

Schedule of revenue, expenses and grant returnable

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

General Programs

December 31, 2023

The Regional Municipality of Niagara Public Health Department

General Programs
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Independent Auditor's Report

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

Opinion

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

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards (“Canadian GAAS”). Our responsibilities under those standards are further described in the

Auditor's Responsibilities for the Audit of the Schedule section of our report. We are independent of the Region in accordance with the ethical requirements that are relevant to our audit of the schedule in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting

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

Responsibilities of Management and Those Charged with Governance for the Schedule

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

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

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this schedule.

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

- Identify and assess the risks of material misstatement of the schedule, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Region's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants
Licensed Public Accountants
June 27, 2024

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

GENERAL PROGRAMS

Schedule of Revenue, Expenditures and Grant Returnable

Year ended December 31, 2023

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

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

1. Significant accounting policies

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

Significant accounting policies are as follows:

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

2. Grant receivable (Repayable)

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

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

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

3. Budget data

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