
Subject: Approval of 2022/2023 Community Services Program Audits

Report to: Public Health and Social Services Committee

Report date: Tuesday, June 6, 2023

Recommendations

1. That the draft audited annual reconciliation return for the Community Support Services Program (Appendix 1 to Report COM 23-2023) for the year ended December 31, 2022, **BE APPROVED**;
2. That the draft audited schedule of Revenue and Expenses for the Reaching Home Program (Appendix 2 to Report COM 23-2023) for the year ended March 31, 2023, **BE APPROVED**;
3. That staff **BE DIRECTED** to coordinate with the auditor to finalize the statements as presented; and
4. That Report COM 23-2023 **BE FORWARDED** to the Region's Audit Committee for information.

Key Facts

- This 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.
- The ministry submission deadline for both the Community Support Services and Reaching Home funding programs is June 30, 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 23-2023 and a draft copy of the financial schedule for the Reaching Home program is attached as Appendix 2 to Report COM 23-2023.

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 program – this program has an overall surplus of \$288,254 (4.5% of total program funding) as of December 31, 2022, which will be returned to Ontario Health by way of a reduction in its future payments to Niagara Region. The COVID-19 pandemic caused significant interruptions to service, which led to the year-end surplus. Seniors Community Programs provides a

range of services to seniors who want to keep active and stay in their home as long as possible. Most of these services involve in-person group settings and activities, which were restricted for the majority of the year due to the pandemic. Most significantly, the Region's Respite Companion Services, a program aimed at providing meaningful activities tailored to a client's needs in the client's home, operated at reduced capacity during waves of outbreak throughout the year. Adult day programs, many of which are co-located within the Region's long-term care homes, had reduced capacity due to infection prevention and control (IPAC) restrictions, and in-person health and wellness classes transitioned to virtual options (offered at a reduced cost) when restrictions prevented continuation of in-person classes. It should also be noted that Community Programs staff were redeployed to the long-term care homes during January – March to provide additional resident support, to facilitate communication/visits with family and to provide meal time assistance. Many services did resume virtually, however, the interruption to service resulted in the year-end surplus.

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

Alternatives Reviewed

The audited financial schedules 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
- Sustainable and Engaging Government

Other Pertinent Reports

None.

Prepared by:

Donovan D'Amboise, CPA, CA
Acting 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 Stephanie Muhic, CPA, CA, Program Financial Specialist and Jordan Gamble, CPA, CA, Program Financial Specialist.

Appendices

Appendix 1 Community Support Services Program – 2022 Annual Reconciliation
Return

Appendix 2 Reaching Home Program – 2023 Schedule of Revenue and Expenses

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

December 31, 2022

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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 year ended December 31, 2022 and notes to the schedules (collectively referred to as the "schedules").

In our opinion, the accompanying schedules for the year ended December 31, 2022 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 Governanceⁱ 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.

IFIS / Recipient #	13115
SRI Organization Code	4165
Report Name	2022-23 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

Draft

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	6,411,099
Total Expenses Fund Type 2 (Above)	119	6,122,845
Net Surplus/Deficit Fund Type 2 (Community Programs)	120	288,254
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	6,411,099
Total Expenses for the Provider	125	6,122,845
Net Surplus/Deficit	126	288,254

**Form ARRfin2 - OH Managed Programs
Regional Municipality of Niagara**

		OH - CSS	
Table B	Line #	2022-23 Final	Comments (Max 255 Characters)
Funding Initiative		Select Funding Initiative (where applicable)	
Ontario Health Cash Flow:			
Funding - Ontario Health (OH)	1	5,269,463	Base Funding (Calendar Reporting Period - January - December)
Funding - Provincial MOH	2	-	
Funding - Ontario Health One-Time	3	143,933	One-time funding for COVID Costs
Funding - Provincial MOH One-Time	4	-	
Sessional fee funding - OH	5	-	
Sessional fee funding - MOH	6	-	
Total OH funding as per cash flow	7	5,413,396	
Service Recipient Revenue	8	128,482	
Recoveries from External/Internal Sources	9	7,032	
Donations	10	-	
Other Funding Sources and Other Revenue	11	-	
Other revenue adjustments (detailed comments required)	12	-	
Total revenue adjustments	13	135,514	
Total FUND TYPE 2 funding for settlement purposes	14	5,548,910	
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	-	

**Form ARRfin2 - OH Managed Programs
Regional Municipality of Niagara**

		OH - CSS	
Other Adjustments including OH recovery (detailed comments required)	18	-	
Total Revenue FUND TYPE 2	19	5,548,910	
EXPENSES- Fund Type 2			
Compensation			
Salaries and Wages (Worked + Benefit + Purchased)	20	3,176,258	
Benefit Contributions	21	810,206	
Employee Future Benefit Compensation	22	-	
Nurse Practitioner Remuneration	23	145,397	
Medical Staff Remuneration	24	-	
Sessional Fees	25	-	
Service Costs			
Med/Surgical Supplies and Drugs	26	18,806	
Supplies and Sundry Expenses (excl. Med/Surg Supplies & Drugs)	27	238,991	
Community One Time Expense	28	-	
Equipment Expenses	29	68,905	
Amortization on Major Equip and Software License and Fees	30	-	
Contracted Out Expense	31	396,389	
Buildings and Grounds Expenses	32	439,036	
Building Amortization	33	-	
TOTAL EXPENSES Fund Type 2	34	5,293,988	
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	-	

**Form ARRfin2 - OH Managed Programs
Regional Municipality of Niagara**

		OH - CSS	
Total Expenses for Settlement Purposes	39	5,293,988	
Less sessional fee expenses (Enter as Negative Amount)	40	-	
Less one time expenses as per listing below (Negative sum of li	42	- 148,811	
Total operating expenses for settlement purposes	43	5,145,177	
Operating Recovery	44	259,801	
Sessional Fee Recovery	45	-	
One Time Recovery	46	-	
Total Settlement Recovery	47	259,801	
TABLE C: One-Time Expenses	Line #	2022-23 Final	Comments (Max 255 Characters)
Capitalized purchases from One Time funding Section C-1			
	48	-	
	49	-	
	50	-	
	51	-	
	52	-	
	53	-	
	54	-	
	55	-	
	56	-	
	57	-	
	58	-	
	59	-	
	60	-	
	61	-	
	62	-	

**Form ARRfin2 - OH Managed Programs
Regional Municipality of Niagara**

		OH - CSS	
Total One-time capitalized purchases from One-time funding	63	-	
Operating expenses from One Time Funding Section C-2			
	64	79,517	Building Renovations
	65	15,535	Building Repairs & Maintenance
	66	14,099	Cleaning
	67	34,585	Equipments
	68	3,091	Furniture & Fixtures
	69	1,983	IT Infastructure
	70	-	
	71	-	
	72	-	
	73	-	
	74	-	
	75	-	
	76	-	
	77	-	
78	-		
Total One-time operating expenses from One-time funding	79	148,811	
TABLE D: Operating Expenses	Line #	2022-23 Final	Comments (Max 255 Characters)
Capitalized expenses Sourced from Operating Funding (Section D-1) (All capitalized items regardless of amount)			
	80	-	

**Form ARRfin2 - OH Managed Programs
Regional Municipality of Niagara**

		OH - CSS	
	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)			
	96	-	
	97	-	
	98	-	
	99	-	
	100	-	
	101	-	
	102	-	
	103	-	
	104	-	
	105	-	

**Form ARRfin2 - OH Managed Programs
Regional Municipality of Niagara**

		OH - CSS	
	106	-	
	107	-	
	108	-	
	109	-	
	110	-	
Total Non-Capitalized One-time expenses >\$5,000 from Operating Funding	111	-	
Total One Time Expenses	112	148,811	
TABLE F: Sessional Fees Summary (Enter the # of Sessions Delivered)			
# of Sessions Delivered (From Sessional Fees)	113	0	
Calculated Cost Per Session	114	0.00	

**Form ARFin2 - OH Managed Programs
Regional Municipality of Niagara**

		OH - SH	
Table B	Line #	2022-23 Final	Comments (Max 255 Characters)
Funding Initiative		Select Funding Initiative (where applicable)	
Ontario Health Cash Flow:			
Funding - Ontario Health (OH)	1	812,036	Base Funding (Calendar Reporting Period - January - December)
Funding - Provincial MOH	2	-	
Funding - Ontario Health One-Time	3	47,952	One-time funding for COVID Costs/PSW Wage Enhancement
Funding - Provincial MOH One-Time	4	-	
Sessional fee funding - OH	5	-	
Sessional fee funding - MOH	6	-	
Total OH funding as per cash flow	7	859,988	
Service Recipient Revenue	8	-	
Recoveries from External/Internal Sources	9	2,201	
Donations	10	-	
Other Funding Sources and Other Revenue	11	-	
Other revenue adjustments (detailed comments required)	12	-	
Total revenue adjustments	13	2,201	
Total FUND TYPE 2 funding for settlement purposes	14	862,189	
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	-	

**Form ARRfin2 - OH Managed Programs
Regional Municipality of Niagara**

		OH - SH	
Other Adjustments including OH recovery (detailed comments required)	18	-	
Total Revenue FUND TYPE 2	19	862,189	
EXPENSES- Fund Type 2			
Compensation			
Salaries and Wages (Worked + Benefit + Purchased)	20	613,743	
Benefit Contributions	21	171,126	
Employee Future Benefit Compensation	22	-	
Nurse Practitioner Remuneration	23	-	
Medical Staff Remuneration	24	-	
Sessional Fees	25	-	
Service Costs			
Med/Surgical Supplies and Drugs	26	2,305	
Supplies and Sundry Expenses (excl. Med/Surg Supplies & Drugs)	27	30,876	
Community One Time Expense	28	-	
Equipment Expenses	29	10,808	
Amortization on Major Equip and Software License and Fees	30	-	
Contracted Out Expense	31	-	
Buildings and Grounds Expenses	32	-	
Building Amortization	33	-	
TOTAL EXPENSES Fund Type 2	34	828,857	
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	-	

**Form ARRfin2 - OH Managed Programs
Regional Municipality of Niagara**

		OH - SH	
Total Expenses for Settlement Purposes	39	828,857	
Less sessional fee expenses (Enter as Negative Amount)	40	-	
Less one time expenses as per listing below (Negative sum of li	42	- 47,952	
Total operating expenses for settlement purposes	43	780,905	
Operating Recovery	44	33,332	
Sessional Fee Recovery	45	-	
One Time Recovery	46	-	
Total Settlement Recovery	47	33,332	
TABLE C: One-Time Expenses	Line #	2022-23 Final	Comments (Max 255 Characters)
Capitalized purchases from One Time funding Section C-1			
	48	-	
	49	-	
	50	-	
	51	-	
	52	-	
	53	-	
	54	-	
	55	-	
	56	-	
	57	-	
	58	-	
	59	-	
	60	-	
	61	-	
	62	-	

**Form ARRfin2 - OH Managed Programs
Regional Municipality of Niagara**

		OH - SH	
Total One-time capitalized purchases from One-time funding	63	-	
Operating expenses from One Time Funding Section C-2			
	64	-	
	65	-	
	66	-	
	67	-	
	68	-	
	69	-	
	70	44,698	Salaries
	71	3,254	Benefit
	72	-	
	73	-	
	74	-	
	75	-	
	76	-	
	77	-	
	78	-	
Total One-time operating expenses from One-time funding	79	47,952	
TABLE D: Operating Expenses	Line #	2022-23 Final	Comments (Max 255 Characters)
Capitalized expenses Sourced from Operating Funding (Section D-1) (All capitalized items regardless of amount)			
	80	-	

**Form ARRfin2 - OH Managed Programs
Regional Municipality of Niagara**

		OH - SH	
	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)			
	96	-	
	97	-	
	98	-	
	99	-	
	100	-	
	101	-	
	102	-	
	103	-	
	104	-	
	105	-	

**Form ARRfin2 - OH Managed Programs
Regional Municipality of Niagara**

		OH - SH	
	106	-	
	107	-	
	108	-	
	109	-	
	110	-	
Total Non-Capitalized One-time expenses >\$5,000 from Operating Funding	111	-	
Total One Time Expenses	112	47,952	
TABLE F: Sessional Fees Summary (Enter the # of Sessions Delivered)			
# of Sessions Delivered (From Sessional Fees)	113	0	
Calculated Cost Per Session	114	0.00	

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 #:	<u> </u>	Reporting Period: from	<u> </u> to <u> </u>
Contact Person:	<u> </u>	Phone:	<u> </u>

SECTION 2: EXPENDITURE REPORT			
<u>Sources of Proxy Pay Equity Funds</u>			
Ministry of Health and Long-Term Care	\$	<u> </u>	A
Other (Specify)		<u> </u>	
TOTAL		<u>0.00</u>	
<u>Expenditures</u>			
Actual Proxy Pay Equity Expenses		<u> </u>	B
Surplus(Deficit)		<u>0.00</u>	A-B
Current Outstanding Liabilities		<u> </u>	
Total Number of Individuals Receiving Proxy Pay Equity		<u> </u>	

SECTION 3: CERTIFICATION	
I, <u> </u>	hereby certify that to the best of my knowledge the financial data is correct and it is reflected in the year-end settlement.
<u> </u>	Title: <u> </u>
(Signature of Health Service Provider Authority)	

Certification by Provider Fiscal 2022-23

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

Draft

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, 2023

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Draft

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, 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 March 31, 2023 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 Governanceⁱ 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.ⁱⁱ

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
Reaching Home - Canada's Homelessness Strategy Program
Schedule of revenue and expenses
Year ended March 31, 2023

	Notes	2023 \$	2022 \$
Revenue			
Ministry funding	2	3,912,364	4,169,047
Expenditures			
Sub-project costs		3,715,907	4,068,189
Program management & administrative		196,457	100,858
Total expenditures		3,912,364	4,169,047
Excess of eligible expenditures over revenue		—	—

The accompanying notes are an integral part of the schedule of revenues and expenses.

Draft

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

Revenue is recognized as amounts become available and are measurable.

Expenses are recognized as they are incurred and measurable.

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 \$13,853,313.

The funding allocation under Reaching Home will be used to support priorities and recommendations of the Community Advisory Board (\$13,136,893). There is incremental funding to support initial investments towards the design and implementation of Coordinated Access (\$716,420).

The Regional Municipality of Niagara
Reaching Home – Canada’s Homelessness Strategy Program
Notes to the schedule of revenue and expenses
 March 31, 2023

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

	Designated Community \$	Coordinated Access \$	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	3,872,210
	13,136,893	716,420	13,853,313

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