenue implications.</p> <p>2d: No action taken. The examination of long-term economic and demographic effects will help form the basis of potential expense implications.</p> <p>2e: No action taken. The examinations of economic, capital, revenue and expense effects will help form the basis of potential debt implications.</p> <p><b>2021 Update:</b> Work has been delayed in implementing the recommendation since the 2019 APPA Update due to resources in the Ministry of Finance focusing efforts on the COVID-19 pandemic. In addition, the economic and fiscal impacts of the pandemic have resulted in an increased forecasting uncertainty not previously considered in our original actions planned, and will require additional time for the reassessment and completion of revised planned actions.</p>

**Please provide your email response to:**

Email: Comptroller General's Office of the Government of British Columbia [Comptroller.General@gov.bc.ca](mailto:Comptroller.General@gov.bc.ca)

Cc email to: the Office of the Auditor General of British Columbia [actionplans@bcauditor.com](mailto:actionplans@bcauditor.com)

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<sup>1</sup> The audited organization will be required to present their initial action plan at this meeting (i.e. First three columns completed for each OAG recommendation included in the audit report)

<sup>2</sup> For each recommendation, the audited organization should state whether or not they have accepted the recommendation and plan to implement it fully by typing either “Yes” or “No” under the number of the recommendation.

<sup>3</sup> Target date is the date that audited organization expects to have “fully or substantially implemented” the recommendation. If several actions are planned to implement one recommendation, indicate target dates for each if they are different.

<sup>4</sup>The Select Standing Committee on Public Accounts (PAC) will request that the audited organization provide a yearly update (i.e completed “Assessment of Progress and Actions Taken” column) until all recommendations are fully implemented or otherwise addressed to the satisfaction of the PAC. This is for the APPA update.

<sup>5</sup> This action plan and the subsequent updates have not been audited by the OAG. However, at a future date that Office may undertake work to determine whether the entity has implemented the recommendations. The results of that work will be reported in a separate report prepared by the OAG.

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