



THE REGIONAL MUNICIPALITY OF NIAGARA
AUDIT COMMITTEE
AGENDA

AC 3-2024

Monday, September 16, 2024

1:00 p.m.

Council Chamber - In Person and Electronic Meeting

Niagara Region Headquarters, Campbell West

1815 Sir Isaac Brock Way, Thorold, ON

To view live stream meeting proceedings, please visit: niagararegion.ca/government/council

	Pages
1. <u>CALL TO ORDER</u>	
2. <u>LAND ACKNOWLEDGEMENT STATEMENT</u>	
3. <u>DISCLOSURES OF PECUNIARY INTEREST</u>	
4. <u>PRESENTATIONS</u>	
5. <u>DELEGATIONS</u>	
6. <u>ITEMS FOR CONSIDERATION</u>	
6.1 <u>AC-C 6-2024</u> Appointment of Auditors	3 - 7
7. <u>CONSENT ITEMS FOR INFORMATION</u>	
7.1 <u>AC-C 7-2024</u> Niagara Peninsula Conservation Authority 2023 Audited Financial Statements	8 - 27

*Approved by the Niagara Peninsula Conservation Authority Board of
Directors at the meeting held on April 19, 2024.*

- 7.2 PHD 3-2024 28 - 105
 Approval of Public Health and Emergency Services Program Audits
This item was forwarded to the Audit Committee for information by the Public Health and Social Services Committee, at its meeting held on June 11, 2024.
- 7.3 COM 21- 2024 106 - 143
 Approval of 2024 Community Services Program Audits
This item was forwarded to the Audit Committee for information by the Public Health and Social Services Committee, at its meeting held on July 9, 2024.
- 7.4 AC-C 9-2024 144 - 145
 Status Update on Internal Audit Engagements

8. **OTHER BUSINESS**

9. **CLOSED SESSION**

- 9.1 Confidential AC-C 8-2024
 A Matter respecting Personal Matters about Identifiable Individuals -
 Councillor Information Request - Referral of Confidential HR 4-2024 (A
 Matter of Litigation pursuant to section 239(2)(e) of the Municipal Act:
 Councillor Information Request connected to Active Litigation Matter)

10. **BUSINESS ARISING FROM CLOSED SESSION**

11. **NEXT MEETING**

The next meeting will be held on Monday, December 9, 2024 at 1:00 p.m. in the Council Chamber.

12. **ADJOURNMENT**

If you require any accommodations for a disability in order to attend or participate in meetings or events, please contact the Accessibility Advisor at 905-980-6000 ext. 3252 (office), 289-929-8376 (cellphone) or accessibility@niagararegion.ca (email).

Subject: Appointment of Auditors

Report to: Audit Committee

Report date: Monday, September 16, 2024

Recommendations

1. That KPMG **BE APPOINTED** as the Niagara Region's (the Region) external auditor for the five-year term starting with the financial reporting for the calendar year ending December 31, 2024, until the fiscal year ending March 31, 2029, with the option to renew with Audit Committee approval until the fiscal year ending March 31, 2032.

Key Facts

- The requirement for an annual audit of the Region's consolidated financial statements is established in section 294 of the Municipal Act.
- The Municipal Act (Section 296) requires a municipality to appoint an auditor for a term not exceeding five years.
- The current contract with Deloitte expires with the fiscal year ending March 31, 2024.
- A competitive procurement process was undertaken for the Region's external audit services – a process that supports the recommendation in this report.
- The option to renew until the fiscal year ending March 31, 2032, would align the timing of appointment of auditors within the middle of a term of Audit Committee.

Financial Considerations

The fee proposal put forward by KPMG is \$863,070 plus HST for the five-year term based on the known audits documented in the request for proposal. The 2024/2025 fee is within the 2024 approved budget.

Table 1: Audit Fee Summary for Initial Term

Actual 2023/24	Audit Fees Proposed by KPMG 2024/25	Audit Fees Proposed by KPMG 2025/26	Audit Fees Proposed by KPMG 2026/27	Audit Fees Proposed by KPMG 2027/28	Audit Fees Proposed by KPMG 2028/29	Total
\$198,000	\$168,400	\$168,400	\$171,880	\$175,400	\$178,990	\$863,070

The fee proposal put forward by KPMG is \$554,400 plus HST for the optional three-year term based on the known audits documented in the request for proposal.

Table 2: Audit Fee Summary for Optional Renewal Term

Audit Fees Proposed by KPMG 2029/30	Audit Fees Proposed by KPMG 2030/31	Audit Fees Proposed by KPMG 2031/32	Total
\$181,900	\$184,800	\$187,700	\$554,400

Analysis

Competitive Procurement Process

The following was the process and timeline for the external audit services Request for Proposal (RFP):

Table 3: External Auditor RFP Timeline

Task	Timeframe
RFP opened	June 12
RFP closed	July 15
RFP responses reviewed	July 16 - 30
Oral presentations	August 13
Recommendation to Audit Committee	September 16

In total, the Region received two proposal submissions, both of which met the benchmark set out in the evaluation criteria. The initial evaluation of the RFP was based on a technical proposal, where both firms exceeded the minimum threshold of 70% and moved onto the second stage of evaluation which was a presentation. Through the presentation, both firms demonstrated strong municipal expertise and experience, strong audit approaches, and proposed qualified audit management teams. Both are national firms with the ability to provide the Region with a range of services as needed. The final stage of the evaluation was to review the fee proposal which resulted in KPMG’s contract amount being lower as seen in Table 4.

Table 4: Proponent Evaluation Summary

Proponent	Subtotal Contract Amount
KPMG	\$1,417,470
Deloitte	\$1,911,196

Corporate Considerations

The evaluation of external audit submissions included members from corporate services finance as well as representation from internal audit, enterprise resource planning (ERP) and Emergency Medical Services (EMS). The external audit of Canada Summer Games (CSG) Consortium was included as a component of the RFP. CSG Consortium management are supportive of the outcome of the RFP and the recommendation that KPMG be appointed the external auditors.

The transition plan to move to KPMG as external auditors will require support from Region staff. The transition plan is expected to begin in late September 2024 and includes communication with the predecessor auditor, meetings for KPMG to gain an understanding of important topics at the Region, a risk assessment and preparation of an audit plan.

Included in this award are various financial and/or compliance audits where funding bodies as well as boards overseeing Niagara Regional Police Services and Niagara Regional Housing require an independent report and management letter if applicable.

By recommending an initial five-year contract, in line with the Municipal Act section 296, and if recommended in 2029, the optional extension of three-years, the end of KPMG's audit term would be fiscal March 31, 2032. This will allow the timing to appoint new auditors to coincide with mid council term of 2031 to 2034, when the committee is well established and versed in its mandate.

Public and/or service Users

Independent financial and compliance audits are performed specifically for the purposes of providing assurance that financial statements/schedules present fairly in all material respects and that there is adherence to terms set out in agreements. As such, audits are key components of the Region's overall system of control over the reliability of financial reporting.

Alternatives Reviewed

Competitive procurement process has been undertaken, therefore no alternatives to review.

Relationship to Council Strategic Priorities

Council Strategic Priority: Effective Region

Objective 1.3 – Deliver fiscally-responsible and sustainable core services.

Other Pertinent Reports

None.

Prepared by:

Melanie Steele, MBA CPA CA
Associate Director, Reporting & Analysis
Corporate Services

Recommended by:

Dan Carnegie
Acting Commissioner/Treasurer
Corporate Services

Submitted by:

Ron Tripp, P.Eng.
Chief Administrative Officer

This report was prepared in consultation with Jeffrey Mulligan, Procurement Manager.

May 10, 2024

**City of Hamilton
Haldimand County
Regional Municipality of Niagara**

SENT ELECTRONICALLY

Niagara Peninsula Conservation Authority 2023 Audited Financial Statements

At the Board of Directors meeting held on April 19, 2024, the Board passed the following resolution:

Resolution No. FA-43-24

THAT Report No. FA-16-24 RE: 2023 Audited Financial Statements **BE RECEIVED**;

AND THAT the 2023 Audited Financial Statements and the 2023 Audit Findings Report attached hereto as Appendices 1 and 2 respectively **BE APPROVED**.

A copy of the final Audited Financial Statements have been attached for your information.

Sincerely,



Melanie Davis
Manager, Office of the CAO & Board
Niagara Peninsula Conservation Authority

cc: Chandra Sharma, CAO / Secretary - Treasurer
Lise Gagnon, Director, Corporate Services

Financial Statements of

**NIAGARA PENINSULA
CONSERVATION AUTHORITY**

And Independent Auditors' Report thereon

Year ended December 31, 2023



KPMG LLP
 80 King Street, Suite 620
 St. Catharines ON L2R 7G1
 Canada
 Tel 905-685-4811
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INDEPENDENT AUDITOR'S REPORT

To the Board of Niagara Peninsula Conservation Authority

Opinion

We have audited the financial statements of Niagara Peninsula Conservation Authority (the Entity), which comprise:

- the statement of financial position as at December 31, 2023
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2023, and its results of operations, its changes in net financial assets 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 Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other 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 the 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 auditors' 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 the 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.

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- 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity 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 represents the underlying transactions and events in a manner that achieves fair presentation.
- 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, Licensed Public Accountants

St. Catharines, Canada
April 19, 2024

NIAGARA PENINSULA CONSERVATION AUTHORITY
Statement of Financial Position



As at December 31, 2023, with comparative information for 2022

	2023	2022
Financial assets		
Cash and cash equivalents	\$ 3,348,225	\$ 1,536,665
Investments	4,636,276	4,552,509
Accounts receivable	744,574	606,745
	8,729,075	6,695,919
Liabilities		
Accounts payable and accrued liabilities	936,062	825,398
Employee future benefits (note 2)	186,300	103,300
Deferred revenue (note 3)	2,423,667	2,350,242
	3,546,029	3,278,940
Net financial assets	5,183,046	3,416,979
Non-financial assets		
Prepaid expenses	210,152	199,490
Tangible capital assets (note 4)	27,941,777	26,917,698
	28,151,929	27,117,188
Accumulated surplus (note 5)	\$ 33,334,975	\$ 30,534,167

See accompanying notes to financial statements

Robert Foster, Chair

Chandra Sharma, CAO/Secretary -Treasurer

NIAGARA PENINSULA CONSERVATION AUTHORITY

Statement of Operations and Accumulated Surplus



Year ended December 31, 2023, with comparative information for 2022

	Budget (note 8)	2023 Actual	2022 Actual
Revenues:			
Government transfers			
Province of Ontario – Ministry of Natural Resources and Forestry (“MNRF”)	\$ 90,000	\$ 90,083	\$ 90,083
Province of Ontario - Other	448,760	533,471	429,973
Government of Canada	268,000	942,096	389,311
Municipal levies:			
General	6,947,104	6,947,104	6,337,748
Special	2,018,159	2,087,776	1,859,958
Authority generated:			
User fees, sales and admissions	3,344,201	3,046,338	3,063,049
Administration fees	740,000	785,211	495,932
Interest	82,000	219,922	106,082
Other	962,418	1,297,545	788,605
OPG - Welland river watershed	–	72,357	81,861
	14,900,642	16,021,903	13,642,602
Expenses:			
CAO and Administration	1,494,664	1,206,266	1,219,784
Watershed	4,900,980	4,374,494	3,655,997
Corporate Services	3,311,312	3,210,335	2,896,486
Conservation Areas	4,511,808	4,430,000	4,566,928
	14,218,764	13,221,095	12,339,195
Annual surplus	681,878	2,800,808	1,303,407
Accumulated surplus, beginning of year	30,534,167	30,534,167	29,230,760
Accumulated surplus, end of year	\$31,216,045	\$33,334,975	\$30,534,167

See accompanying notes to financial statements

NIAGARA PENINSULA CONSERVATION AUTHORITY

Statement of Change in Net Financial Assets



Year ended December 31, 2023, with comparative information for 2022

	2023	2022
Annual surplus	\$ 2,800,808	\$ 1,303,407
Acquisition of tangible capital assets	(2,419,674)	(3,915,221)
Amortization of tangible capital assets	1,336,281	1,210,394
Proceeds on disposal of tangible capital assets	85,693	43,368
Gain on disposal of tangible capital assets	(26,379)	(43,368)
Increase in prepaid expenses	(10,662)	(150,359)
	1,766,067	(1,551,779)
Net financial assets, beginning of year	3,416,979	4,968,758
Net financial assets, end of year	\$ 5,183,046	\$ 3,416,979

See accompanying notes to financial statements

NIAGARA PENINSULA CONSERVATION AUTHORITY

Statement of Changes in Cash Flows



Year ended December 31, 2023, with comparative information for 2022

	2023	2022
Cash provided by (used in):		
Operations:		
Annual surplus	\$ 2,800,808	\$ 1,303,407
Item not involving cash:		
Amortization of tangible capital assets	1,336,281	1,210,394
Gain on disposal of tangible capital assets, net	(26,379)	(43,368)
Employee future benefits	83,000	7,800
Accrued interest on investments	8,216	44,299
Change in non-cash operating working capital:		
Accounts receivable	(137,829)	800,470
Prepaid expenses	(10,662)	(150,359)
Accounts payable and accrued liabilities	110,664	(399,217)
Deferred revenue	73,425	444,125
Net change in cash and cash equivalents from operations	4,237,524	3,217,551
Capital activities:		
Purchases of tangible capital assets	(2,419,674)	(3,915,221)
Proceeds from disposal of tangible capital assets	85,693	43,368
Net change in cash and cash equivalents from capital activities	(2,333,981)	(3,871,853)
Investing activities:		
Proceeds from sale of investments	4,544,293	4,465,369
Purchases of investments	(4,636,276)	(4,552,509)
Net change in cash and cash equivalents from investing activities	(91,983)	(87,140)
Net change in cash and cash equivalents	1,811,560	(741,442)
Cash and cash equivalents, beginning of year	1,536,665	2,278,107
Cash and cash equivalents, end of year	\$ 3,348,225	\$ 1,536,665

See accompanying notes to financial statements

NIAGARA PENINSULA CONSERVATION AUTHORITY

Notes to Financial Statements



Year ended December 31, 2023

The Niagara Peninsula Conservation Authority (“the Authority”) is established under The Conservation Authorities Act of Ontario to further the conservation, restoration, development and management of natural resources within the watershed boundary established for the Authority.

1. Significant accounting policies:

The financial statements of Niagara Peninsula Conservation Authority (the “Authority”) are prepared by management in accordance with Public Sector Accounting Standards (“PSAS”). Significant accounting policies adopted by the Authority are as follows:

(a) Basis of accounting:

Revenues and expenses are reported on the accrual basis of accounting. Revenues are recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Cash and cash equivalents:

Cash and cash equivalents include cash on hand, balances with banks and guaranteed investment certificates that mature within three months.

(c) Investments:

Investments consist of term deposits and are recorded at amortized cost. Investments held by the Authority have a market value that approximates cost given their fixed interest rate nature and maturity date within one year. When there has been a loss in value that is other than a temporary decline in value, the respective investment is written down to recognize the loss. Investment income earned on investments are reported as revenue in the period earned.

(d) Deferred revenue:

Deferred revenues represent government transfers and user fees which have been collected but for which related expenses or related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

(e) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. Tangible capital assets have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

NIAGARA PENINSULA CONSERVATION AUTHORITY
Notes to Financial Statements (continued)



Year ended December 31, 2023

1. Significant accounting policies (continued):

(f) Non-financial assets (continued):

i) Tangible capital assets:

Tangible capital assets are recorded at cost. Cost includes all directly attributable expenses in the acquisition, construction, development and/or betterment of the asset. The Authority does not capitalize interest costs associated with the acquisition or construction of tangible capital assets.

Cost, less residual value of tangible capital assets are amortized on a straight-line basis over their estimated useful life. Land is considered to have an infinite life without amortization. Full year amortization is charged in the year of acquisition. Work-in-progress assets are not amortized until the asset is available for productive use.

Amortization is based on the following classifications and useful lives:

Asset	Useful Life - Years
Land Improvements	20 years
Buildings	30 years
Dams	15 to 100 years
Gauge stations	15 to 30 years
Equipment	10 years
Vehicles	5 years
Office equipment	5 years

Contributed tangible capital assets are capitalized at their estimated fair value upon acquisition and recognized as revenue in the year of contribution.

(g) Revenue recognition:

i) Government transfers

Government transfers are recognized as revenue in the financial statements when the transfer is authorized, any eligibility criteria are met and a reasonable estimate of the amount can be made except when, and to the extent that, stipulations by the transferor give rise to an obligation that meet the definition of a liability. Government transfers that meet the definition of a liability are recognized as revenue as the liability is extinguished.

ii) Municipal levies

Municipal levies are recognized as revenue in the year in which they meet the definition of an asset, the levy is authorized, and the levy event has occurred.

Year ended December 31, 2023

1. Significant accounting policies (continued):

(g) Revenue recognition (continued):

iii) Authority generated

User fees, sales and admissions and other income are reported as revenue in the period earned.

(h) Employee future benefits:

The Authority provides certain employee benefits which will require funding in future periods. These benefits include extended health and dental benefits for early retirees to age 65. The employee future benefits represent management's best estimates of the cost of premiums on benefits up to the date of retirement.

(i) Asset retirement obligation:

A liability is recognized where there is a legal obligation to incur costs associated with the retirement of a tangible capital asset. Such costs increase the carrying amount of the related tangible capital asset and are expensed in a rational and systematic manner, while asset retirement costs associated with an asset no longer in productive use are expensed. A liability for an asset retirement obligation is recognized when all the following criteria are met:

- there is a legal obligation to incur retirement costs;
- a transaction or event gives rise to a liability has occurred;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

Initial measurement of the liability is based on management's best estimate of the amount required to retire a tangible capital asset as at the date of the Statement of Financial Position. Changes in the subsequent measurement of the liability are recorded as a change in the carrying amount of the related tangible capital asset, or an expense, depending on the nature of the remeasurement or whether the asset remains in productive use.

(j) Use of estimates:

The preparation of financial statements in accordance 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 period. Actual results could differ from management's best estimates as additional information becomes available in future. Significant estimates include assumptions used in the estimation of employee future benefits.

NIAGARA PENINSULA CONSERVATION AUTHORITY
Notes to Financial Statements (continued)



Year ended December 31, 2023

1. Significant accounting policies (continued):

(k) Adoption of new accounting standards:

The Authority adopted the following accounting standard beginning January 1, 2023. Public Accounting Standard PS 3280 – Asset Retirement Obligations. The new accounting standard addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets, such as asbestos removal in certain facilities owned by the Authority. The adoption of the standard did not have an impact on the financial statements. Additionally, the PS 1201 – Financial Statement Presentation, PS 2061 – Foreign Currency Translation, PS 3041 Portfolio Investments and PS – Financial Instruments were adopted and did not have an impact on the financial statements.

2. Employee future benefits:

The Authority provides extended life, health, and dental benefits to a closed group of early retirees to age 65 which will require funding in future periods. The Authority recognizes these retirement benefit costs in the period in which the service is rendered. The accrued benefit liability at December 31, 2023 was estimated by management to be \$186,300 (2022 - \$103,300). Information about the Authority's benefit plan is as follows:

	2023	2022
Accrued benefit obligation:		
Balance, beginning of year	\$ 103,300	\$ 95,500
Current benefit cost	89,700	14,083
Benefits paid	(6,700)	(6,283)
Accrued benefit obligation, end of year	\$ 186,300	\$ 103,300

3. Deferred revenue:

Deferred revenues consist of the following:

	Balance at December 31, 2022	Externally restricted inflows	Revenue earned	Balance at December 31, 2023
User fees	\$ 345,818	\$ 260,398	\$ (233,230)	\$ 372,986
District School Board of Niagara	750,000	250,000	–	1,000,000
Government grants	477,989	105,165	(236,551)	346,603
Welland river watershed- Ontario Power Generation ("OPG")	776,435	–	(72,357)	704,078
Total	\$ 2,350,242	\$ 615,563	\$ (542,138)	\$ 2,423,667

NIAGARA PENINSULA CONSERVATION AUTHORITY
Notes to Financial Statements (continued)



Year ended December 31, 2023

4. Tangible capital assets:

Cost	Balance at December 31, 2022	Additions	Transfers/ Disposals	Balance at December 31, 2023
Land	\$10,831,810	\$ –	\$ –	\$10,831,810
Land improvements	7,295,022	786,788	(6,000)	8,075,810
Buildings	7,002,900	181,972	(78,429)	7,106,443
Dams	5,273,518	–	–	5,273,518
Gauge stations	403,351	–	–	403,351
Equipment	4,272,614	805,304	(133,487)	4,944,431
Vehicles	68,957	–	(20,200)	48,757
Office equipment	1,100,666	121,170	–	1,221,836
Work-in-progress	1,186,311	2,419,674	(1,895,234)	1,710,751
Total	\$37,435,149	\$ 4,314,908	\$ (2,133,350)	\$39,616,707

Accumulated Amortization	Balance at December 31, 2022	Additions	Transfers/ Disposals	Balance at December 31, 2023
Land	\$ –	\$ –	\$ –	\$ –
Land improvements	2,994,721	396,307	(754)	3,390,274
Buildings	2,883,552	232,407	(38,349)	3,077,610
Dams	1,993,799	73,891	–	2,067,690
Gauge stations	283,190	19,009	–	302,199
Equipment	1,567,591	468,103	(146,254)	1,889,440
Vehicles	68,957	–	(20,200)	48,757
Office equipment	725,641	146,564	26,755	898,960
Total	\$10,517,451	\$ 1,336,281	\$ (178,802)	\$11,674,930

NIAGARA PENINSULA CONSERVATION AUTHORITY
Notes to Financial Statements (continued)



Year ended December 31, 2023

4. Tangible capital assets (continued):

	Net Book Value December 31, 2022	Net Book Value December 31, 2023
Land	\$10,831,810	\$10,831,810
Land improvements	4,300,301	4,685,536
Buildings	4,119,348	4,028,833
Dams	3,279,719	3,205,828
Gauge stations	120,161	101,152
Equipment	2,705,023	3,054,991
Vehicles	–	–
Office equipment	375,025	322,876
Work-in-progress	1,186,311	1,710,751
Total	\$26,917,698	\$27,941,777

Work-in-process, having a value of \$1,710,751 (2022 - \$1,186,311) has not been amortized. Amortization of these assets will commence when the asset is brought into service.

Contributed tangible capital assets have been recognized at fair value at the date of contribution. The fair value of contributed assets received during the year is \$nil (2022 - \$nil). Tangible capital assets recognized at nominal value include land used in the operations and conservation management. There were no amounts recognized at nominal value during the year, or 2022.

During the year, the Authority disposed of assets in the normal course of operations, recognizing a gain on disposal of \$26,379 (2022 - \$43,368).

5. Accumulated surplus:

Accumulated surplus consists of the following:

	2023	2022
Invested in tangible capital assets	\$ 27,941,777	\$ 26,917,698
Reserves set aside by the Board of the Authority for specific purpose	5,579,498	3,719,769
Unfunded employee future benefits liability	(186,300)	(103,300)
	\$ 33,334,975	\$ 30,534,167

NIAGARA PENINSULA CONSERVATION AUTHORITY
Notes to Financial Statements (continued)



Year ended December 31, 2023

5. Accumulated surplus (continued):

Reserves set aside by the Board of the Authority for specific purpose consists of the following:

	2023	2022
General capital	\$ 1,257,909	\$ 606,012
Operating reserve	1,552,830	1,158,096
Flood protection	261,141	255,390
Levy differential	33,367	32,632
Land acquisitions	2,159,360	1,365,361
Restoration	314,891	302,278
	\$ 5,579,498	\$ 3,719,769

6. Credit facility:

The Authority's credit facility includes an overdraft lending account of \$765,000 bearing interest at prime less 2%. As at December 31, 2023, \$nil (2022 - \$nil) was drawn on this facility. As at December 31, 2023, \$11,667 (2022 - \$11,667) was issued by way of a letter of credit to a municipality for which the Authority receives levies in exchange for construction work on-going within the municipal boundaries.

7. Pension plan:

The Authority makes contributions to the Ontario Municipal Employees Retirement System ("OMERS"), which is a multi-employer plan, on behalf of the 83 (2022 - 68) members of its staff. The plan is a defined benefit plan that specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Employees and employers contribute jointly to the plan.

Since OMERS is a multi-employer pension plan, the Authority does not recognize any share of the pension plan deficit of \$4.2 billion (2022 - \$6.7 billion) based on the fair market value of the Plan's assets, as this is a joint responsibility of all Ontario municipal entities and their employees. Contributions were made in the 2023 calendar year at rates ranging from 9.0% to 14.6% depending on the member's designated retirement age and level of earnings. Employer contributions for current and past service are included as an expense in the Statement of Operations. Employer contributions to OMERS for 2023 current and past service was \$554,138 (2022 - \$506,023) and were matched by employee contributions.

NIAGARA PENINSULA CONSERVATION AUTHORITY
Notes to Financial Statements (continued)



Year ended December 31, 2023

8. Budget data:

The budget data presented in these financial statements is based upon the 2023 operating budget approved by the Board of the Authority on November 18, 2022, and capital budget approved November 18, 2022. Amortization was not incorporated in the development of the budget and, as such, was not provided on the statement of changes in net financial assets. The chart below reconciles the approved budget to the budget figures reported in these financial statements:

	Budget Amount
Revenues	
Operating	
Approved budget	\$ 12,882,483
Capital	
Approved budget	2,018,159
Total revenues	\$ 14,900,642
Expenses:	
Operating	
Approved budget	\$ 12,882,483
Capital	
Approved budget	2,018,159
Add:	
Amortization	1,336,281
Less:	
Tangible capital assets included in operating expense	(2,018,159)
Total expenses	14,218,764
Annual surplus	\$ 681,878

9. Asset retirement obligation

Throughout the year the Authority reviews all assets recorded on the tangible capital asset listing to determine if there are any legal obligations to incur costs in the future associated with the retirement of an asset. Examples of such costs are the remediation of asbestos, lead and mold, the closure of dams or monitoring wells. Currently, there are no known assets that fall within the scope of this obligation, and as a result, no liability has been recognized.

The Authority's ongoing efforts to assess asset retirement obligations may result in future liabilities, any changes will be accrued in the year in which they are assessed as likely and reasonably estimable.

NIAGARA PENINSULA CONSERVATION AUTHORITY
Notes to Financial Statements (continued)



Year ended December 31, 2023

10. Contingencies:

The Authority is involved from time to time in litigation, which arises in the normal course of business. The exact outcome of these actions is not determinable as at the date of reporting. In respect of certain outstanding claims, the Authority believes that insurance coverage is adequate, and that no material exposure exists on the eventual settlement of such litigation, therefore no provision has been made in the accompanying financial statements.

11. Related party transactions:

During the year, the Authority incurred \$20,255 (2022 - \$27,482) in expenditures for per diems, honorariums, and mileage which was paid to and on behalf of members of the Board of Directors for the Authority.

12. Contractual rights:

The Authority has contractual rights under contract with various Ministry agencies to receive funds in exchange for services to be provided under those contracts. The Authority is expecting up to \$396,971 in future revenues based on anticipated services to be performed.

13. Contractual obligations and commitments:

- i) The Authority has entered into a contract for provision of reservation and park system services until December 2025, with an annual financial requirement of \$30,000. This will be financed by the Authority's operating budget.
- ii) The Authority has entered into a long-term lease for office space, which expires February 28th, 2031, with a three-year option to renew. The total lease commitment is \$2,358,096, annual minimum lease payments are as follows: 2024 - \$188,950; 2025 - \$226,740; 2026 - \$226,740; 2027 - \$233,038; 2028 - \$234,298, thereafter.

Year ended December 31, 2023

14. Segmented information:

The Authority provides a wide range of services which are categorized by department. Certain departments that have been separately disclosed in the segmented information along with the services they provide, are as follows:

Corporate Administration

Corporate administration services are comprised of the administration services of the Authority.

Watershed

The watershed department is the umbrella for three divisions dedicated to monitoring, regulating, protecting, and improving the health and safety of our watersheds.

Corporate Services

The corporate services department is development and managing the Authority's vehicles and equipment. The vehicles and equipment department accounts for the cost of maintaining the vehicles and equipment.

Conservation Areas

The conservation areas department is the umbrella for two divisions dedicated to conservation land management and conservation land programming. Conservation land management is the administration department for the conservation areas. Conservation land programming and development is responsible for maintenance and improvements to the conservation areas.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Municipal levies have been allocated to the segments based upon budgeted levies for the segment. Interest earned from investments has been allocated among the various segments.

NIAGARA PENINSULA CONSERVATION AUTHORITY

Notes to Financial Statements (continued)

Year ended December 31, 2023

14. Segmented information (continued):

	2023				2023 Total
	Corporate Administration	Watershed	Corporate Services	Conservation Areas	
Revenues:					
MNRF transfers	\$ 15,200	\$ 38,683	\$ 36,200	\$ -	\$ 90,083
Government transfers	14,289	536,125	167,026	758,127	1,475,567
Municipal levies	1,361,703	3,091,833	2,766,935	1,814,409	9,034,880
User fees, sales and administration	-	-	-	3,046,338	3,046,338
Administration fees	-	785,211	-	-	785,211
Interest	-	-	219,922	-	219,922
Other	10,755	599,019	44,744	577,110	1,231,628
Gain on disposal	-	-	26,379	-	26,379
Gain on insurance proceeds	-	-	39,538	-	39,538
OPG-Welland River Watershed	-	72,357	-	-	72,357
Total revenues	\$1,401,947	\$5,123,228	\$3,300,744	\$6,195,984	\$16,021,903
Expenses:					
Salaries and benefits	919,908	3,472,935	1,156,562	2,551,420	8,100,825
Materials and supplies	42,121	326,773	480,698	960,925	1,810,517
Contracted services	-	245,553	27,620	-	273,173
Professional fees	87,088	270,275	90,107	-	447,470
Rent and financial expenses	-	-	616,398	-	616,398
Marketing and promotion	56,565	14,747	565,119	-	636,431
Amortization	100,584	44,211	273,831	917,655	1,336,281
Total expenses	1,206,266	4,374,494	3,210,335	4,430,000	13,221,095
Annual surplus	\$ 195,681	\$ 748,734	\$ 90,409	\$1,765,984	\$ 2,800,808

	2022				2022 Total
	Corporate Administration	Watershed	Corporate Services	Conservation Areas	
Revenues:					
MNRF transfers	\$ 15,200	\$ 38,600	\$ 36,283	\$ -	\$ 90,083
Government transfers	11,368	422,077	84,200	301,639	819,284
Municipal levies	1,274,931	2,967,783	2,617,947	1,337,045	8,197,706
User fees, sales and administration	-	-	-	3,063,049	3,063,049
Administration fees	-	495,932	-	-	495,932
Interest	-	-	106,082	-	106,082
Other	105	369,854	66,580	70,117	506,656
Gain on disposal	-	-	43,368	-	43,368
Gain on insurance proceeds	-	-	238,581	-	238,581
OPG-Welland River Watershed	-	77,975	3,886	-	81,861
Total revenues	\$1,301,604	\$4,372,221	\$3,196,927	\$4,771,850	\$13,642,602
Expenses:					
Salaries and benefits	906,189	2,961,023	964,263	2,371,089	7,202,564
Materials and supplies	73,229	217,026	479,976	1,256,214	2,026,445
Contracted services	-	229,959	5,529	-	235,488
Professional fees	65,976	185,119	319,312	100,910	671,317
Rent and financial expenses	4,434	-	721,896	-	726,330
Marketing and promotion	71,258	18,660	176,739	-	266,657
Amortization	98,698	44,210	228,771	838,715	1,210,394
Total expenses	1,219,784	3,655,997	2,896,486	4,566,928	12,339,195
Annual surplus	\$ 81,820	\$ 716,224	\$ 300,441	\$ 204,922	\$ 1,303,407

Subject: Approval of Public Health and Emergency Services Program Audits

Report To: Public Health and Social Services Committee

Report date: Tuesday, June 11, 2024

Recommendations

1. That the draft audited schedule of revenue and expenses and the annual reconciliation return for the Public Health General Programs for the year ended December 31, 2023 (Appendix 1 and 2 to Report PHD 3-2024), **BE APPROVED**;
2. That the draft audited schedule of revenue and expenses and the annual reconciliation return for the Community Mental Health Program for the year ended March 31, 2024 (Appendix 3 and 4 to Report PHD 3-2024), **BE APPROVED**;
3. That the draft audited schedules of revenue and expenses for the following programs for the fiscal year ended March 31, 2024, **BE APPROVED**:
 - Ambulance Communication Services (Appendix 5 to Report PHD 3-2024)
 - Infant and Child Development Services (ICDS) (Appendix 6 to Report PHD 3-2024)
 - Healthy Babies, Healthy Children (HBHC) (Appendix 7 to Report PHD 3-2024);
4. That staff **BE DIRECTED** to co-ordinate with the auditor to finalize the statements as presented; and
5. That Report PHD 3-2023 **BE FORWARDED** to the Region's Audit Committee for information.

Key Facts

- The purpose of this report is to obtain approval of the audited schedules of revenues and expenses, annual reconciliation return and questionnaire in accordance with the provincial requirements.
- The Ministry submission deadline for the General Program, Ambulance Communication Services and Community Mental Health is June 30, 2024.
- The Ministry submission deadline for ICDS and HBHC programs is July 31, 2024.
- As per Financial Reporting and Forecasting Policy (C-F-020), other financial statements or schedules performed for Ministry funding purposes, will be recommended for approval to Council by the Standing Committee with oversight of the program. Upon approval by Council, the department Commissioner, or delegated authority, and the Treasurer, will be authorized to sign the auditor's representation

letter to obtain the auditor's signed report. The approved statements will then be forwarded to the Audit Committee for information.

Financial Considerations

The schedules of revenue and expenses (financial schedules) and annual reconciliation returns have been prepared in compliance with legislation and in accordance with the requirements and policies stipulated by the corresponding Ministry.

Draft copies of the financial schedule and annual reconciliation return are attached as Appendices 1 through 7 of Report PHD 3-2024.

The financial schedules are prepared specifically for the purposes of meeting the requirements as outlined in the service agreements with the respective funding Ministries. The financial schedules have been prepared in compliance with legislation and in accordance with the requirements and policies stipulated by the corresponding Ministry.

The financial schedules for Public Health and Emergency Services Programs are a Ministry requirement and specific reporting provisions and agreements are noted in the audit reports for each of the respective programs. The financial schedules are all prepared to assist the Region in complying with the guidelines. As a result, the schedule may not be suitable for another purpose.

Analysis

The program audits were completed by the Region's external auditors, Deloitte. The auditors have indicated that, based on their review, nothing has come to their attention that causes them to believe that this information is not, in all material respects, in accordance with the respective Ministry requirements identified.

The recommendation for approval of audited schedules performed for Ministry funding purposes rest with the Committee to which the department responsible for the funding reports. Upon approval by the Committee, these schedules are forwarded to the Audit Committee for information. Then the department's Commissioner and Treasurer will be authorized to sign the auditor's representation letter to obtain the auditor's signed report.

Below is a summary of the results of the audited financial schedules. These financial schedules are subject to minor wording changes once schedules are finalized:

- Public Health General Programs – The grant receivable from the Province of Ontario is subject to audit verification by the Ontario Ministry of Health. Grants receivable are non-interest bearing and are normally received in the subsequent year. As of December 31, 2023, there was a net grant receivable of \$6,303,251. The majority of this receivable is related to 100% funding for COVID-19 which was received in February.
- Community Mental Health Program – This program has no funds returnable for the reporting period ending March 31, 2024, as the Region has expended \$120,455, in excess of the provincial grant for the period.
- Ambulance Communication Services – This program has no funds returnable for the reporting period March 31, 2024, as the Region expended \$682,106, in excess of the provincial grant for the period.
- Infant and Child Development Services – This program has no funds returnable for the reporting period ending March 31, 2024, as the Region has expended all allocated funding.
- Healthy Babies, Healthy Children – This program has no funds returnable for the reporting period ending March 31, 2024, as the Region has expended all allocated funding.

Alternatives Reviewed

The audited financial schedules and annual reconciliation report are a Ministry requirement and therefore no alternatives are available.

Relationship to Council Strategic Priorities

Providing financial information is aligned to Effective Region, delivery of fiscally responsible and sustainable core services.

Other Pertinent Reports

None.

Prepared by:

Donovan D'Amboise, CPA, CA
Manager Program Financial Support
Corporate Services

Recommended by:

Dr. Azim Kasmani, MD, MSc, FRCPC
Medical Officer of Health &
Commissioner
Public Health & Emergency Services

Submitted by:

Ron Tripp, P.Eng.
Chief Administrative Officer

This report was prepared in consultation with Michael Leckey, Program Financial Specialist and Paula Ollier, Program Financial Specialist.

Appendices

Appendix 1 Public Health General Program – Schedule of Revenue and Expenses

Appendix 2 Public Health General Program – Annual Reconciliation Return

Appendix 3 Community Mental Health Program – Schedule of Revenue and Expenses

Appendix 4 Community Mental Health Program – Annual Reconciliation Return

Appendix 5 Ambulance Communication Services – Schedule of Revenue and Expenses

Appendix 6 Infant and Child Development Services – Schedule of Revenue and Expenses

Appendix 7 Healthy Babies, Healthy Children – Schedule of Revenue and Expenses

Schedule of revenue, expenses and grant returnable

**The Regional Municipality of
Niagara Public Health
Department**

General Programs

December 31, 2023

The Regional Municipality of Niagara Public Health Department

General Programs
December 31, 2023

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Independent Auditor's Report

To the Members of Council of the Regional Municipality of Niagara
and the Ontario Ministry of Health

Opinion

We have audited the accompanying schedule of revenue, expenses and grant returnable of the Regional Municipality of Niagara Public Health Department – General Programs (the “Program” or “Region”) for the year ended December 31, 2023 and notes to the schedule (collectively referred to as the “schedule”).

In our opinion, the accompanying schedule of the Program for the year ended December 31, 2023, is prepared, in all material respects, in accordance with the financial reporting provisions in the Public Health Funding and Accountability Agreement between Her Majesty the Queen in right of Ontario as represented by the Ministry of Health (formerly the Ministry of Health and Long-Term Care) (the “Ministry”) and the Board of Health for the Niagara Region Public Health Department most recently amended effective January 1, 2023 (the “Guidelines”).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards (“Canadian GAAS”). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Schedule* section of our report. We are independent of the Region in accordance with the ethical requirements that are relevant to our audit of the schedule 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.

Emphasis of Matter - Basis of Accounting

We draw attention to the fact that the schedule has been prepared in accordance with the Guidelines. The schedule is prepared to assist the Region in complying with the financial reporting provisions of the Guidelines. As a result, the schedule may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Schedule

Management is responsible for the preparation of the schedule in accordance with the Guidelines, and for such internal control as management determines is necessary to enable the preparation of the schedule that is free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Region's financial reporting process.

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the schedule as a whole is 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 GAAS 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 this schedule.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the schedule, 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 Region's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.

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
Licensed Public Accountants
June 27, 2024

**THE REGIONAL MUNICIPALITY OF NIAGARA
PUBLIC HEALTH DEPARTMENT**

GENERAL PROGRAMS

Schedule of Revenue, Expenditures and Grant Returnable

Year ended December 31, 2023

	Revenue (Budget)	Revenue (Actual)	Expense (Budget)	Expense (Actual)	Surplus (deficit) Actual	Add back: Ineligible expenses	Add back: Eligible expenses (revenues) in excess of Ministry funding (deficit)	Grant Returnable (receivable)
Province of Ontario								
Mandatory Programs MOHLTC (70% Cost-shared) (70%)	23,812,000	24,003,191	39,399,161	38,497,925	(14,494,734)	2,842,615	11,652,119	-
	351,000	211,800	351,000	159,780	52,020			52,020
Ontario Seniors Dental Care Program [OSDCP] (100%)	2,720,950	2,720,947	2,720,950	2,720,950	(3)		3	-
	<u>26,883,950</u>	<u>26,935,938</u>	<u>42,471,111</u>	<u>41,378,655</u>	<u>(14,442,717)</u>	<u>2,842,615</u>	<u>11,652,122</u>	<u>52,020</u>
One-time								
Mitigation (100%)	455,500	455,500	455,500	455,500	-			-
Program (100%)	40,000	40,000	40,000	40,000	-			-
Covid-19: General Program (100%)			30,199	4,686,208	(4,686,208)			(4,686,208)
Covid-19: Vaccine Program (100%)		15,890		2,475,219	(2,459,329)			(2,459,329)
School-Focused Nurses Initiative (100%)	1,000,000	1,000,000	1,000,000	1,000,000	-			-
					-			-
Initiative (100%)	214,400	202,550	292,400	202,550	-			-
Infection Prevention and Control Hubs (100%)		246,600	228,784	180,769	65,831			65,831
Pandemic Response and Recovery	-	2,622,744	-	1,827,869	794,875			794,875
					-			-
					-			-
	<u>1,709,900</u>	<u>4,583,284</u>	<u>2,046,883</u>	<u>10,868,114</u>	<u>(6,284,831)</u>	<u>-</u>	<u>-</u>	<u>(6,284,831)</u>

	Revenue (Budget)	Revenue (Actual)	Expense (Budget)	Expense (Actual)	Surplus (deficit) Actual	Add back: Ineligible expenses	Add back: Eligible expenses (revenues) in excess of Ministry funding (deficit)	Grant Returnable (receivable)
Meningococcal C	40,000	14,000		113,758	(99,758)		63,973	(35,785)
Human Papillomavirus	55,000	56,695		216,227	(159,532)		124,878	(34,655)
					-			-
Total before Region grant and other income	28,688,850	31,589,916	44,517,993	52,576,754	(20,986,838)	2,842,615	11,840,973	(6,303,251)
Region grant and other income								
The Regional Municipality of Niagara grant	15,388,489	14,414,652	-	-	14,414,652			
Other income	440,546	268,932			268,932			
Total Region and other income	15,829,035	14,683,585	-	-	14,683,585			
Total	\$ 44,517,885	\$ 46,273,501	\$ 44,517,993	\$ 52,576,754	\$ (6,303,253)			

1. Significant accounting policies

The schedule has been prepared for the Ontario Ministry of Health in accordance with the Public Health Accountability Agreement effective January 1, 2022 between the Ontario Ministry of Health and Long Term Care and the Regional Municipality of Niagara (the “guidelines”). The agreement requires the schedule to be prepared in a manner consistent with the generally accepted accounting principles (“GAAP”). Management of the Regional Municipality of Niagara has interpreted GAAP to be recognition and measurement principles in accordance with Canadian Public Sector Accounting Standards, except that it does not provide for employee future benefits and does not capitalize and amortize tangible capital assets. Management has further interpreted that GAAP does not include the presentation principles and note disclosure required by GAAP for a complete set of financial statements. The financial results for the Community Mental Health Program is not included in the schedule of revenue, expenses and grant receivable/repayable for the year ended December 31, 2023.

Significant accounting policies are as follows:

- (i) Revenues are reported on the cash basis of accounting.
- (ii) Expenses are recorded if they are eligible for the program and incurred in the period, except for employee future benefits (iv).
- (iii) Tangible capital assets acquired are reported as an expenses and amortization is not recorded.
- (iv) Employee future benefits are provided which will require funding in future periods. These benefits included vacation pay, sick leave, benefits under the Workplace Safety and Insurance Board (“WSIB”) Act, and life insurance, extended health and dental benefits for early retirees. These benefits are recorded on a cash basis.
- (v) Since precise determination of many assets and liabilities is dependent upon future events, the preparation of a periodic schedule involves the use of estimates and approximations. These have been made using careful judgments.
- (vi) Total expenses are reported on the schedule of revenue, expenses and grant receivable/repayable in order to understand the full cost of the program. Ineligible expenses as per the funding agreement have been removed for the purpose of determining the grant repayable/receivable.

2. Grant receivable (Repayable)

The grant receivable from the Province of Ontario is subject to audit verification by the Ontario Ministry of Health. The grants receivable are non-interest bearing and are normally received in the subsequent year. In the current year, there is a grant receivable of \$6.2M.

	2023	2022
	\$	\$
Grant receivable, beginning of year	5,419,187	1,023,373
Amounts recovered during the year	(5,544,834)	(1,170,841)
Amounts repaid during the year	-	-
Adjustment to prior year balances*	-	6,242
Grant receivable (repayable)	6,303,251	5,560,413
Net grant receivable (repayable), end of year	6,177,604	5,419,187

* Represents adjustments made to correct differences between amounts originally recorded and amounts settled related to repayable and receivable balances for prior years.

3. Budget data

The budget data presented in the schedule is based on the budget data submitted to the Ontario Ministry of Health.

Annual Reconciliation Report

**The Regional Municipality of
Niagara Public Health
Department**

General Programs

December 31, 2023

The Regional Municipality of Niagara Public Health Department

December 31, 2023

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Independent Auditor's Report

To the Members of Council of The Regional Municipality of Niagara
and the Ontario Ministry of Health

Opinion

We have audited the accompanying 2023 Annual Reconciliation Report (the "Schedule") of the Regional Municipality of Niagara (the "Region") – Public Health Department – General Programs (the "Program") for year ended December 31, 2023.

In our opinion, the accompanying Schedule of the Program as at December 31, 2023 is prepared, in all material respects, in accordance with the financial reporting provisions in the Public Health Funding and Accountability Agreement between Her Majesty the Queen in right of Ontario as represented by the Ministry of Health (formerly the Ministry of Health and Long-Term Care) (the "Ministry") and the Board of Health for the Niagara Region Public Health Department most recently amended effective January 1, 2023 and the "Instructions for Completion of the 2023 Year-End Settlement" dated February 6, 2024 (collectively referred to as the "Guidelines").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Schedule section of our report. We are independent of the Region in accordance with the ethical requirements that are relevant to our audit of the Schedule 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.

Emphasis of Matter - Basis of Accounting

We draw attention to the fact that the Schedule has been prepared in accordance with the Guidelines. The Schedule is prepared to assist the Region in complying with the financial reporting provisions of the Guidelines. As a result, the Schedule may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Schedule

Management is responsible for the preparation of the Schedule in accordance with the Guidelines, and for such internal control as management determines is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Region's financial reporting process.

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the Schedule 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 GAAS 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 Schedule.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Schedule, 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 Region's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.

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
Licensed Public Accountants
June 27, 2024

**MINISTRY OF HEALTH
OFFICE OF CHIEF MEDICAL OFFICER OF HEALTH, PUBLIC HEALTH
2023 ANNUAL RECONCILIATION REPORT (CERTIFICATE OF SETTLEMENT)**

NAME OF PUBLIC HEALTH UNIT: Niagara Region

Section 1: Base Funding (January 1, 2023 to December 31, 2023)

- Programs Funded at 70%
- Programs Funded at 100%

Section 2: 2022 One-Time Funding Approved to March 31, 2023

- One-Time Non-Covid Projects/Initiatives Funded at 100%
- One-Time Covid Projects/Initiatives Funded at 100%

Section 3: 2023 One-Time Funding Approved to December 31, 2023

- One-Time Non-Covid Projects/Initiatives Funded at 100%
- One-Time Covid Projects/Initiatives Funded at 100%

Section 4: 2023 One-Time Funding Approved to March 31, 2024

- One-Time Non-Covid Projects/Initiatives Funded at 100% (including Carry over)
- One-Time Covid Projects/Initiatives Funded at 100%
- One-Time Capital Projects Funded at 100% (including Carry over programs from previous years)

		Program Name per Transfer Payment Agreement	Approved Allocation	Funding Received	Expenditure at 100%	(Deduct) Offset Revenue	Net Expenditure	Eligible Expenditure	Due to / (from) Province
Section 1 Base Funding (January 1, 2023 to December 31, 2023)	Programs Funded at 70%	Mandatory	23,990,650	23,990,650	35,994,435	(431,748)	24,893,881	23,990,650	-
							-	-	-

		Program Name per Transfer Payment Agreement	Approved Allocation	Funding Received	Expenditure at 100%	(Deduct) Offset Revenue	Net Expenditure	Eligible Expenditure	Due to / (from) Province
		Sub-Total Programs Funded at 70%	23,990,650	23,990,650	35,994,435	(431,748)	24,893,881	23,990,650	-
	Programs Funded at 100%	Ontario Seniors Dental Program	2,720,950	2,720,947	2,720,950	-	2,720,950	2,720,950	(3)
		MOH/AMOH Compensation Initiative	351,000	211,800	159,780		159,780	159,780	52,020
							-	-	-
		Sub-Total Programs Funded at 100%	3,071,950	2,932,747	2,880,730	-	2,880,730	2,880,730	52,017
Total Section 1 Base Funding (January 1, 2023 to December 31, 2023)			27,062,600	26,923,397	38,875,165	(431,748)	27,774,611	26,871,380	52,017
Section 2 2022 One-Time Funding Approved to March 31, 2023	One-Time Non-Covid Projects / Initiatives Funded at 100%	Mandatory Programs: Needle Syringe Program	207,000	207,000	207,000		207,000	207,000	-
		Sub-Total One-Time Non-Covid Projects / Initiatives Funded at 100%	207,000	207,000	207,000	-	207,000	207,000	-

		Program Name per Transfer Payment Agreement	Approved Allocation	Funding Received	Expenditure at 100%	(Deduct) Offset Revenue	Net Expenditure	Eligible Expenditure	Due to / (from) Province
	One-Time Covid Projects / Initiatives Funded at 100%						-	-	-
		Sub-Total One-Time Covid Projects Funded at 100%	-	-	-	-	-	-	-
	One-Time Capital Projects / Initiatives Funded at 100%						-	-	-
		Sub-Total One-Time Capital Projects Funded at 100%	-	-	-	-	-	-	-
Total Section 2 - 2022 One-Time Funding Approved to March 31, 2023			207,000	207,000	207,000	-	207,000	207,000	-

		Program Name per Transfer Payment Agreement	Approved Allocation	Funding Received	Expenditure at 100%	(Deduct) Offset Revenue	Net Expenditure	Eligible Expenditure	Due to / (from) Province
Section 3 2023 One-Time Funding Approved to December 31, 2023	One-Time Non-Covid Projects / Initiatives Funded at 100%	School-Focused Nurses Initiative	1,000,000	1,000,000	1,000,000		1,000,000	1,000,000	-
		Cost-Sharing Mitigation	455,500	455,500	455,500		455,500	455,500	-
							-	-	-
							-	-	-
		Sub-Total One-Time Non-Covid Projects / Initiatives Funded at 100%	1,455,500	1,455,500	1,455,500	-	1,455,500	1,455,500	-
	One-Time Covid Projects / Initiatives Funded at 100%	COVID-19 General Program Extraordinary Costs	4,686,400	-	4,686,208		4,686,208	4,686,208	(4,686,208)
		COVID-19 Vaccine Program Extraordinary Costs	2,868,100	-	2,475,219	(15,890)	2,459,329	2,459,329	(2,459,329)
		Sub-Total One-Time Covid Projects / Initiatives Funded at 100%	7,554,500	-	7,161,427	(15,890)	7,145,537	7,145,537	- 7,145,537

		Program Name per Transfer Payment Agreement	Approved Allocation	Funding Received	Expenditure at 100%	(Deduct) Offset Revenue	Net Expenditure	Eligible Expenditure	Due to / (from) Province
Total Section 3 - 2022 One-Time Funding Approved to December 31, 2023			9,010,000	1,455,500	8,616,927	- 15,890	8,601,037	8,601,037	(7,145,537)
Section 4 2023 One-Time Funding Approved to March 31, 2024 (To be settled with 2024 settlement)	One-Time Non-Covid Projects/ Initiatives Funded at 100%	Mandatory Programs: Needle Syringe Program	214,400	150,800	150,800		150,800	150,800	-
		Mandatory Programs: Public Health Inspector Practicum Program	40,000	40,000	40,000		40,000	40,000	-
		Infection Prevention and Control Hubs	328,800	246,600	180,769		180,769	180,769	65,831
		Pandemic Response and Recovery: Childhood Vaccinations Catch-up and Supporting School-Aged Children/Youth in Schools	3,497,000	2,622,744	1,827,869		1,827,869	1,827,869	794,875

		Program Name per Transfer Payment Agreement	Approved Allocation	Funding Received	Expenditure at 100%	(Deduct) Offset Revenue	Net Expenditure	Eligible Expenditure	Due to / (from) Province
		Respiratory Syncytial Virus (RSV) Adult Prevention Program	118,300	-	-		-	-	-
		Sub-Total One-Time Non-Covid Projects / Initiatives Funded at 100%	4,198,500	3,060,144	2,199,438	-	2,199,438	2,199,438	860,706
	2022-23 Carry Over_Non-Covid_One-Time Funds at 100%						-	-	-
		Sub-Total Carry Over One-Time Non-Covid Projects / Initiatives Funded at 100%	-	-	-	-	-	-	-
	One-Time Covid Projects/ Initiatives Funded at 100%						-	-	-
		Sub-Total One-Time Covid Projects / Initiatives Funded at 100%	-	-	-	-	-	-	-

		Program Name per Transfer Payment Agreement	Approved Allocation	Funding Received	Expenditure at 100%	(Deduct) Offset Revenue	Net Expenditure	Eligible Expenditure	Due to / (from) Province	
	One-Time Capital Projects Funded at 100%	Ontario Seniors Dental Care Program Capital: Mobile Dental Clinic Bus	437,500				-	-	-	
		Sub-Total One-Time Capital Projects Funded at 100%	437,500	-	-	-	-	-	-	
	2022-23 Carry Over One-Time Capital Projects at 100%	Ontario Seniors Dental Care Program Capital: Mobile Dental Clinic Bus	237,500	237,500			-	-	237,500	
		Sub-Total Carry Over One-Time Capital Projects Funded at 100%	237,500	237,500	-	-	-	-	237,500	
	Total Section 4 - 2023 One-Time Funding Approved to March 31, 2024 (To be settled in 2024)			4,873,500	3,297,644	2,199,438	-	2,199,438	2,199,438	1,098,206

		Program Name per Transfer Payment Agreement	Approved Allocation	Funding Received	Expenditure at 100%	(Deduct) Offset Revenue	Net Expenditure	Eligible Expenditure	Due to / (from) Province
Sub-Total 2023 Settlement (Non-Covid Programs)			28,725,100	28,585,897	40,537,665	- 431,748	29,437,111	28,533,880	52,017
Sub-Total 2023 Settlement (Covid Programs)			7,554,500	-	7,161,427	- 15,890	7,145,537	7,145,537	- 7,145,537
Net Total 2022 Settlement (Section 1) + (Section 2) + (Section 3)			36,279,600	28,585,897	47,699,092	- 447,638	36,582,648	35,679,417	- 7,093,520

Having the authority to bind the Board of Health for the Public Health Unit:

We certify that the Financials shown in the Annual Reconciliation Report and the supporting schedule are complete and accurate and are in accordance with Transfer Payment Agreements and Reports filed with the appropriate Municipal Council.

Date

Signature
Medical Officer of Health / Chief Executive Officer

Date

Signature
Chair of the Board of Health / Authorized Officer

MINISTRY OF HEALTH
OFFICE OF CHIEF MEDICAL OFFICER OF HEALTH, PUBLIC HEALTH
2023 ANNUAL RECONCILIATION REPORT (CERTIFICATE OF SETTLEMENT)

NAME OF PUBLIC HEALTH UNIT: Niagara Region

SCHEDULE 1: Schedule of Offset Revenues

Mandatory Programs (70%)	Line #	Reference	Actual \$	Ministry Use Only
Interest Income	L 1			
Universal Influenza Immunization Program clinic reimbursement	L 2		6,640	
Meningococcal C Program clinic reimbursement	L 3		49,785	
Human Papilloma Virus Program reimbursement	L 4		91,350	
Healthy Smiles Ontario (70%) - part of Mandatory Programs	L 5			
Revenues Generated from Other Government Dental Program:	L 6			
Ontario Works (OW)	L 7			
Ontario Disability Support Program (ODSP)	L 8			
Other government dental programs (please specify):	L 9			
Other (Specify):	L 10			
By-Law Charges & Sales	L 11		83,473	
Other Revenue	L 12		200,500	
	L 13			
2023 Total Offset Revenues	L 14	To Summary Page Cell G18 - Offset	431,748	

Ontario Seniors Dental Care Program (100%)	Line #	Reference	Actual \$	Ministry Use Only
Interest Income	L 15			
Client Co-Payments	L 16			
Revenues Generated from Other Government Dental Program:	L 17			
Ontario Works (OW)	L 18			
Ontario Disability Support Program (ODSP)	L 19			
Other government dental programs (please specify):	L 20			
	L 21			
	L 22			
	L 23			
2023 Total Offset Revenues	L 24	To Summary Page Cell G23 - Offset	-	

The Regional Municipality of Niagara Public Health Department

General Programs
Note to the Schedule
December 31, 2023

1. Significant accounting policies

The report has been prepared for the Ontario Ministry of Health in accordance with the Public Health Accountability Agreement effective January 1, 2023 between the Ontario Ministry of Health and the Regional Municipality of Niagara and the Instructions for completing the 2022 Annual Report and Attestation (the “Guidelines”). The Guidelines require the report to be prepared in a manner consistent with the generally accepted accounting principles (“GAAP”). Management of the Regional Municipality of Niagara has interpreted GAAP to be recognition and measurement principles in accordance with Canadian Public Sector Accounting Standards, except that it does not provide for employee future benefits and does not capitalize and amortize tangible capital assets. Management has further interpreted that GAAP does not include the presentation principles and note disclosure required by GAAP for a complete set of financial statements.

Significant accounting policies are as follows:

Revenue and expenses

Revenues are recognized in the year in which they are earned. Expenses are recorded if they are eligible for the program and incurred in the period, except for employee future benefits.

Capital assets

Tangible capital assets acquired are reported as an expenses and amortization is not recorded.

Employee future benefits

Employee future benefits are provided which will require funding in future periods. These benefits included vacation pay, sick leave, benefits under the Workplace Safety and Insurance Board (“WSIB”) Act, and life insurance, extended health and dental benefits for early retirees. These benefits are recorded on a cash basis.

Use of estimates

Since precise determination of many assets and liabilities is dependent upon future events, the preparation of a periodic report involves the use of estimates and approximations. These have been made using careful judgments.

Schedule of revenue and expenses
The Regional Municipality of Niagara
Public Health Department Community
Mental Health Program

March 31, 2024

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Schedule of revenue and expenses	5
Notes to the schedule of revenue and expenses	6-8

Independent Auditor's Report

To the Members of Council of the Regional Municipality of
Niagara and Ontario Health – West Region

Opinion

We have audited the accompanying schedule of revenue and expenses of the Regional Municipality of Niagara Public Health Department – Community Mental Health Program (the “Program”), for the year ended March 31, 2024 and notes to the schedule (collectively referred to as the “schedule”).

In our opinion, the accompanying schedule of the Program for the year ended March 31, 2024 is prepared, in all material respects, in accordance with the financial reporting provisions of the Multi-sector Service Accountability Agreement effective April 1, 2019 between Ontario Health – West Region (formerly the Hamilton Niagara Haldimand Brant Local Health Integration Network) and the Regional Municipality of Niagara – Mental Health and most recently amended March 31, 2020 (collectively, the “guidelines”).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards (“Canadian GAAS”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Schedule* section of our report. We are independent of the Region in accordance with the ethical requirements that are relevant to our audit of the schedule 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the schedule, which describes the basis of accounting. The schedule is prepared to assist the Region in complying with the guidelines. As a result, the schedule may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Schedule

Management is responsible for the preparation of the schedule in accordance with the guidelines, and for such internal control as management determines is necessary to enable the preparation of the schedule that is free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Region's financial reporting process.

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the schedule is 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 GAAS 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 this schedule.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the schedule, 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 Region's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.

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.

**THE REGIONAL MUNICIPALITY OF NIAGARA
HEALTH SERVICES DEPARTMENT
MENTAL HEALTH PROGRAM**

PHD 3-2024
Appendix 3

Schedule of Revenues and Expenditures

Year ended March 31, 2024, with comparative figures 2023

	2024 Budget	2024 Actual	2023 Actual
Revenue:			
Province of Ontario Grants	\$ 6,567,779	6,567,779	6,337,870
Interest	-	-	-
Miscellaneous	-	5,040	109,205
	<u>6,567,779</u>	<u>6,572,819</u>	<u>6,447,075</u>
Expenditure:			
Compensation			
Salaries	4,958,165	4,954,902	5,033,362
Employee benefits	983,320	1,025,484	1,020,624
	<u>5,941,485</u>	<u>5,980,386</u>	<u>6,053,986</u>
Service Costs			
Administration costs (note 1)	39,500	492,970	561,831
Amortization	-	-	-
Audit and other Professional fees	2,949	3,068	3,272
Computer maintenance and supplies	4,356	12,466	-
Printing, postage, stationery and office supplies	15,405	16,640	19,940
Other expenses	56,926	39,938	60,875
Rent and property taxes	304,988	372,587	220,558
Staff education	28,831	20,043	22,645
Telephone	15,519	17,880	17,795
Travel	157,820	190,766	195,187
	<u>626,294</u>	<u>1,166,357</u>	<u>1,102,103</u>
Total expenditures	6,567,779	7,146,743	7,156,090
Ineligible administration costs (note 1)	-	453,470	522,331
Total eligible expenditures	<u>6,567,779</u>	<u>6,693,274</u>	<u>6,633,758</u>
Excess (shortage) of revenue over eligible expenditures	(0)	(120,455)	(186,683)

1. Significant accounting policies

The schedule of revenue and expenses has been prepared for Ontario Health – West Region. The agreement requires the Schedule to be prepared in a manner consistent with generally accepted accounting principles (“GAAP”). Management of the Regional Municipality of Niagara has interpreted GAAP to be recognition and measurement principles in accordance with Canadian Public Sector Accounting Standards, except that it does not capitalize and amortize tangible capital assets. Management has further interpreted that GAAP does not include the presentation principles or the presentation of all financial statements and note disclosures required by GAAP for a complete set of financial statements.

Revenue and expense recognition

Revenue and expenses are reported on the accrual basis of accounting, with the exception of employee future benefits.

The accrual basis of accounting recognizes revenues as they become available and measurable, expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

Capital assets

Tangible capital assets acquired are reported as an expense, and amortization is not recorded.

Employee future benefits

Employee future benefits are provided which will require funding in future periods. These benefits include sick leave, benefits under the Workplace Safety and Insurance Board (“WSIB”) Act, and life insurance, extended health and dental benefits for early retirees. These benefits are recorded on a cash basis.

Use of estimates

Since precise determination of many assets and liabilities is dependent upon future events, the preparation of a periodic schedule involves the use of estimates and approximations. These have been made using careful judgements.

2. Grant funding repayable

The grant repayable to the Province of Ontario is subject to audit verification by the Hamilton Niagara Haldimand Brant Local Health Integration Network. The grant repayable is non-interest bearing and is normally repaid in the subsequent year. The grant repayable balance at the end of the year is comprised of the unpaid grant repayable balance from prior years plus any current year excess of revenue over eligible expenditures excluding net book value associated with capital one-time funding.

	2024	2023
	\$	\$
Grant repayable, beginning of year	—	(1)
Amounts repaid during the year	—	1
Excess of revenue over eligible expenditure	—	—
Grant repayable, end of year	—	—

3. Administration costs

The program records direct operating expenses to their respective activity. In addition, since 2013, the Region established a consolidated cost allocation policy with a guiding principle of more closely aligning indirect costs with the support programs and services as defined by the Province of Ontario in the Financial Information Return (FIR). This methodology allocates these indirect costs to end programs/services based on usage drivers.

Under this methodology, all departments providing program/service support functions will allocate their costs using drivers specific to each type of expense.

Administration costs are comprised of the following charges:

	2024	2023
	\$	\$
Financial services	47,031	47,721
Human resource services	122,762	120,738
IT services	258,913	249,654
Debt charges	64,264	143,718
Total administration charges	492,970	561,831

As per direction from the funding body, administration costs are limited to \$39,500 (\$39,500 in 2023) and therefore administration costs in excess of the limit are considered ineligible and have been shown as a reduction of expense on the schedule of revenue and expenses.

	2024	2023
	\$	\$
Total administration charges	492,970	561,831
Less: administration cost limit	39,500	39,500
Total ineligible administration c	453,470	522,331

Annual Reconciliation Report
The Regional Municipality of Niagara
Public Health Department Community
Mental Health Program

March 31, 2024

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Independent Auditor's Report

To the Members of Council of the Regional Municipality of Niagara, Ontario Health – West Region and the Ontario Ministry of Health

Opinion

We have audited the accompanying schedules (ARRFin1 and ARRFin2) and the Proxy Pay Equity Reconciliation Report (excluding statistics and FTEs) of the Annual Reconciliation Report of the Regional Municipality of Niagara Public Health Department Community Mental Health Program (the “Program”) for the year ended March 31, 2024 and note to the schedules (collectively referred to as the “schedules”).

In our opinion, the accompanying schedules of the Program for the year ended March 31, 2024 have been prepared, in all material respects, in accordance with the financial reporting provisions in the guidelines in Chapters 3 of the Ontario Healthcare Reporting Standards 11.1 and the Community Financial Policy (2016) issued by the Ontario Ministry of Health (the “guidelines”).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards (“Canadian GAAS”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Schedules* section of our report. We are independent of the Region in accordance with the ethical requirements that are relevant to our audit of the schedule 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the schedule, which describes the basis of accounting. The schedules are prepared to assist the Program in complying with the guidelines. As a result, the schedule may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Schedules

Management is responsible for the preparation of the schedules in accordance with the guidelines, and for such internal control as management determines is necessary to enable the preparation of the schedules that are free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Region's financial reporting process.

Auditor's Responsibilities for the Audit of the Schedules

Our objectives are to obtain reasonable assurance about whether the schedules 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 GAAS 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 the schedules.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the schedules, 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 Region's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.

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
Licensed Public Accountants
June 27, 2024

IFIS / Recipient #	100238
SRI Organization Code	473
Report Name	2023-24 Account Reconciliation Report
Ontario Region (formerly LHIN)	Hamilton Niagara Haldimand Brant (HNHB)
Service Provider Name	Community Mental Health Program
Service Provider Legal Name	Community Mental Health Program

Service Provider Address

Address 1	1815 Sir Isaac Brock Parkway
Address 2	0
City	Thorold
Postal Code	L2V 4T7

HSP Contact Name	Michael Leckey
HSP Contact Position	Program Financial Specialist
HSP Contact Phone Number	905-685-4225 x 7439
HSP Contact E-mail Address	michael.leckey@niagararegion.ca

TOTAL AGENCY

Form ARRfin 1- Total Ontario Health & Ministry Managed- Financial
Ontario Region (formerly LHIN)

		TOTAL HSP
TABLE G: Total Agency Reporting Summary by Fund Type (Total Agency Financials)	Line #	
Total Revenue Fund Type 1	115	-
Total Expenses Fund Type 1	116	-
Net Surplus/Deficit Fund Type 1 (Hospital)	117	-
Total Revenue Fund Type 2 (Above)	118	6,572,819
Total Expenses Fund Type 2 (Above)	119	6,693,274
Net Surplus/Deficit Fund Type 2 (Community Programs)	120	- 120,455
Total Revenue Fund Type 3	121	-
Total Expenses Fund Type 3	122	-
Net Surplus/Deficit Fund Type 3 (Other)	123	-
Total Revenue for the Provider	124	6,572,819
Total Expenses for the Provider	125	6,693,274
Net Surplus/Deficit	126	- 120,455

**Form ARRfin2 - OH Managed Programs
Community Mental Health Program**

		Click to select the TPBE	
Table B	Line #	2023-24 Final	Comments (Max 255 Characters)
Funding Initiative		Select Funding Initiative (if applicable)	
Ontario Health Cash Flow:			
Funding - Ontario Health (OH)	1	6,567,779	
Funding - Provincial MOH	2	-	
Funding - Ontario Health One-Time	3	-	
Funding - Provincial MOH One-Time	4	-	
	5	-	
Sessional fee funding - MOH	6	-	
Total OH funding as per cash flow	7	6,567,779	
Service Recipient Revenue	8	-	
Recoveries from External/Internal Sources	9	-	
Donations	10	-	
Other Funding Sources and Other Revenue	11	5,040	
Other revenue adjustments (detailed comments required)	12	-	
Total revenue adjustments	13	5,040	
Total FUND TYPE 2 funding for settlement purposes	14	6,572,819	
Deferred OH funding used to purchase capitalized items in the current year (Enter as Negative Amount)	15	-	
Amortization of donation revenue and OH funding in the current fiscal year	16	-	
Other Adjustments including OH recovery (detailed comments required)	18	-	
Total Revenue FUND TYPE 2	19	6,572,819	

EXPENSES- Fund Type 2	Line #	2023-24 Final	Comments (Max 255 Characters)
Compensation			
Salaries and Wages (Worked + Benefit + Purchased)	20	4,452,779	
Benefit Contributions	21	1,028,866	
Employee Future Benefit Compensation	22	-	
Nurse Practitioner Remuneration	23	-	
Medical Staff Remuneration	24	536,710	
Sessional Fees	25	-	
Service Costs			
Med/Surgical Supplies and Drugs	26	-	
Supplies and Sundry Expenses (excl. Med/Surg Supplies & Drugs)	27	301,189	
Community One Time Expense	28	-	
Equipment Expenses	29	1,148	
Amortization on Major Equip and Software License and Fees	30	-	
Contracted Out Expense	31	17,239	
Buildings and Grounds Expenses	32	355,344	
Building Amortization	33	-	
TOTAL EXPENSES Fund Type 2	34	6,693,274	
Depreciation/Amortization of Capital Assets for the Program and Admin & Support	35	-	
Total Capitalized Purchases and Services in current year	36	-	
(CHC & Home Care purposes only) Inadmissible salary expenses	37	-	
(CHC & Home Care purposes only) Less: Other adjustments	38	-	
Total Expenses for Settlement Purposes	39	6,693,274	
Less sessional fee expenses (Enter as Negative Amount)	40	-	
Less one time expenses as per listing below (Negative sum of line 63 & 79)	42	-	
Total operating expenses for settlement purposes	43	6,693,274	
Operating Recovery	44	-	
Sessional Fee Recovery	45	-	
One Time Recovery	46	-	
Total Settlement Recovery	47	-	

TABLE C: One-Time Expenses	Line #	2023-24 Final	Comments (Max 255 Characters)
Capitalized purchases from One Time fundingSection C-1			
	48	-	
	49	-	
	50	-	
	51	-	
	52	-	
	53	-	
	54	-	
	55	-	
	56	-	
	57	-	
	58	-	
	59	-	
	60	-	
	61	-	
	62	-	
Total One-time capitalized purchases from One-time funding	63	-	

Operating expenses from One Time Funding Section C-2	Line #	Comments (Max 255 Characters)	
		2023-24 Final	
	64	-	
	65	-	
	66	-	
	67	-	
	68	-	
	69	-	
	70	-	
	71	-	
	72	-	
	73	-	
	74	-	
	75	-	
	76	-	
	77	-	
	78	-	
Total One-time operating expenses from One-time funding	79	-	

TABLE D: Operating Expenses	Line #	Comments (Max 255 Characters)	
Capitalized expenses Sourced from Operating Funding (Section D-1) (All capitalized items regardless of amount)		2023-24 Final	
	80	-	
	81	-	
	82	-	
	83	-	
	84	-	
	85	-	
	86	-	
	87	-	
	88	-	
	89	-	
	90	-	
	91	-	
	92	-	
	93	-	
	94	-	
Total Capitalized expenses from Operating Funding	95	-	

Non- capitalized one-time expenses > \$5,000 Sourced from Operating Funding (Section D-2)	Line #	Comments	
		2023-24 Final	(Max 255 Characters)
	96	-	
	97	-	
	98	-	
	99	-	
	100	-	
	101	-	
	102	-	
	103	-	
	104	-	
	105	-	
	106	-	
	107	-	
	108	-	
	109	-	
	110	-	
Total Non-Capitalized One-time expenses >\$5,000 from Operating Funding	111	-	
Total One Time Expenses	112	-	
TABLE F: Sessional Fees Summary (Enter the # of Sessions Delivered)	Line #	2023-24 Final	Comments
# of Sessions Delivered (From Sessional Fees)	113	0	(Max 255 Characters)
Calculated Cost Per Session	114	0.00	

PROXY PAY EQUITY ANNUAL REPORT

PROXY PAY EQUITY ANNUAL REPORT

This form is to be completed by transfer payment organizations who receive proxy pay equity funding from the Ministry of Health and Long-Term Care, pursuant to the April 23, 2003 Memorandum of Settlement.

It must be completed on an annual basis until an organization no longer has a pay equity obligation.

SECTION 1: BASIC PROGRAM INFORMATION

Name of Agency: **Community Mental Health Program**

Vendor #:

Reporting Period:from

to

Contact Person:

Phone:

SECTION 2: EXPENDITURE REPORT

Sources of Proxy Pay Equity Funds

Ministry of Health and Long-Term Care

\$

A

Other (Specify)

TOTAL

0.00

Expenditures

Actual Proxy Pay Equity Expenses

B

Surplus(Deficit)

0.00

A-B

Current Outstanding Liabilities

Total Number of Individuals Receiving Proxy Pay Equity

SECTION 3: CERTIFICATION

I, hereby certify that to the best of my knowledge the financial data is correct and it is reflected in the year-end settlement. ment.

Title:

(Signature of Health Service Provider Authority)

CERTIFICATION TO BE COMPLETED BY BINDING AUTHORITIES

Certification by Provider Fiscal 2023-24

Having the authority to bind the Health Service Provider, we certify that the information provided in ARRFIn1, ARRFIn2 and ARRFIn3 are complete and accurate

Community Mental Health Program N/A	
Name of Signing Officer Signing Officer*** N/A	Date
Title N/A	
Name of Signing Officer N/A	Date
Signing Officer*** N/A	
Title	

***I have the authority to bind the Health Service Provider

**The Regional Municipality of Niagara Public Health Department
Community Mental Health Program
Note to the Annual Reconciliation Report
March 31, 2024**

1. Significant accounting policies

Basis of accounting

These Schedules have been prepared for the Ontario Ministry of Health and the Ontario Health – West Region. They are prepared in accordance with Canadian public sector accounting standards, except that it does not capitalize and amortize tangible capital assets. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial information necessarily involves the use of estimates and approximations. These have been made using careful judgments.

Revenues and expenses

Revenues and expenses are reported on the accrual basis of accounting, with the exception of employee future benefits below.

The accrual basis of accounting recognizes revenues as they become available and measurable, expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

Capital assets

Tangible capital assets acquired are reported as an expenditure, and amortization is not recorded.

Employee future benefits

Employee future benefits are provided which will require funding in future periods. These benefits include sick leave, benefits under the Workplace Safety and Insurance Board ("WSIB") Act, and life insurance, extended health and dental benefits for early retirees. These benefits are recorded on a cash basis.

Schedule of revenues and expenditures
The Regional Municipality of Niagara
Public Health Department
Ambulance Communications Service

March 31, 2024

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Independent Auditor's Report

To the Regional Municipality of Niagara and the Ontario Ministry of Health

Opinion

We have audited the accompanying schedule of revenues and expenditures of the Regional Municipality of Niagara (the “Region”) Public Health Department – Ambulance Communications Service (the “Program”), for the year ended March 31, 2024 and notes to the schedule (collectively referred to as the “schedule”).

In our opinion, the accompanying schedule of the Program for the year ended March 31, 2024 is prepared, in all material respects, in accordance with the financial reporting provisions of the agreement between the Her Majesty the Queen in Right of Ontario, as represented by the Minister of Health (formerly the Minister of Health and Long-Term Care) and the Regional Municipality of Niagara signed May 28, 2010 (the “guidelines”).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards (“Canadian GAAS”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Schedule* section of our report. We are independent of the Region in accordance with the ethical requirements that are relevant to our audit of the schedule 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the schedule, which describes the basis of accounting. The schedule is prepared to assist the Region in complying with the guidelines. As a result, the schedule may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Schedule

Management is responsible for the preparation of the schedule in accordance with the guidelines, and for such internal control as management determines is necessary to enable the preparation of the schedule that is free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Region's financial reporting process.

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the schedule is 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 GAAS 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 this schedule.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the schedule, 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 Region's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.

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
Licensed Public Accountants
June 27, 2024

**THE REGIONAL MUNICIPALITY OF NIAGARA
PUBLIC HEALTH DEPARTMENT
AMBULANCE COMMUNICATION SERVICES**
Schedule of Revenues and Expenditures
For the year ending March 31, 2024

	Year ending March 31, 2024 Budget	Year ending March 31, 2024 Actual	Year ending March 31, 2023 Actual
Revenues:			
Provincial grant	7,447,927	7,494,526	\$ 7,622,646
Other Revenue	5,000	10,826	23,519
	<u>7,452,927</u>	<u>7,505,352</u>	<u>7,646,165</u>
Expenditures:			
Salaries and benefits			
Salaries & Wages	4,835,789	4,867,692	4,555,082
Employee benefits	1,629,916	2,256,273	2,024,412
Transportation & communications	159,050	189,875	150,843
Services & rentals	277,466	391,001	487,197
Supplies & equipment	272,903	78,795	221,558
Administrative costs (Note 2)	277,802	446,872	505,745
Total Expenditures	<u>7,452,927</u>	<u>8,230,508</u>	<u>7,944,837</u>
Ineligible administration costs (Note 2)	-	(43,050)	(84,410)
Total eligible expenditures	<u>7,452,927</u>	<u>8,187,458</u>	<u>7,860,427</u>
Excess of expenditures over revenue	\$ -	\$ (682,106)	\$ (214,262)

**The Regional Municipality of Niagara Public Health Department
Ambulance Communications Service
Notes to the schedule of revenues and expenditures
March 31, 2024**

1. Significant accounting policies

Basis for presentation

The schedule of revenues and expenditures is prepared in accordance with the agreement dated May 28, 2010 between the Ontario Ministry of Health and the Regional Municipality of Niagara.

The agreement requires the Schedule to be prepared in a manner consistent with generally accepted accounting principles (“GAAP”). Management of the Regional Municipality of Niagara Public Health Department has interpreted GAAP to be the recognition and measurement principles of the Canadian public sector accounting standards related specifically to revenues and expenditures, except that it does not capitalize and amortize tangible capital assets. Management has further interpreted that GAAP does not include the presentation principles or the presentation of all financial statements and note disclosures required by GAAP for a complete set of financial statements.

Revenues and expenditures

Revenues are reported on the accrual basis of accounting.

Expenditures are recorded if they are eligible for the program and incurred in the year.

Capital assets

Tangible capital assets acquired are reported as an expenditure, amortization is not recorded.

Employee future benefits

Employee future benefits are provided which will require funding in future periods. These benefits include sick leave, benefits under the Workplace Safety and Insurance Board (“WSIB”) Act, and life insurance, extended health and dental benefits for early retirees. These benefits are recorded on a cash basis.

Use of estimates

Since precise determination of many assets and liabilities is dependent upon future events, the preparation of a periodic schedule involves the use of estimates and approximations. These have been made using careful judgements.

The Regional Municipality of Niagara Public Health Department
Ambulance Communications Service
Notes to the schedule of revenues and expenditures
March 31, 2024

2. Administration costs

The program records direct operating expenditures to their respective activity. In addition, in 2013, the Region established its first consolidated allocation policy with a guiding principle of more closely aligning indirect costs with the support programs and services as defined by the Province of Ontario in the Financial Information Return (FIR). The new methodology allocates these indirect costs to end programs/services based on usage drivers.

Under this methodology, all departments providing program/service support functions will allocate their costs using drivers specific to each type of expense.

**The Regional Municipality of Niagara Public Health Department
Ambulance Communications Service
Notes to the schedule of revenues and expenditures
March 31, 2024**

2. Administration costs (continued)

Administration costs, which have been allocated, are:

	2024	2023
	\$	\$
Accounting services	7,127	7,933
Asset management services	6	2
Capital levy	42,139	83,521
Debt costs	911	889
Financial management	3,110	2,862
Human resources services	42,871	40,493
IT program support services and project costs	163,261	159,428
Land ambulance shared services	101,108	145,698
Legal services	7,433	8,963
Payroll services	76,529	52,207
Printing costs	150	212
Procurement services	2,228	3,509
Property management	—	28
	446,872	505,744

As per this program's funding agreement the following administration costs are considered ineligible and have been shown as a reduction of expense on the schedule of revenues and expenditures:

	2024	2023
	\$	\$
Capital levy	42,139	22,605
Debt costs	911	5,066
	43,050	27,671

The Regional Municipality of Niagara Public Health Department
Ambulance Communications Service
Notes to the schedule of revenues and expenditures
March 31, 2024

3. Budget data

The budget data presented in the Schedule is based on the budget data submitted to the Ontario Ministry of Health.

Schedule of revenue and expenses

**The Regional Municipality of
Niagara Public Health
Department**

Infant and Child Development Services

March 31, 2024

The Regional Municipality of Niagara Public Health Department

Infant and Child Development Services

March 31, 2024

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Independent Auditor's Report

To the Members of Council of the Regional Municipality of Niagara and the Ministry Children, Community and Social Services

Opinion

We have audited the accompanying schedule of revenue and expenses of the Regional Municipality of Niagara Public Health Department – Infant and Child Development Services (the “Program”) for the year ended March 31, 2024, and notes to the schedule (collectively referred to as the “schedule”).

In our opinion, the accompanying schedule of the Program for the year ended March 31, 2024, is prepared, in all material respects, in accordance with the financial reporting provisions of the Ontario Transfer Payment Agreement effective April 1, 2020, between the Her Majesty the Queen in right of Ontario as represented by the Minister of Children, Community and Social Services and the Regional Municipality of Niagara (the “Guidelines”).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards (“Canadian GAAS”). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Schedule* section of our report. We are independent of the Program in accordance with the ethical requirements that are relevant to our audit of the schedule 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the schedule, which describes the basis of accounting. The schedule is prepared to assist the Program to comply with the financial reporting provisions of the Guidelines. As a result, the schedule may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Schedule

Management is responsible for the preparation of the schedule in accordance with the Guidelines, and for such internal control as management determines is necessary to enable the preparation of the schedule that is free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Region's financial reporting process.

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the schedule as a whole is 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 GAAS 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 this schedule.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the schedule, 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 Region's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.

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
Licensed Public Accountants
June 27, 2024

**The Regional Municipality of Niagara
Public Health Department
Infant and Child Development Services**

Schedule of revenue and expenses
Year ended March 31, 2024

	2023-24 MOH Budget	2023-24 Actual	2022-23 Actual
Revenue:			
Province of Ontario - Service contract	568,428	568,248	568,428
	<u>568,428</u>	<u>568,248</u>	<u>568,428</u>
Expenditure:			
Salaries/benefits:			
Salaries	440,139	435,859	431,128
Benefits	108,983	111,168	106,752
	<u>549,122</u>	<u>547,028</u>	<u>537,880</u>
Other service costs:			
Administration costs (Note 4)	28,886	49,542	54,999
Supplies	3,500	115	385
Staff travel	22,000	14,328	23,201
Staff training	2,500	1,603	1,604
Audit services	3,100	3,068	2,865
Utilities and taxes	2,000	1,312	1,435
Purchased services	1,988	524	794
Fees and dues	300	270	270
	<u>64,274</u>	<u>70,763</u>	<u>85,552</u>
Total expenditures	<u>613,396</u>	<u>617,790</u>	<u>623,432</u>
Excess of expenditures over revenue	<u>(44,968)</u>	<u>(49,542)</u>	<u>(55,004)</u>

**The Regional Municipality of Niagara
Public Health Department**
Infant and Child Development Services
Notes to the schedule of revenues and expenses
March 31, 2024

1. Significant accounting policies

This financial statement has been prepared for the Ontario Ministry of Children, Community and Social Services ("the Ministry"). It is prepared in accordance with Canadian public sector accounting standards, except that it does not provide for employee future benefits and tangible capital assets are expensed as incurred. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations.

Significant accounting policies are as follows:

Revenue recognition

Revenue and expenditures are reported on the accrual basis of accounting.

The accrual basis of accounting recognizes revenues as they become available and measurable. Expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

Capital assets

The historical cost and accumulated depreciation of capital assets are not recorded for municipal purposes. Capital assets acquired are reported as an expenditure and amortization is not recorded on the statement of revenue and expenditure and surplus.

Employee future benefits

Employee future benefits are provided which will require funding in future periods. These benefits include sick leave, benefits under the Workplace Safety and Insurance Board ("WSIB") Act, and life insurance, extended health and dental benefits for early retirees. These benefits are recorded on a cash basis.

2. Grant repayable

The grant receivable/repayable to the Province of Ontario is subject to audit verification by the Ontario Ministry of Children, Community and Social Services. The grant receivable/repayable is non-interest bearing and is normally recovered/repaid in the subsequent year. The surplus repayable to the Province of Ontario for the 12-months ended March 31, 2024, is \$nil (2022-23 \$nil).

**The Regional Municipality of Niagara
Public Health Department**
Infant and Child Development Services
Notes to the schedule of revenues and expenses
March 31, 2024

	2023-24	2022-23
	\$	\$
Grant repayable beginning of period	(49,781)	(49,781)
Excess of grant over allowable expenses	-	-
Excess of expenditures over revenue	49,542	55,004
Expenditures in excess of the budget	(49,542)	(55,004)
Grant repayable, end of period	(49,781)	(49,781)

3. Administration costs

Administration costs are allocated under the indirect allocation methodology included in the cost allocation policy.

Under this methodology, all departments providing program/service support functions, as identified during the budget process, will allocate their costs using a basis that best match actual costs with the most appropriate beneficial recipient of the cost.

Administration costs are comprised of the following charges:

	2023-24	2023-24	2022-23
	Budget	Actual	Actual
	\$	\$	\$
Accounting services	587	908	890
Payroll services	4,063	7,355	5,334
Human resources services	2,625	4,122	6,641
IT program support services	16,554	28,580	27,712
Insurance costs	507	712	813
Printing costs	226	380	309
Capital financing	4,325	7,485	13,299
	28,886	49,542	54,999

4. Budget data

The budget data presented in the schedule is based on the budget data submitted to the Ontario Ministry of Children and Youth Services, Community and Social Services.

Schedule of revenue and expenses

**The Regional Municipality of Niagara
Public Health Department**
Healthy Babies, Healthy Children Program

March 31, 2024

The Regional Municipality of Niagara Public Health Department

Healthy Babies, Healthy Children Program
March 31, 2024

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Independent Auditor's Report

To the Members of Council of the Regional Municipality of Niagara and Ontario Ministry of Children, Community and Social Services

Opinion

We have audited the accompanying schedule of revenue and expenses of the Regional Municipality of Niagara Public Health Department – Healthy Babies, Healthy Children Program (the “Program”) for the year ended March 31, 2024, and notes to the schedule (collectively referred to as the “schedule”).

In our opinion, the accompanying schedule of the Program for the year ended March 31, 2024, is prepared, in all material respects, in accordance with the financial reporting provisions of the Ontario Transfer Payment Agreement effective April 1, 2020, between the Her Majesty the Queen in right of Ontario as represented by the Minister of Children, Community and Social Services and the Regional Municipality of Niagara (the “Guidelines”).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards (“Canadian GAAS”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Schedule section of our report. We are independent of the Region in accordance with the ethical requirements that are relevant to our audit of the schedule 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the schedule, which describes the basis of accounting. The schedule is prepared to assist the Program in complying with the financial reporting provisions of the Guidelines. As a result, the schedule may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Schedule

Management is responsible for the preparation of the schedule in accordance with the Guidelines, and for such internal control as management determines is necessary to enable the preparation of the schedule that is free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Region's financial reporting process.^b

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the schedule as a whole is 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 GAAS 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 this schedule.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the schedule, 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 Region's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.

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.

The Regional Municipality of Niagara
Public Health Department
 Healthy Babies, Healthy Children Program
 Schedule of revenue and expenses
 Year ended March 31, 2024

	2023-24 Budget	2023-24 Actual	2022-23 Actual
	\$	\$	
Revenue			
Province of Ontario operating grants	2,347,355	2,347,355	2,347,355
Province of Ontario COVID one-time grants	-	-	-
Other revenue	-	9,553	10,420
	2,347,355	2,356,908	2,357,775
Expenses			
Salaries and Wages: unionized			
Public Health Nurses	1,289,053	1,118,610	1,230,729
Employee Benefits	353,548	331,113	337,164
Lay Home Visitors	249,306	163,158	225,754
Clerical	117,667	111,329	109,538
WSIB	-	-	-
Salaries and Wages: non-unionized			
Management	267,413	375,684	251,833
Administration ISCIS	83,476	82,665	79,471
Employee Benefits	76,562	103,879	70,813
	2,437,026	2,286,437	2,305,301

	2023-24 Budget	2023-24 Actual	2022-23 Actual
Operating Costs			
Administration costs (Note 3)	129,515	203,452	256,609
Travel - Mileage	55,000	30,973	18,823
Professional Development	3,985	17,924	3,961
Program Supplies/Resources	1,500	6,259	7,494
Communication costs	7,000	6,983	8,636
Office Supplies	1,438	9,807	6,940
Audit Fees	6,337	731	12,007
Cleaning Allowance	500	150	200
	205,275	276,280	314,670
Total expenses	2,642,300	2,562,717	2,619,972
Deficiency of revenue over eligible expenses	(294,945)	(205,809)	(262,197)

The Regional Municipality of Niagara Public Health Department

Healthy Babies, Healthy Children Program

Notes to the schedule of revenue and expenses

March 31, 2024

1. **Summary of significant accounting policies**

Basis of accounting

This financial statement has been prepared for the Ontario Ministry of Children, Community and Social Services ("the Ministry"). It is prepared in accordance with Canadian public sector accounting standards, except that it does not provide for employee future benefits and tangible capital assets are expensed as incurred. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations.

Significant accounting policies are as follows:

Revenue recognition

Revenue and expenditures are reported on the accrual basis of accounting.

The accrual basis of accounting recognizes revenues as they become available and measurable. Expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

Capital assets

The historical cost and accumulated depreciation of capital assets are not recorded for municipal purposes. Capital assets acquired are reported as an expenditure and amortization is not recorded on the statement of revenue and expenditure and surplus.

Employee future benefits

Employee future benefits are provided which will require funding in future periods. These benefits include sick leave, benefits under the Workplace Safety and Insurance Board ("WSIB") Act, and life insurance, extended health and dental benefits for early retirees. These benefits are recorded on a cash basis.

2. **Grant receivable/repayable**

The grant receivable/repayable to the Province of Ontario is subject to audit verification by the Ontario Ministry of Children, Community and Social Services. The grant receivable/repayable is non-interest bearing and is normally recovered/repaid in the

The Regional Municipality of Niagara Public Health Department

Healthy Babies, Healthy Children Program

Notes to the schedule of revenue and expenses

March 31, 2024

subsequent year. The surplus repayable to the Province of Ontario for the year ended March 31, 2024, is \$nil (2022-23 \$nil).

	2024	2023
	\$	\$
Grant receivable (repayable), beginning of period	(20,638)	(20,638)
Excess of grant over allowable expenses	-	-
Excess of expenditures over revenue	205,809	262,197
<u>Expenditures in excess of the budget</u>	<u>(205,809)</u>	<u>(262,197)</u>
<u>Grant receivable (repayable), end of period</u>	<u>(20,638)</u>	<u>(20,638)</u>

3. Administration costs

Administration costs are allocated under the indirect allocation methodology included in the cost allocation policy.

Under this methodology, all departments providing program/service support functions, as identified during the budget process, will allocate their costs using a basis that best match actual costs with the most appropriate beneficial recipient of the cost.

Administration costs are comprised of the following charges:

	2024	2024	2023
	Budget	Actual	Actual
	\$	\$	\$
Accounting services	2,484	1,505	1,594
Payroll services	36,497	30,918	23,606
Human resources serv	22,674	16,252	17,459
IT program support ser	43,768	106,039	124,047
Legal services	-	-	-
Insurance costs	2,612	3,616	4,241
Printing costs	9,183	14,626	9,970
Capital financing allocat	12,297	30,496	75,692
	<u>129,515</u>	<u>203,452</u>	<u>256,609</u>

The Regional Municipality of Niagara Public Health Department

Healthy Babies, Healthy Children Program

Notes to the schedule of revenue and expenses

March 31, 2024

4. **Budget data**

The budget data presented in the schedule is based on the budget data submitted to the Ontario Ministry of Children, Community and Social Services.

Subject: Approval of 2024 Community Services Program Audits

Report to: Public Health and Social Services Committee

Report date: Tuesday, July 9, 2024

Recommendations

1. That the draft audited annual reconciliation return for the Community Support Services Program (Appendix 1 to Report COM 21-2024) for the period ended March 31, 2024, **BE APPROVED**;
2. That the draft audited schedule of Revenue and Expenses for the Reaching Home Program (Appendix 2 to Report COM 21-2024) for the year ended March 31, 2024, **BE APPROVED**;
3. That staff **BE DIRECTED** to coordinate with the auditor to finalize the statements as presented; and
4. That Report COM 21-2024 **BE FORWARDED** to the Region’s Audit Committee for information.

Key Facts

- The purpose of this report is to obtain approval for the audited annual reconciliation return (“ARR”) and the schedule of revenue and expenses (“financial schedule”) for the respective programs in accordance with the federal and provincial funding requirements.
- Ontario Health West and the Ministry of Long-Term Care determined that Community Support Services Program was required to change the audit from the calendar year-end to March 31st fiscal year. As a result, the draft annual reconciliation return for the Community Support Services Program (Appendix 1 to Report COM 21-2024) is for the 15-month period of January 1, 2023 to March 31, 2024.
- The Ministry deadlines for the Community Support Services and Reaching Home funding programs are June 30, 2024 and July 31, 2024, respectively. To accommodate the timing of the committee reporting schedule and year-end adjustment, arrangements have been made with the Ontario Health West and the Ministry of Long-Term Care to allow for submission of the Community Support Services Program by July 31, 2023.

- As per the Financial Reporting and Forecasting Policy (C-F-020), other financial statements or schedules performed for ministry funding purposes, will be recommended for approval to Council by the Standing Committee with oversight of the program. Upon approval by Council, the department Commissioner, or delegated authority, and the Treasurer will be authorized to sign the auditor's representation letter to obtain the auditor's signed report. The approved statements will then be forwarded to the Audit Committee for information.

Financial Considerations

The ARR of the Community Support Services program (also referred to as Seniors Community Programs) and the financial schedule for the Reaching Home program have been prepared in compliance with the guidelines and policies stipulated by the corresponding ministry. A draft copy of the ARR for the Community Support Services program is attached as Appendix 1 to Report COM 21-2024 and a draft copy of the financial schedule for the Reaching Home program is attached as Appendix 2 to Report COM 21-2024.

The ARR and the financial schedule are prepared specifically for the purposes of meeting the requirements outlined in the service agreements with the funding ministries. These reports are a provincial/federal requirement as noted in the audit report for the programs. The financial schedules are prepared to assist The Regional Municipality of Niagara (Niagara Region) in complying with the guidelines. As a result, the schedule may not be suitable for another purpose.

Analysis

The ARR and the financial schedule were audited by Niagara Region's external auditors, Deloitte. The auditors have indicated that, based on their review, nothing has come to their attention that causes them to believe that this information is not, in all material aspects, in accordance with the requirements identified.

The recommendation for approval of audited schedules performed for ministry funding purposes rest with the Committee to which the department is responsible for the funding reports. Upon approval by Committee and Council, the department's Commissioner and Treasurer will be authorized to sign the auditor's representation letter to obtain the auditor's signed report. These schedules are then forwarded to the Audit Committee for information.

Below is a summary of the results of the audited schedules. These financial schedules are subject to minor wording changes once the schedules are finalized:

- Community Support Service – This program has a surplus of \$426,942 (4.3% of total program funding) for the 15-month period ending March 31, 2024. These funds will be returned to Ontario Health by way of a reduction in future payments to Niagara Region. The program surplus is mainly due to the timing of funding announcements, which limited the ability to plan for and spend funds within the reporting period, as outlined below.

In April 2024, Ontario Health West and the Ministry of Long-Term Care instructed Niagara Region to align financial reporting dates for this program to align with the provincial reporting period by shifting from calendar year reporting (January-December) to fiscal year reporting (April-March). As a result of this mandatory reporting change, the financial schedules contain 15 months of financial data (January 1, 2023 to March 31, 2024). In March 2024, Niagara Region received \$139,743 of one-time funding that it is unable to spend given the direction to shift reporting practices came after the operating period had closed.

Also contributing to the surplus was a timing discrepancy for funding received for a new program under this agreement. In February 2023 Niagara Region was approved for one-time funding to operate a new recuperative care unit for individuals who are homeless and 18+ that require a level of care upon discharge from hospital that the shelter system cannot provide. Objective is to provide short term (6 to 8 weeks) support and housing assistance such that individuals can be housed or return to shelter at the end of the program. Funding for this program was flowed by Ontario Health in advance of the program opening, and timing of efforts to hire staff and open the site resulted in excess funding at the onset of the program of \$228,056. Since that initial quarter of setup and opening of recuperative care, provincial allocations have been fully expended.

- Reaching Home Program (supporting homelessness services) – commenced April 1, 2019, and ends March 31, 2028, and has no funds returnable for the current reporting period of April 1, 2023 through March 31, 2024

Alternatives Reviewed

The audited financial schedules are a ministry requirement and therefore no alternatives are available.

Relationship to Council Strategic Priorities

Providing financial information is aligned to Effective Region, delivery of fiscally responsible and sustainable core services.

Other Pertinent Reports

None.

Prepared by:

Melanie Steele, CPA, CA
Associate Director, Reporting & Analysis
Corporate Services

Recommended by:

Adrienne Jugley, MSW, RSW, CHE
Commissioner
Community Services

Submitted by:

Ron Tripp, P.Eng.
Chief Administrative Officer

This report was prepared in consultation with Jordan Gamble, CPA, CA, Program Financial Specialist and Eniola Olooto, CPA, CGA, Program Financial Specialist

Appendices

Appendix 1 Community Support Services Program – 2024 Annual Reconciliation Return

Appendix 2 Reaching Home Program – 2024 Schedule of Revenue and Expenses

Annual Reconciliation Report
The Regional Municipality of Niagara
Community Services Department
Community Support Service Program

March 31, 2024

Independent Auditor's Report	1-2
Annual Reconciliation Report	3-24
Note to the Annual Reconciliation Report	25

Draft

Independent Auditor's Report

To the Board of Directors of
To the Members of Council of the Regional Municipality of Niagara,
Ontario Ministry of Health – West Region

Opinion

We have audited the accompanying schedules (ARRFin1 and ARRFin2) of the Annual Reconciliation Report of the Regional Municipality of Niagara (the "Region") Community Services Department – Community Support Service Program (the "Program") for the 15-month period ended March 31, 2024 and notes to the schedules (collectively referred to as the "schedules").

In our opinion, the accompanying schedules for the 15-month period ended March 31, 2024 are prepared, in all material respects, in accordance with the financial reporting provisions in guidelines in Chapters 3 of the Ontario Healthcare Reporting Standards 12.0 and the Community Financial Policy (2016) issued by the Ontario Ministry of Health and Ministry of Long-Term Care (collectively referred to as the "guidelines").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Schedules* section of our report. We are independent of the Region in accordance with the ethical requirements that are relevant to our audit of the schedules 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the schedule, which describes the basis of accounting. The schedules are prepared to assist the Program in complying with the financial reporting provisions in the guidelines. As a result, the schedule may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Schedules

Management is responsible for the preparation of the schedules in accordance with the Financial Reporting Framework, and for such internal control as management determines is necessary to enable the preparation of the schedules that are free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Region's financial reporting process.

Auditor's Responsibilities for the Audit of the Schedules

Our objectives are to obtain reasonable assurance about whether the schedules 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 GAAS 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 schedules.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the schedules, 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 Region's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.
- 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
Licensed Public Accountants
July 25, 2024

IFIS / Recipient #		13115
SRI Organization Code		4165
Report Name	2023-24 Account Reconciliation Report	
Ontario Region (formerly LHIN)	Hamilton Niagara Haldimand Brant (Hnhb)	
Service Provider Name	Regional Municipality of Niagara	
Service Provider Legal Name	Regional Municipality of Niagara	

Service Provider Address

Address 1	1815 Sir Isaac Brock Way	
Address 2	P.O. Box 1042	
City	Thorold	
Postal Code	L2V4T7	

HSP Contact Name	Jordan Gamble	
HSP Contact Position	Program Financial Specialist	
HSP Contact Phone Number	905-685-4225, ext. 3815	
HSP Contact E-mail Address	jordan.gamble@niagararegion.ca	

TOTAL AGENCY

Form ARRfin 1- Total Ontario Health & Ministry Managed- Financial
Regional Municipality of Niagara

		TOTAL HSP
TABLE G: Total Agency Reporting Summary by Fund Type (Total Agency Financials)		Line #
Total Revenue Fund Type 1	115	-
Total Expenses Fund Type 1	116	-
Net Surplus/Deficit Fund Type 1 (Hospital)	117	-
Total Revenue Fund Type 2 (Above)	118	9,836,265
Total Expenses Fund Type 2 (Above)	119	9,409,323
Net Surplus/Deficit Fund Type 2 (Community Programs)	120	426,942
Total Revenue Fund Type 3	121	-
Total Expenses Fund Type 3	122	-
Net Surplus/Deficit Fund Type 3 (Other)	123	-
Total Revenue for the Provider	124	9,836,265
Total Expenses for the Provider	125	9,409,323
Net Surplus/Deficit	126	426,942

Select TPBE (Transfer Payment Business Unit)		TOTAL	OH - CSS	OH - CSS Comments
Funding Initiative (Please select from drop down)			Select Funding Initiative (where applicable)	
Table B	Line #			
OH Cash Flow:				
Funding - Ontario Health (OH)	1	7,811,652	6,639,762	Base Funding (Reporting Period - January 2023 - March 2024)
Funding - Provincial MOH	2	-		
Funding - Ontario Health One-Time	3	1,671,433	1,632,462	Primarily \$1,466,457 of funding for Recuperative Care program (Short-term Transitional Care Model)
Funding - Provincial MOH One-Time	4	-		
Sessional fee funding - OH	5	-		
Sessional fee funding - MOH	6			
Total Ontario Health funding as per cash flow	7	9,483,085	8,272,224	
Service Recipient Revenue	8	313,502	313,502	
Recoveries from External/Internal Sources	9	39,678	11,555	
Donations	10	-		

Select TPBE (Transfer Payment Business Unit)		TOTAL	OH - CSS	OH - CSS Comments
Other Funding Sources and Other Revenue	11	-		
Other revenue adjustments (detailed comments required)	12	-		
Total revenue adjustments	13	353,181	325,058	
Total FUND TYPE 2 funding for settlement purposes	14	9,836,265	8,597,281	
Deferred OH funding used to purchase capitalized items in the current year (Enter as Negative Amount)	15	-		
Amortization of donation revenue and OH funding in the current fiscal year	16	-		
Other Adjustments including OH recovery (detailed comments required)	17	-		
Total Revenue FUND TYPE 2	18	9,836,265	8,597,281	
EXPENSES- Fund Type 2				
Compensation				
Salaries and Wages (Worked + Benefit + Purchased)	19	6,335,332	5,410,380	
Benefit Contributions	20	1,371,605	1,191,570	
Employee Future Benefit Compensation	21	-		
Nurse Practitioner Remuneration	22	123,308	123,308	
Medical Staff Remuneration	23	-		
Sessional Fees	24	-		
Service Costs				
Med/Surgical Supplies and Drugs	25	29,153	27,342	
Supplies and Sundry Expenses (excl. Med/Surg Supplies & Drugs)	26	429,669	415,295	
Community One Time Expense	27	-	-	
Equipment Expenses	28	51,201	50,884	

Select TPBE (Transfer Payment Business Unit)		TOTAL	OH - CSS	OH - CSS Comments
Amortization on Major Equip and Software License and Fees	29	-		
Contracted Out Expense	30	630,963	630,963	
Buildings and Grounds Expenses	31	438,092	438,092	
Building Amortization	32	-		
TOTAL EXPENSES Fund Type 2	33	9,409,323	8,287,834	
Depreciation/Amortization of Capital Assets for the Program and Admin & Support	34	-	-	
Total Capitalized Purchases and Services in current year	35	-	-	
(CHC & Home Care purposes only) Inadmissible salary expenses	36	-		
(CHC & Home Care purposes only) Less: Other adjustments	37	-		
Total Expenses for Settlement Purposes	38	9,409,323	8,287,834	
Less sessional fee expenses (Enter as Negative Amount)	39	-		
Less one time expenses as per listing below (Negative sum of	40	- 1,443,377	- 1,404,406	
Total operating expenses for settlement purposes	41	7,965,946	6,883,428	
Operating Recovery	42	198,887	81,391	
Sessional Fee Recovery	43	-	-	
One Time Recovery	44	228,056	228,056	
Total Settlement Recovery	45	426,942	309,447	

Select TPBE (Transfer Payment Business Unit)		TOTAL	OH - CSS	OH - CSS Comments
TABLE C: One-Time Expenses	Line #			
Capitalized purchases from One Time funding Section C-1				
	46	-		
	47	-		
	48	-		
	49	-		
	50	-		
	51	-		
	52	-		
	53	-		
	54	-		
	55	-		
	56	-		
	57	-		
	58	-		
	59	-		
	60	-		
Total One-time capitalized purchases from One-time funding	61	-	-	
Operating expenses from One Time Funding Section C-2				
	62	1,206,981	1,174,360	Salaries
	63	163,034	156,685	Benefits
	64	3,293	3,293	Buildings & Grounds Expenses

Select TPBE (Transfer Payment Business Unit)		TOTAL	OH - CSS	OH - CSS Comments
	65	549	549	Contracted Out Expense
	66	18,310	18,310	Equipment Expenses
	67	51,158	51,158	Supplies & Sundry Expenses
	68	51	51	Medical Supplies
	69	-		
	70	-		
	71	-		
	72	-		
	73	-		
	74	-		
Total One-time operating expenses from One-time funding	77	1,443,377	1,404,406	

Select TPBE (Transfer Payment Business Unit)		TOTAL	OH - CSS	OH - CSS Comments
TABLE D: Operating Expenses				
Capitalized expenses Sourced from Operating Funding (Section D-1) (All capitalized items regardless of amount)				
	78	-		
	79	-		
	80	-		
	81	-		
	82	-		
	83	-		
	84	-		
	85	-		
	86	-		
	87	-		
	88	-		
	89	-		
	90	-		
	91	-		
	92	-		
Total Capitalized expenses from Operating Funding	93	-	-	
Non- capitalized one-time expenses > \$5,000 Sourced from Operating Funding (Section D-2)				
	94	-		
	95	-		

Select TPBE (Transfer Payment Business Unit)		TOTAL	OH - CSS	OH - CSS Comments
	96	-		
	97	-		
	98	-		
	99	-		
	100	-		
	101	-		
	102	-		
	103	-		
	104	-		
	105	-		
	106	-		
	107	-		
	108	-		
Total Non-Capitalized One-time expenses >\$5,000 from Operating Funding	109	-	-	
Total One Time Expenses	110	1,443,377	1,404,406	

TABLE F: Sessional Fees Summary (Enter the # of Sessions Delivered)				
# of Sessions Delivered (From Sessional Fees)	111	-		
Calculated Cost Per Session	112	0.00	0.00	

TABLE G: Total Agency Reporting Summary by Fund Type (Total Agency Financials)				
	Line #	TOTAL		
Total Revenue Fund Type 1	113	-		
Total Expenses Fund Type 1	114	-		

Select TPBE (Transfer Payment Business Unit)		TOTAL	OH - CSS	OH - CSS Comments
Net Surplus/Deficit Fund Type 1 (Hospital)	115	-	-	
Total Revenue Fund Type 2 (Above)	116	9,836,265	8,597,281	
Total Expenses Fund Type 2 (Above)	117	9,409,323	8,287,834	
Net Surplus/Deficit Fund Type 2 (Community Programs)	118	426,942	309,447	
Total Revenue Fund Type 3	119	-		
Total Expenses Fund Type 3	120	-		
Net Surplus/Deficit Fund Type 3 (Other)	121	-	-	
Total Revenue for the Provider	122	9,836,265	8,597,281	
Total Expenses for the Provider	123	9,409,323	8,287,834	
Net Surplus/Deficit	124	426,942	309,447	

END OF WORKSHEET

Select TPBE (Transfer Payment Business Unit)		TOTAL	OH - SH	OH - SH Comments
Funding Initiative (Please select from drop down)			Select Funding Initiative (where applicable)	
Table B	Line #			
OH Cash Flow:				
Funding - Ontario Health (OH)	1	7,811,652	1,171,890	Base Funding (Reporting Period - January 2023 - March 2024)
Funding - Provincial MOH	2	-		
Funding - Ontario Health One-Time	3	1,671,433	38,971	
Funding - Provincial MOH One-Time	4	-		
Sessional fee funding - OH	5	-		
Sessional fee funding - MOH	6			
Total Ontario Health funding as per cash flow	7	9,483,085	1,210,861	
Service Recipient Revenue	8	313,502		
Recoveries from External/Internal Sources	9	39,678	28,123	
Donations	10	-		

Select TPBE (Transfer Payment Business Unit)		TOTAL	OH - SH	OH - SH Comments
Other Funding Sources and Other Revenue	11	-		
Other revenue adjustments (detailed comments required)	12	-		
Total revenue adjustments	13	353,181	28,123	
Total FUND TYPE 2 funding for settlement purposes	14	9,836,265	1,238,984	
Deferred OH funding used to purchase capitalized items in the current year (Enter as Negative Amount)	15	-		
Amortization of donation revenue and OH funding in the current fiscal year	16	-		
Other Adjustments including OH recovery (detailed comments required)	17	-		
Total Revenue FUND TYPE 2	18	9,836,265	1,238,984	
EXPENSES- Fund Type 2				
Compensation				
Salaries and Wages (Worked + Benefit + Purchased)	19	6,335,332	924,951	
Benefit Contributions	20	1,371,605	180,035	
Employee Future Benefit Compensation	21	-		
Nurse Practitioner Remuneration	22	123,308		
Medical Staff Remuneration	23	-		
Sessional Fees	24	-		
Service Costs				
Med/Surgical Supplies and Drugs	25	29,153	1,811	
Supplies and Sundry Expenses (excl. Med/Surg Supplies & Drugs)	26	429,669	14,374	
Community One Time Expense	27	-	-	
Equipment Expenses	28	51,201	318	

Select TPBE (Transfer Payment Business Unit)		TOTAL	OH - SH	OH - SH Comments
Amortization on Major Equip and Software License and Fees	29	-		
Contracted Out Expense	30	630,963		
Buildings and Grounds Expenses	31	438,092		
Building Amortization	32	-		
TOTAL EXPENSES Fund Type 2	33	9,409,323	1,121,489	
Depreciation/Amortization of Capital Assets for the Program and Admin & Support	34	-	-	
Total Capitalized Purchases and Services in current year	35	-	-	
(CHC & Home Care purposes only) Inadmissible salary expenses	36	-		
(CHC & Home Care purposes only) Less: Other adjustments	37	-		
Total Expenses for Settlement Purposes	38	9,409,323	1,121,489	
Less sessional fee expenses (Enter as Negative Amount)	39	-		
Less one time expenses as per listing below (Negative sum of	40	- 1,443,377	- 38,971	
Total operating expenses for settlement purposes	41	7,965,946	1,082,518	
Operating Recovery	42	198,887	117,496	
Sessional Fee Recovery	43	-	-	
One Time Recovery	44	228,056	-	
Total Settlement Recovery	45	426,942	117,496	

Select TPBE (Transfer Payment Business Unit)		TOTAL	OH - SH	OH - SH Comments
TABLE C: One-Time Expenses	Line #			
Capitalized purchases from One Time funding Section C-1				
	46	-		
	47	-		
	48	-		
	49	-		
	50	-		
	51	-		
	52	-		
	53	-		
	54	-		
	55	-		
	56	-		
	57	-		
	58	-		
	59	-		
	60	-		
Total One-time capitalized purchases from One-time funding	61	-	-	
Operating expenses from One Time Funding Section C-2				
	62	1,206,981	32,621	Salaries
	63	163,034	6,350	Benefits
	64	3,293		

Select TPBE (Transfer Payment Business Unit)		TOTAL	OH - SH	OH - SH Comments
	65	549		
	66	18,310		
	67	51,158		
	68	51		
	69	-		
	70	-		
	71	-		
	72	-		
	73	-		
	74	-		
	75	-		
76	-			
Total One-time operating expenses from One-time funding	77	1,443,377	38,971	

Select TPBE (Transfer Payment Business Unit)		TOTAL	OH - SH	OH - SH Comments
TABLE D: Operating Expenses				
Capitalized expenses Sourced from Operating Funding (Section D-1) (All capitalized items regardless of amount)				
	78	-		
	79	-		
	80	-		
	81	-		
	82	-		
	83	-		
	84	-		
	85	-		
	86	-		
	87	-		
	88	-		
	89	-		
	90	-		
	91	-		
92	-			
Total Capitalized expenses from Operating Funding	93	-	-	
Non- capitalized one-time expenses > \$5,000 Sourced from Operating Funding (Section D-2)				
	94	-		
	95	-		

Select TPBE (Transfer Payment Business Unit)		TOTAL	OH - SH	OH - SH Comments
	96	-		
	97	-		
	98	-		
	99	-		
	100	-		
	101	-		
	102	-		
	103	-		
	104	-		
	105	-		
	106	-		
	107	-		
	108	-		
Total Non-Capitalized One-time expenses >\$5,000 from Operating Funding	109	-	-	
Total One Time Expenses	110	1,443,377	38,971	

TABLE F: Sessional Fees Summary (Enter the # of Sessions Delivered)				
# of Sessions Delivered (From Sessional Fees)	111	-		
Calculated Cost Per Session	112	0.00	0.00	

TABLE G: Total Agency Reporting Summary by Fund Type (Total Agency Financials)				
	Line #	TOTAL		
Total Revenue Fund Type 1	113	-		
Total Expenses Fund Type 1	114	-		

Select TPBE (Transfer Payment Business Unit)		TOTAL	OH - SH	OH - SH Comments
Net Surplus/Deficit Fund Type 1 (Hospital)	115	-	-	
Total Revenue Fund Type 2 (Above)	116	9,836,265	1,238,984	
Total Expenses Fund Type 2 (Above)	117	9,409,323	1,121,489	
Net Surplus/Deficit Fund Type 2 (Community Programs)	118	426,942	117,496	
Total Revenue Fund Type 3	119	-		
Total Expenses Fund Type 3	120	-		
Net Surplus/Deficit Fund Type 3 (Other)	121	-	-	
Total Revenue for the Provider	122	9,836,265	1,238,984	
Total Expenses for the Provider	123	9,409,323	1,121,489	
Net Surplus/Deficit	124	426,942	117,496	

END OF WORKSHEET

PROXY PAY EQUITY ANNUAL REPORT

This form is to be completed by transfer payment organizations who receive proxy pay equity funding from the Ministry of Health and Long-Term Care, pursuant to the April 23, 2003 Memorandum of Settlement. It must be completed on an annual basis until an organization no longer has a pay equity obligation.

SECTION 1: BASIC PROGRAM INFORMATION			
Name of Agency:	<u>Regional Municipality of Niagara</u>		
Vendor #:	<input type="text"/>	Reporting Period: from	<input type="text"/> to <input type="text"/>
Contact Person:	<input type="text"/>		Phone: <input type="text"/>

SECTION 2: EXPENDITURE REPORT

Sources of Proxy Pay Equity Funds

Ministry of Health and Long-Term Care

\$

A

Other (Specify)

TOTAL

0.00

Expenditures

Actual Proxy Pay Equity Expenses

B

Surplus(Deficit)

0.00

A-B

Current Outstanding Liabilities

Total Number of Individuals Receiving Proxy Pay Equity

Draft

SECTION 3: CERTIFICATION

I, [redacted] hereby certify that to the best of my knowledge the financial data is correct and it is reflected in the year-end settlement.

(Signature of Health Service Provider Authority)

Title: [redacted]

Draft

Certification by Provider Fiscal 2023-24

Having the authority to bind the Health Service Provider, we certify that the information provided in ARRFin1, ARRFin2 and ARRFin3 are complete and accurate

Regional Municipality of Niagara	
N/A	
Name of Signing Officer	Date
Signing Officer***	
N/A	
Title	
N/A	
Name of Signing Officer	Date
Signing Officer***	
N/A	
Title	

***I have the authority to bind the Health Service Provider

The Regional Municipality of Niagara Community Services Department
Community Support Service Program
Note to the Annual Reconciliation Report
March 31, 2024

1. Significant Accounting Policies

Basis of accounting

These schedules have been prepared for the Ontario Ministry of Health, Ministry of Long-Term Care and Ontario Health. They are prepared in accordance with the financial reporting provisions in the guidelines in Chapters 3 of the Ontario Healthcare Reporting Standards 12.0 and the Community Financial Policy (2016) issued by the Ontario Ministry of Health, which approximates Canadian public sector accounting standards, except that they do not provide for employee future benefits and tangible capital assets are expensed as incurred. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial information necessarily involves the use of estimates and approximations. These have been made using careful judgments.

Revenue and expenses

Revenue is recognized as amounts become available and are measurable.
Expenses are recognized as they are incurred and measurable.

Capital assets

The historical cost and accumulated depreciation of capital assets are not recorded. Capital assets acquired are reported as expenditures and amortization is not reported on ARRFin1 and ARRFin2.

Employee future benefits

Employee future benefits are provided which will require funding in future periods. These benefits include sick leave, benefits under the Workplace Safety and Insurance Board ("WSIB") Act, and life insurance, extended health and dental benefits for early retirees. These benefits are recorded on a cash basis.

Schedule of revenue and expenses
The Regional Municipality of Niagara
Reaching Home – Canada’s
Homelessness Strategy Program

March 31, 2024

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Independent Auditor's Report

To the Members of Council of the Regional Municipality of Niagara and the Ministry of Employment and Social Development Canada

Opinion

We have audited the accompanying schedule of revenue and expenses of the Regional Municipality of Niagara (the "Region") Reaching Home – Canada's Homelessness Strategy Program (the "Program") for the year ended March 31, 2024 and notes to the schedule (collectively referred to as the "schedule").

In our opinion, the accompanying schedule of the Program for the year ended March 31, 2024 have been prepared, in all material respects, in accordance with the financial reporting provisions of the agreement between the Her Majesty the Queen in Right of Canada, as represented by the Minister of Employment and Social Development Canada and the Regional Municipality of Niagara signed June 12, 2019 (the "guidelines").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Schedules* section of our report. We are independent of the Region in accordance with the ethical requirements that are relevant to our audit of the schedules 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the schedule, which describes the basis of accounting. The schedule is prepared to assist the Program in complying with the financial reporting provisions of the agreement between the Ministry of Employment and Social Development Canada and the Regional Municipality of Niagara. As a result, the schedule may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Schedule

Management is responsible for the preparation of the schedules in accordance with the Financial Reporting Framework, and for such internal control as management

determines is necessary to enable the preparation of the schedules that are free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Region's financial reporting process.

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the schedules 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 GAAS 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 schedules.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the schedules, 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 Region's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.

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
Licensed Public Accountants
July 25, 2024

Reaching Home - Canada's Homelessness Strategy

Schedule of revenue and expenses

Year ended March 31, 2024

	Note	2024	2023
		\$	\$
Revenue:			
Ministry funding	2	5,128,045	3,912,364
Expenditures:			
Sub-project costs		4,780,881	3,715,907
Program management & administrative		347,164	196,457
Total expenditures		5,128,045	3,912,364
Excess of eligible expenditures over revenue		-	-

See accompanying notes to the schedule of revenues and expenditures.

The Regional Municipality of Niagara
Reaching Home – Canada’s Homelessness Strategy
Program Notes to the schedule of revenue and expenses
March 31, 2024

1. Significant accounting policies

Basis of accounting

The schedule has been prepared for the Office of Infrastructure of Canada (INFC) Employment and Social Development Canada. The agreement between the Ministry of Employment and Social Development Canada and the Regional Municipality of Niagara requires the schedule to be prepared in a manner consistent with generally accepted accounting principles (“GAAP”). Management of The Regional Municipality of Niagara has interpreted GAAP to be recognition and measurement principles in accordance with Canadian Public Sector Accounting Standards, except that it does not provide for employee future benefits and does not capitalize and amortize tangible capital assets. Management has further interpreted that GAAP does not include the presentation principles or the presentation of all financial statements and note disclosures required by GAAP for a complete set of financial statements.

Revenue and expenses

Revenues are reported on the accrual basis of accounting.

Expenses are recorded if they are eligible for the program and incurred in the period, except for employee future benefits.

Employee future benefits

Employee future benefits are provided which will require funding in future periods. These benefits include sick leave, benefits under the Workplace Safety and Insurance Board (“WSIB”) Act, and life insurance, extended health and dental benefits for early retirees. These benefits are recorded on a cash basis.

2. Ministry funding

This project commenced April 1, 2019 and will end March 31, 2024. Total maximum amount of Canada’s contribution is \$24,659,958.

The funding allocation under Reaching Home will be used to support priorities and recommendations of the joint housing and homelessness action plan task force / Community Advisory Board (\$22,106,963). There is incremental funding to support initial investments towards the design and implementation of Coordinated Access (\$1,297,160) and Winter 2023/2024 Unsheltered Homelessness Response Funding (\$1,255,835).

The maximum amount payable by the Ministry in each fiscal year of the project is:

The Regional Municipality of Niagara
Reaching Home – Canada’s Homelessness Strategy
Program Notes to the schedule of revenue and expenses
 March 31, 2024

	Designated Community \$	Coordinated Access \$	Unsheltered Response \$	Total Funding \$
2020	837,176	121,420	—	958,596
2021	837,176	103,920	—	941,096
2022	4,065,127	103,920	—	4,169,047
2023	3,718,784	193,580	—	3,912,364
2024	3,678,630	193,580	1,255,835	5,128,045
2025	3,475,467	193,580	—	3,669,047
2026	3,475,467	193,580	—	3,669,047
2027	1,009,568	96,790	—	1,106,358
2028	1,009,568	96,790	—	1,106,358
	22,106,963	1,297,160	1,255,835	24,659,958

Memorandum

AC-C 9-2024

Subject: Status Update on Internal Audit Engagements

Date: September 16, 2024

To: Audit Committee

From: Hari Vemuri, Manager, Internal Audit

This memorandum provides a comprehensive update on status of internal audit engagements which were approved by the Audit Committee for the year 2024

Internal Audit	Detailed Status Update	Status
Vendor Performance Management for Tier 1 Contracts	KPMG has completed the audit report and presented the findings to the leadership team. Management is currently addressing the identified action items and finalizing timelines for their implementation.	Fieldwork completed; final report delayed to December 2024.
Vendor Governance and Relationship Management for Consulting Services	The audit report, prepared by KPMG, has been submitted to the leadership team. Management is in the process of executing the necessary action items and establishing deadlines for implementation.	Fieldwork completed; final report delayed to December 2024.
P-Card Audit (2017) –Follow up Audit	Fieldwork is ongoing, and the audit report is on track to be presented at the next Audit Committee meeting, scheduled for December 9, 2024.	On track

Controlled Medications Storage and Monitoring Controls - Phase 2	Fieldwork is in progress. The final audit report will be presented at the upcoming Audit Committee meeting on December 9, 2024.	On track
Region Operated Child Care Centres –CWELCC Compliance Audit	The Request for Proposal (RFP) has been issued to engage an external audit firm. The audit is slated for completion by Q1 2025, with the final report to be presented at the Audit Committee meeting in Q2 2025.	On track
Purchase and Operation of Vacuum Truck (Consulting Engagement)	KPMG has reviewed a sample as part of the audit process for the vendor performance management audit. A detailed audit will be conducted on the sample once management action plans are implemented.	On track
Whistleblower Policy Implementation and Benchmarking Analysis	Planning is in progress to complete the audit by Q1 2025.	On track

Respectfully submitted and signed by

Hari Vemuri
Manager, Internal Audit