Subject: Approval of 2020 Public Health Program Audits
Report to: Public Health and Social Services Committee
Report date: Tuesday, July 14, 2020

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, 2019 (Appendix 1 and 2), BE APPROVED;
2. That the draft audited schedule of revenue and expenses for the Infant & Child Development Services (“ICDS”) program for the year ended March 31, 2020 (Appendix 3) BE APPROVED;
3. That the draft audited schedule of revenue and expenses and questionnaire for the Healthy Babies, Healthy Children (“HBHC”) program for the year ended March 31, 2020 (Appendix 4 and 5) BE APPROVED;
4. That staff BE DIRECTED to co-ordinate with the auditor to finalize the statements as presented; and
5. That report PHD 04-2020 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 and annual reconciliation return in accordance with the provincial requirements.
- In previous years, the ICDS and HBHC programs financial results had been reported to the Ministry using a December 31 year end (for each year). The current year schedule of revenue and expenses (“financial schedule”) and the annual reconciliation return have been reported as of March 31 in order to align with the reporting date of the respective Ministry, as per Ministry direction in 2019.
- As a result of the reporting date change, the HBHC and ICDS financial schedules as of March 31, 2020 contain 15 months of financial data (January 1, 2019 to March 31, 2020). For both programs, subsequent financial schedules will contain 12 months of data with the fiscal year running April 1 to March 31 (in alignment with the Ministry).
- 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 Audit Committee for information.

Financial Considerations

The schedules of revenue and expense ("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 schedules, annual reconciliation return and questionnaire for the periods ended December 31, 2019 and March 31, 2020 are attached as Appendix 1-5.

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 Department are a Ministry requirement as noted in the audit reports for each of the respective programs as follows:

Public Health General Programs:

“The schedule is prepared to assist the Regional Municipality of Niagara in complying with the financial reporting provisions of the Guidelines (Public Health Accountability Agreement effective January 1, 2019 between the Ontario Ministry of Health and Long Term Care and The Regional Municipality of Niagara). As a result, the schedule may not be suitable for another purpose."

Infant & Child Development Services:

“The schedule is prepared to assist the Program to comply with the financial reporting provisions of the agreement between the Ontario Ministry of Children, Community and Social Services and the Regional Municipality of Niagara. As a result, the schedule may not be suitable for another purpose.”
Healthy Babies, Healthy Children:

“The schedule is prepared to assist the Program in complying with the financial reporting provisions of the agreement dated January 1, 2018 between the Ontario Ministry of Children, Community and Social Services and the Regional Municipality of Niagara. 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 rests with the Committee to which the department responsible for the funding reports. Upon approval by the Committee, these schedules are referred to Audit Committee for information. Then the department’s Commissioner and Treasurer will be authorized to sign the auditor’s representation letter to obtain the auditors signed report.

Below is a summary of the results of the audited financial schedules:

- Public Health General Programs – the program has no funds returnable for the reporting period ended December 31, 2019 as the Region has expended all allocated funding. The grant receivable of $344,798 is a result of timing of cash flow from the Ministry and should be received from the Ministry once the program results are reviewed.
- Infant & Child Development Services – the program has no funds returnable for the reporting period ended March 31, 2020 as the Region has expended all allocated funding.
- Healthy Babies, Healthy Children – the program has no funds returnable for the reporting period ended March 31, 2020 as the Region has expended all allocated funding.

These financial schedules are subject to minor wording changes once schedules are finalized.
Alternatives Reviewed

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

Relationship to Council Strategic Priorities

Providing formal financial reporting to Council and the public supports the Council Strategic Priority of Sustainable and Engaging Government.

Other Pertinent Reports

None.

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

Recommended by:
M. Mustafa Hirji, MD MPH FRCPC
Medical Officer of Health & Commissioner (Acting)
Public Health & Emergency Services

Submitted by:
Ron Tripp, P.Eng.
Acting Chief Administrative Officer

This report was prepared in consultation with Beth Brens, CPA, CA, Manager, Program Financial Support.

Appendices

Appendix 1 - Public Health General Programs – Schedule of Revenue and Expenses

Appendix 2 - Public Health General Programs – Annual Reconciliation Return

Appendix 3 - Infant & Child Development Services – Schedule of Revenue and Expenses
Appendix 4 - Healthy Babies, Healthy Children – Schedule of Revenues and Expenses

Appendix 5 – Healthy Babies, Healthy Children - Questionnaire
Schedule of revenue, expenses and grant receivable/repayable

The Regional Municipality of Niagara Public Health Department
General Programs

December 31, 2019
Table of contents

Independent Auditor’s Report ................................................................................................................................... 1-2

Schedule of revenue, expenses and grant receivable/repayable .............................................................. 3-4

Notes to the schedule ........................................................................................................................................... 5-6
Independent Auditor’s Report

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

Opinion
We have audited the accompanying schedule of revenue, expenses and grant receivable/payable of The Regional Municipality of Niagara Public Health Department – General Programs (the “Program” or “Region”) for the year ended December 31, 2019 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, 2019, is prepared, in all material respects, in accordance with the Public Health Accountability Agreement effective January 1, 2019 between the Ontario Ministry of Health and Long Term Care 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 the fact that the schedule has been prepared in accordance with the Guidelines. The schedule is prepared to assist Regional Municipality of Niagara 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 and fair presentation of the schedule in accordance with the basis of accounting as described in Note 1, 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
July 23, 2020
### General Programs

**Schedule of revenue, expenses and grant receivable/repayable year ended December 31, 2019**

<table>
<thead>
<tr>
<th></th>
<th>Revenue Budget</th>
<th>Revenue Actual</th>
<th>Expense Budget</th>
<th>Expense Actual</th>
<th>Surplus (deficit) Actual</th>
<th>Add back: ineligible expenses</th>
<th>Add back: eligible expenses (revenues) in excess of Ministry funding (deficit)</th>
<th>Grant repayable (receivable)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Province of Ontario</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MOHLTC (75%)</td>
<td>20,473,200</td>
<td>20,473,200</td>
<td>31,796,788</td>
<td>31,472,549</td>
<td>(10,999,349)</td>
<td>1,320,278</td>
<td>9,679,071</td>
<td></td>
</tr>
<tr>
<td>Chief Nursing Officer Support</td>
<td>121,500</td>
<td>121,500</td>
<td>121,500</td>
<td>121,500</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Infection Control Program</td>
<td>90,100</td>
<td>90,100</td>
<td>90,100</td>
<td>90,100</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Social Determinants of Health Nurses</td>
<td>180,500</td>
<td>180,500</td>
<td>180,500</td>
<td>180,500</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Food Safety - Farm to Fork</td>
<td>78,400</td>
<td>78,400</td>
<td>78,400</td>
<td>78,400</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Harm Reduction Program</td>
<td>250,000</td>
<td>250,000</td>
<td>250,000</td>
<td>250,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Healthy Smiles Ontario (HSO)</td>
<td>1,250,900</td>
<td>1,250,900</td>
<td>1,250,900</td>
<td>1,250,900</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Infectious Disease Control</td>
<td>611,200</td>
<td>611,200</td>
<td>611,200</td>
<td>611,200</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Needle Exchange Program Initiative</td>
<td>192,000</td>
<td>192,000</td>
<td>192,000</td>
<td>192,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Physician Services Agreement (Medical Officer of Health)</td>
<td>340,000</td>
<td>340,000</td>
<td>340,000</td>
<td>340,000</td>
<td>-</td>
<td>-</td>
<td>(27,932)</td>
<td>(27,932)</td>
</tr>
<tr>
<td>Safe Water Program</td>
<td>35,300</td>
<td>35,300</td>
<td>35,300</td>
<td>35,300</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Smoke Free Ontario Strategy Program</td>
<td>668,600</td>
<td>668,600</td>
<td>673,599</td>
<td>669,190</td>
<td>(590)</td>
<td>-</td>
<td>590</td>
<td>-</td>
</tr>
<tr>
<td>Youth Tobacco Use Prevention</td>
<td>80,000</td>
<td>80,000</td>
<td>80,000</td>
<td>80,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Ontario Seniors Dental Care Program (OSDCP)</strong></td>
<td>1,602,750</td>
<td>895,010</td>
<td>1,602,750</td>
<td>993,050</td>
<td>(188,040)</td>
<td>-</td>
<td>(188,040)</td>
<td>-</td>
</tr>
</tbody>
</table>

**One-time**

|                     |                 |                 |                 |                 |                           |                              |                                                                                |                             |
|---------------------|-----------------|-----------------|-----------------|-----------------|---------------------------|------------------------------|--------------------------------------------------------------------------------|                             |
| Business Intelligence Framework (2018-19) | - | 159,153 | - | 159,153 | - | - | - | - |
| New Purpose Built Vaccine Refrigerators (2019-20) | 85,000 | 63,750 | - | 81,972 | (18,222) | - | (18,222) | - |
| Needle Exchange Program Initiative One time (2019-20) | 90,000 | 67,500 | - | 54,127 | 13,373 | - | (13,373) | - |
| OSDCP Dental Clinic Upgrades (2019-20 Capital Funding) | 331,800 | - | - | - | - | - | - | - |
| Universal Influenza (UIPP) | - | - | - | 56,416 | (56,416) | - | 44,166 | (12,250) |
| Meningococcal C | - | - | - | 102,158 | (102,158) | - | 62,743 | (39,415) |
| Human Papillomavirus | - | - | - | 153,041 | (153,041) | - | 94,102 | (58,939) |

|                     | 26,481,250 | 25,300,436 | 37,303,037 | 36,832,811 | (11,532,375) | 1,320,278 | 9,867,299 | (344,798) |                             |

**Region grant and other income**

|                     | 10,411,773 | 10,776,311 | - | - | 10,776,311 | - | - | - | - |
| Other income | 410,014 | 411,266 | - | - | 411,266 | - | - | - | - |

**Total**

|                     | 37,303,037 | 36,488,013 | 37,303,037 | 36,832,811 | (344,798) | - | - | - | - |

The accompanying notes to the financial statements are an integral part of this financial statement.
The Regional Municipality of Niagara
Public Health Department

General Programs
Schedule of revenue, expenses and grant receivable/repayable
year ended December 31, 2018

<table>
<thead>
<tr>
<th>Region grant and other income</th>
<th>Revenue Budget</th>
<th>Revenue Actual</th>
<th>Expense Budget</th>
<th>Expense Actual</th>
<th>Surplus (deficit) Actual</th>
<th>Add back: eligible expenses</th>
<th>Add back: ineligible expenses</th>
<th>Grant repayable (receivable)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Regional Municipality of Niagara levy</td>
<td>9,079,296</td>
<td>8,973,504</td>
<td>-</td>
<td>-</td>
<td>8,973,504</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other income</td>
<td>322,000</td>
<td>343,783</td>
<td>-</td>
<td>-</td>
<td>343,783</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>9,401,296</td>
<td>9,317,287</td>
<td>-</td>
<td>-</td>
<td>9,317,287</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

The accompanying notes to the financial statements are an integral part of this financial statement.
Significant accounting policies

The schedule has been prepared for the Ontario Ministry of Health and Long Term Care in accordance with the Public Health Accountability Agreement effective January 1, 2019 between the Ontario Ministry of Health and Long Term Care and the Regional Municipality of Niagara and the 2017 Program-Based Grants User Guide (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, 2019.

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.

Grant receivable

The grant receivable from the Province of Ontario is subject to audit verification by the Ontario Ministry of Health and Long Term Care. The grants receivable are non-interest bearing and are normally received in the subsequent year.

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant receivable, beginning of year</td>
<td>95,377</td>
<td>346,814</td>
</tr>
<tr>
<td>Amounts recovered during the year</td>
<td>(164,216)</td>
<td>(347,053)</td>
</tr>
<tr>
<td>Amounts repaid during the year</td>
<td>136,223</td>
<td>158</td>
</tr>
<tr>
<td>Adjustment to prior year balances*</td>
<td>(67,382)</td>
<td>1,881</td>
</tr>
<tr>
<td>Grant receivable, current year</td>
<td>344,796</td>
<td>93,577</td>
</tr>
<tr>
<td>Grant receivable, end of year</td>
<td>344,798</td>
<td>95,377</td>
</tr>
</tbody>
</table>

*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 and Long Term Care.
Annual Reconciliation Report

The Regional Municipality of
Niagara Public Health Department
General Programs

December 31, 2019
The Regional Municipality of Niagara
Public Health Department
December 31, 2019

Table of contents

Independent Auditor’s Report ............................................................................................................................ 1-2

Annual Reconciliation Report .......................................................................................................................... 3-4

Note to the schedules ...................................................................................................................................... 5
Independent Auditor’s Report

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

Opinion
We have audited the accompanying schedules of the annual reconciliation report of The Regional Municipality of Niagara Public Health Department – General Programs (the “Program” or “Region”) for the year ended December 31, 2019 and notes to the report, including a summary of significant accounting policies (collectively referred to as the “schedules”).

In our opinion, the accompanying schedules of the Program as at December 31, 2019 is prepared, in all material respects, in accordance with the Public Health Accountability Agreement effective January 1, 2019 between the Ontario Ministry of Health and Long Term Care and The Regional Municipality of Niagara and the Instructions for completing the 2019 Annual Report and Attestation (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 the Note to the schedules, which describes the basis of accounting. The schedules are prepared to assist the Region in complying with the Guidelines. As a result, the schedules 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 basis of accounting described in the Note to the schedules, and for such internal control as management determines is necessary to enable the preparation of the schedules 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 Schedules

Our objectives are to obtain reasonable assurance about whether the schedules 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 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 23, 2020
## Section 1: Base Funding (January 1, 2019 to December 31, 2019)
- Programs Funded at 75%
- Programs Funded at 100%

### Programs Funded at 75%
- Mandatory Programs
  - Approved: 20,473,200
  - Funding Received: 20,473,200
  - Expenditure at 100%: 30,345,224
  - (Deduct) Offset Revenue: (411,523)
  - Net Expenditure: 22,450,276
  - Eligible Expenditure: 20,473,200

- Sub-Total Programs Funded at 75%: 20,473,200

### Programs Funded at 100%
- Healthy Smiles Ontario
  - Approved: 1,250,900
  - Funding Received: 1,250,900
  - Expenditure at 100%: 1,251,826
  - (Deduct) Offset Revenue: (926)
  - Net Expenditure: 1,250,900

- Ontario Seniors Dental Care Program
  - Approved: 1,602,750
  - Funding Received: 805,010
  - Expenditure at 100%: 993,050

- Enhanced Food Safety - Haines Initiative
  - Approved: 78,400
  - Funding Received: 78,400
  - Expenditure at 100%: 78,400

- Enhanced Safe Water Initiative
  - Approved: 35,300
  - Funding Received: 35,300
  - Expenditure at 100%: 35,300

- Harm Reduction Program Enhancement
  - Approved: 250,000
  - Funding Received: 250,000
  - Expenditure at 100%: 250,000

- Infectious Diseases Control Initiative
  - Approved: 611,200
  - Funding Received: 611,200
  - Expenditure at 100%: 611,200

- Needle Exchange Program Initiative
  - Approved: 192,000
  - Funding Received: 192,000
  - Expenditure at 100%: 192,000

- Nursing Initiatives
  - Approved: 392,100
  - Funding Received: 392,100
  - Expenditure at 100%: 392,100

- Smoke-Free Ontario Strategy
  - Approved: 748,600
  - Funding Received: 748,600
  - Expenditure at 100%: 748,600

- Physician Services Agreement Initiative
  - Approved: 340,000
  - Funding Received: 173,323
  - Expenditure at 100%: 201,255

### Sub-Total Programs Funded at 100%
- Approved: 5,501,250
- Funding Received: 5,363,833
- Expenditure at 100%: 4,753,731
- (Deduct) Offset Revenue: (926)
- Net Expenditure: 4,752,805
- Eligible Expenditure: 4,752,805
- Due to / (from) Province

### Total Section 1 Base Funding (January 1, 2019 to December 31, 2019)
- 25,974,450
- 25,010,033
- 35,098,955
- (412,449)
- 27,203,081
- 25,226,005

### Section 2: 2018 One-Time Funding Approved to March 31, 2019
- One-Time Projects/Initiatives Funded at 100%
- One-Time Capital Projects Funded at 100%

### Total Section 2: 2018 One-Time Funding Approved to March 31, 2019
- 159,154
- 159,154
- 159,154
- (188,040)
- 159,154
- 159,154

### Grand Total 2019 Settlement (Section 1) + (Section 2)
- 26,133,604
- 25,169,187
- 35,258,109
- (412,449)
- 27,362,235
- 25,385,159

---

**Note:** All funding amounts are in Canadian dollars.
| Section 3 2019 One-Time Funding Approved to March 31, 2020 (To be settled in 2020) | One-Time Projects / Initiatives Funded at 100% |  |
|---|---|---|---|---|---|----|
| Needle Exchange Program Initiative (100%) | 90,000 | 67,500 | 54,127 | 54,127 | 54,127 | 13,373 |
| New Purpose-Built Vaccine Refrigerators (100%) | 85,000 | 63,750 | 81,972 | 81,972 | 81,972 | (18,222) |
| OSDCP: Fort Erie Upgrades (100%) | 75,300 | - | - | - | - | - |
| OSDCP: Centre de Santé Communautaire Upgrades (100%) | 122,000 | - | - | - | - | - |
| OSCP: Niagara Falls Community Health Centre Upgrades (100%) | 134,500 | - | - | - | - | - |
| Sub-Total One-Time Projects / Initiatives Funded at 100% | 506,800 | 131,250 | 136,099 | - | 136,099 | 136,099 | (4,849) |
| Total Section 3 - 2019 One-Time Funding Approved to March 31, 2020 (To be settled in 2020) | 506,800 | 131,250 | 136,099 | - | 136,099 | 136,099 | (4,849) |
| Grand Total 2019 Settlement (Section 1) + (Section 2) | 26,133,604 | 25,169,187 | 35,258,109 | (412,449) | 27,362,235 | 25,385,159 | (215,972) |

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
## SCHEDULE 1: Schedule of Offset Revenues

### Mandatory Programs

<table>
<thead>
<tr>
<th>Line #</th>
<th>Reference</th>
<th>Actual $</th>
<th>Ministry Use Only</th>
</tr>
</thead>
<tbody>
<tr>
<td>L 1</td>
<td>Interest Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>L 2</td>
<td>Universal Influenza Immunization Program clinic reimbursement</td>
<td>(12,685)</td>
<td></td>
</tr>
<tr>
<td>L 3</td>
<td>Meningococcal C Program clinic reimbursement</td>
<td>(39,814)</td>
<td></td>
</tr>
<tr>
<td>L 4</td>
<td>Human Papilloma Virus Program reimbursement</td>
<td>(59,645)</td>
<td></td>
</tr>
<tr>
<td>L 5</td>
<td>Other (Specify):</td>
<td>(294,748)</td>
<td></td>
</tr>
<tr>
<td>L 6</td>
<td>By-law related product and service, expense reimbursement and miscellaneous revenue</td>
<td>(4,631)</td>
<td></td>
</tr>
<tr>
<td><strong>L 11</strong></td>
<td><strong>2019 Total Offset Revenues</strong></td>
<td><strong>(411,523)</strong></td>
<td></td>
</tr>
</tbody>
</table>

### Healthy Smiles Ontario

<table>
<thead>
<tr>
<th>Line #</th>
<th>Reference</th>
<th>Actual $</th>
<th>Ministry Use Only</th>
</tr>
</thead>
<tbody>
<tr>
<td>L 12</td>
<td>Interest Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>L 13</td>
<td>Revenues Generated from Other Government Dental Program:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>L 14</td>
<td>Ontario Works (OW)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>L 15</td>
<td>Ontario Disability Support Program (ODSP)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>L 16</td>
<td>Other government dental programs (please specify):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>L 17</td>
<td>By-law related product and service, expense reimbursement and miscellaneous revenue</td>
<td>(926)</td>
<td></td>
</tr>
<tr>
<td><strong>L 20</strong></td>
<td><strong>2019 Total Offset Revenues</strong></td>
<td><strong>(926)</strong></td>
<td></td>
</tr>
</tbody>
</table>

### Ontario Seniors Dental Care Program

<table>
<thead>
<tr>
<th>Line #</th>
<th>Reference</th>
<th>Actual $</th>
<th>Ministry Use Only</th>
</tr>
</thead>
<tbody>
<tr>
<td>L 21</td>
<td>Interest Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>L 22</td>
<td>Client Co-Payments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>L 23</td>
<td>Revenues Generated from Other Government Dental Program:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>L 24</td>
<td>Ontario Works (OW)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>L 25</td>
<td>Ontario Disability Support Program (ODSP)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>L 26</td>
<td>Other government dental programs (please specify):</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>L 30</strong></td>
<td><strong>2019 Total Offset Revenues</strong></td>
<td><strong>-</strong></td>
<td></td>
</tr>
</tbody>
</table>
1. **Significant accounting policies**

The report has been prepared for the Ontario Ministry of Health and Long Term Care in accordance with the Public Health Accountability Agreement effective January 1, 2019 between the Ontario Ministry of Health and Long Term Care and the Regional Municipality of Niagara and the Instructions for completing the 2019 Annual Report and Attestation (the “Guidelines”). The agreement requires 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
Infant and Child Development Services

March 31, 2020
The Regional Municipality of Niagara
Public Health Department
Infant and Child Development Services
March 31, 2020

Table of contents

Independent Auditor’s Report ............................................................................................................................ 1-2

Schedule of revenue and expenses .................................................................................................................. 3

Notes to the schedule of revenue and expenses ........................................................................................... 4-5
Independent Auditor's Report

To the Members of Council of
The Regional Municipality of Niagara and the Ministries of Children and Youth Services and 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 15 month period ended March 31, 2020 and notes to the schedule (collectively referred to as the "schedule").

In our opinion, the accompanying schedule of the Program for the 15 month period ended March 31, 2020 is prepared, in all material respects, in accordance with the financial reporting provisions of the agreement between the Ontario Ministries of Children and Youth Services and Community and Social Services and the Regional Municipality of Niagara.

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 agreement between the Ontario Ministries of Children and Youth Services and Community and Social Services 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 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
July 23, 2020
# The Regional Municipality of Niagara
## Public Health Department
### Infant and Child Development Services
#### Schedule of revenue and expenses
15 month period ended March 31, 2020

<table>
<thead>
<tr>
<th></th>
<th>2019-20 Budget (15 months)</th>
<th>2019-20 Actual (15 months)</th>
<th>2018 Actual (12 months)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Province of Ontario - Service Contract</td>
<td>710,530</td>
<td>710,530</td>
<td>568,428</td>
</tr>
<tr>
<td>One-time grant</td>
<td>-</td>
<td>-</td>
<td>3,749</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>710,530</td>
<td>710,530</td>
<td>572,177</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries</td>
<td>529,809</td>
<td>546,345</td>
<td>416,223</td>
</tr>
<tr>
<td>Benefits</td>
<td>130,134</td>
<td>133,264</td>
<td>102,186</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>659,943</td>
<td>679,609</td>
<td>518,409</td>
</tr>
<tr>
<td>Other service costs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration costs (Note 3)</td>
<td>43,240</td>
<td>36,180</td>
<td>49,331</td>
</tr>
<tr>
<td>Staff travel</td>
<td>27,000</td>
<td>20,910</td>
<td>16,237</td>
</tr>
<tr>
<td>Audit services</td>
<td>3,307</td>
<td>3,333</td>
<td>2,690</td>
</tr>
<tr>
<td>Utilities and taxes</td>
<td>2,500</td>
<td>1,998</td>
<td>1,792</td>
</tr>
<tr>
<td>Supplies</td>
<td>7,250</td>
<td>1,845</td>
<td>22,059</td>
</tr>
<tr>
<td>IT licenses and support</td>
<td>2,875</td>
<td>1,668</td>
<td>2,035</td>
</tr>
<tr>
<td>Staff training</td>
<td>3,625</td>
<td>726</td>
<td>8,168</td>
</tr>
<tr>
<td>Purchased services</td>
<td>1,970</td>
<td>225</td>
<td>472</td>
</tr>
<tr>
<td>Fees and dues</td>
<td>375</td>
<td>221</td>
<td>315</td>
</tr>
<tr>
<td><strong>Total Other service costs</strong></td>
<td>92,142</td>
<td>67,106</td>
<td>103,099</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>752,085</td>
<td>746,715</td>
<td>621,508</td>
</tr>
<tr>
<td><strong>Deficiency of revenue over expenses</strong></td>
<td>(41,555)</td>
<td>(36,185)</td>
<td>(49,331)</td>
</tr>
</tbody>
</table>

The accompanying notes to the financial statements are an integral part of this financial statement.
1. Significant accounting policies

This schedule has been prepared for the Ontario Ministries of Children and Youth Services and 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 and expenses

Revenue 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 measureable, 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

The historical cost and accumulated depreciation of capital assets are not recorded. 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

<table>
<thead>
<tr>
<th></th>
<th>2019-20</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant repayable beginning of period</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Excess of expenditures over revenue</td>
<td>36,185</td>
<td>49,331</td>
</tr>
<tr>
<td>Expenditures in excess of the budget</td>
<td>(36,185)</td>
<td>(49,331)</td>
</tr>
<tr>
<td>Grant repayable, end of period</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
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:

<table>
<thead>
<tr>
<th>Service</th>
<th>2019-20 Budget (15 months)</th>
<th>2019-20 Actual (15 months)</th>
<th>2018 Actual (12 months)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting services</td>
<td>1,693</td>
<td>1,213</td>
<td>1,443</td>
</tr>
<tr>
<td>Payroll services</td>
<td>13,702</td>
<td>9,404</td>
<td>12,280</td>
</tr>
<tr>
<td>Human resources services</td>
<td>7,842</td>
<td>7,271</td>
<td>13,704</td>
</tr>
<tr>
<td>IT program support services</td>
<td>14,630</td>
<td>13,277</td>
<td>14,830</td>
</tr>
<tr>
<td>Insurance costs</td>
<td>259</td>
<td>270</td>
<td>298</td>
</tr>
<tr>
<td>Printing costs</td>
<td>1,357</td>
<td>1,081</td>
<td>535</td>
</tr>
<tr>
<td>Capital financing</td>
<td>3,757</td>
<td>3,664</td>
<td>6,241</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>43,240</strong></td>
<td><strong>36,180</strong></td>
<td><strong>49,331</strong></td>
</tr>
</tbody>
</table>

4. **Budget data**

The budget data presented in the schedule is based on the budget data submitted to the Ontario Ministries of Children and Youth Services and Community and Social Services.
Schedule of revenue and expenses

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

March 31, 2020
The Regional Municipality of Niagara
Public Health Department
Healthy Babies, Healthy Children Program

March 31, 2020

Table of contents

Independent Auditor’s Report ............................................................................................................................ 1-2
Schedule of revenue and expenses ..................................................................................................................... 3
Notes to the schedule of revenue and expenses ............................................................................................... 4-5
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 15-months ended March 31, 2020, and notes to the schedule (collectively referred to as the "schedule").

In our opinion, the accompanying schedule of the Program for the 15-months ended March 31, 2020 is prepared, in all material respects, in accordance with the financial reporting provisions of the agreement dated January 1, 2018, and the amending agreement dated August 1, 2019, between the Ontario Ministry 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 agreement dated January 1, 2018, and the amending agreement dated August 1, 2019, between the Ontario Ministry of Children, Community and Social Services 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 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
July 23, 2020
## The Regional Municipality of Niagara Public Health Department
### Healthy Babies, Healthy Children Program
### Schedule of revenue and expenses
### 15-months ended March 31, 2020

<table>
<thead>
<tr>
<th></th>
<th>2019-20 Budget (15 months)</th>
<th>2019-20 Actual (15 months)</th>
<th>2018 Actual (12 months)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ministry of Children, Community and Social Services Funding</td>
<td>3,084,194</td>
<td>3,084,194</td>
<td>2,365,130</td>
</tr>
<tr>
<td>Other revenue</td>
<td>-</td>
<td>2,296</td>
<td>388</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>3,084,194</td>
<td>3,086,490</td>
<td>2,365,518</td>
</tr>
</tbody>
</table>

|                      |                            |                            |                         |
| **Expenses**         |                            |                            |                         |
| Salaries and wages: unionized |                   |                            |                         |
| Public health nurses  | 1,461,513                  | 1,454,834                  | 1,118,187               |
| Employee benefits    | 502,251                    | 463,795                    | 357,011                 |
| Lay home visitors    | 371,976                    | 402,972                    | 319,076                 |
| Clerical             | 129,534                    | 129,588                    | 99,946                  |
| WSIB                 | 56                         | 417                        |                         |
| **Total Salaries and wages** | 2,893,799 | 2,904,080                  | 2,224,490               |

|                      |                            |                            |                         |
| Salaries and wages: non-unionized |                 |                            |                         |
| Management           | 272,887                    | 284,428                    | 210,352                 |
| Administration ISCIS | 78,764                     | 85,348                     | 60,764                  |
| **Employee benefits** |                            |                            |                         |
| **Total Operating Costs** | 341,182 | 340,889                  | 292,318                 |

|                      | 341,182 | 340,889 | 292,318 |
| **Total Expenses**   | 3,234,981 | 3,244,969 | 2,516,808 |
1. **Summary of significant accounting policies**

   **Basis of accounting**

   This schedule has been prepared for the Ontario Ministry of Children, Community and Social Services. 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 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**

   Revenue is 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.

   **Capital assets**

   Tangible capital assets acquired are reported as expenses 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 judgments.

   Certain administrative expenses are allocated to the program based on usage drivers specific to each type of expenditure.

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 in the subsequent year. The surplus repayable to the Province of Ontario for the 15-months ended March 31, 2020 is $nil (2018 - $nil).

<table>
<thead>
<tr>
<th></th>
<th>2019-20</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant receivable, beginning of period</td>
<td>$-</td>
<td>$(-</td>
</tr>
<tr>
<td>Excess of expenditures over revenue</td>
<td>$(158,479)</td>
<td>$(151,290)</td>
</tr>
<tr>
<td>Expenditures in excess of the budget</td>
<td>158,479</td>
<td>151,290</td>
</tr>
<tr>
<td>Grant receivable, end of period</td>
<td>$-</td>
<td>$-</td>
</tr>
</tbody>
</table>
The Regional Municipality of Niagara
Public Health Department
Healthy Babies, Healthy Children Program
Notes to the schedule of revenue and expenses
March 31, 2020

3. Administration costs

<table>
<thead>
<tr>
<th></th>
<th>2019-20 Budget (15 months)</th>
<th>2019-20 Actual (15 months)</th>
<th>2018 Actual (12 months)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting services</td>
<td>4,479</td>
<td>2,506</td>
<td>2,644</td>
</tr>
<tr>
<td>Payroll services</td>
<td>47,345</td>
<td>36,908</td>
<td>42,599</td>
</tr>
<tr>
<td>Human resources services</td>
<td>28,549</td>
<td>30,290</td>
<td>16,592</td>
</tr>
<tr>
<td>IT program support services</td>
<td>52,361</td>
<td>55,696</td>
<td>61,034</td>
</tr>
<tr>
<td>Insurance costs</td>
<td>894</td>
<td>933</td>
<td>1,126</td>
</tr>
<tr>
<td>Printing costs</td>
<td>3,848</td>
<td>1,808</td>
<td>3,569</td>
</tr>
<tr>
<td>Capital financing allocation</td>
<td>13,311</td>
<td>13,552</td>
<td>23,726</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>150,787</strong></td>
<td><strong>141,693</strong></td>
<td><strong>151,290</strong></td>
</tr>
</tbody>
</table>

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.
Accountant’s Report

In connection with the 15 month period-end settlement forms
March 31, 2020

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

As requested by the Regional Municipality of Niagara Public Health Services (the “Region”) on July 14, 2020, we have performed the following procedures related to the Ministry of Children, Community and Social Services (the “Ministry”) Auditor’s Questionnaire in connection with the Healthy Babies Healthy Children Program (the “Program”) 15 Months Period-End Settlement Forms as at March 31, 2020 (the “Settlement Forms”):

1. We verified that the attached Settlement Forms, which reports total revenue of $3,103,275 and total expenditures of $3,103,275, agrees with the books of the Region for the 15 months ended March 31, 2020.
2. We have agreed the expenses and revenues as reported on the Settlement Forms with those as shown in the Audited Financial Statements for the 15 Month Settlement Period ended March 31, 2020.
3. We familiarized ourselves with the applicable Provincial legislation as represented by the Ontario Transfer Payment Agreement dated January 1, 2018, and the amending agreement dated August 1, 2019, between the Ministry and the Region, insofar as they pertain to financial and accounting matters, and insofar as they relate to the Program on whose financial statements we have reported.
4. We read the “Explanatory Notes and Instructions” for the preparation of the Settlement Forms as required by the Ministry.
5. We read all minutes of the following bodies of the Region up to July 14, 2020 as provided by the Region, and have satisfied ourselves that proper recognition was given to all items recorded therein which affected the financial position of the Program.
   a. Public Health and Social Services Committee
   b. Audit Committee
   c. Regional Municipality of Niagara Council
6. We read the correspondence during the period between the Ministry and the Region which has been provided to us by the Region and is likely to have a direct bearing on its financial position.
7. We verified that there were no funds flowed by the Ministry in excess of current requirements that were invested to earn additional revenue.
8. We confirmed that the Program has fidelity insurance coverage. We have also reviewed other insurance coverage.
9. We have inquired of management as to whether the Region has complied with previous audit recommendations resulting from the completion of these period-end procedures, to which management responded that there have been no previous audit recommendations regarding the Program.
As a result of applying the above procedures, we found no exceptions. However, these procedures do not constitute an audit with the objective of expressing a separate opinion regarding the subject financial information and accordingly, we do not express an opinion on such information.

This report is intended solely for your use in connection with the Program 15 Month Period-End Settlement Forms referred to in our engagement letter dated July 29, 2019, and is not to be referred to or distributed to parties other than the Ministry or the Region.

Chartered Professional Accountants
Licensed Public Accountants
July 23, 2020