

Annual Reconciliation Report

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

December 31, 2018

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

December 31, 2018

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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 and Long Term Care

Opinion

We have audited the accompanying schedules (4.4, 4.5, 4.6) 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, 2018 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, 2018 is prepared, in all material respects, in accordance with the Public Health Accountability Agreement effective January 1, 2018 between the Ontario Ministry of Health and Long Term Care and The Regional Municipality of Niagara and the Instructions for completing the 2018 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.

(To be signed Deloitte LLP)

Chartered Professional Accountants
Licensed Public Accountants
[date of report]

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Board of Health for the Niagara Region Public Health Department

2018 Annual Reconciliation As of December 31, 2018

Actual Expenditures by Account January 1, 2018 to December 31, 2018

Account A	Budget (at 100%) B	Actual (at 100%) C	Variance Under / (Over)	
			D = B - C	E = D / B
Salaries and Wages	20,713,643	19,716,426	997,217	4.8%
Benefits	4,732,092	5,815,500	(1,083,408)	-22.9%
Travel	491,900	440,243	51,657	10.5%
Professional Services	82,232	263,043	(180,811)	-219.9%
Expenditure Recoveries & Offset Revenues	(322,000)	(285,510)	(36,490)	11.3%
Other Program Expenditures	8,384,866	6,320,246	2,064,620	24.6%
Total Expenditures	34,082,733	32,269,948	1,812,785	5.3%
Adjustments	-	(7)	7	0.0%
Total Adjusted Expenditures	34,082,733	32,269,941	1,812,792	5.3%

Board of Health for the Niagara Region Public Health Department

**2018 Annual Reconciliation
As of December 31, 2018**

**Expenditure Recoveries & Offset Revenues Reconciliation
January 1, 2018 to December 31, 2018**

Mandatory Programs	Actual (at 100%)
Interest Income	
Universal Influenza Immunization Program clinic reimbursement	(9,670)
Meningococcal C Program clinic reimbursement	(36,542)
Human Papilloma Virus Program reimbursement	(56,211)
Other (Specify):	
By-law related product and service, expense reimbursement and miscellaneous revenue	(183,088)
Sub-total Mandatory Programs Expenditure Recoveries & Offset Revenues (A)	(285,510)
Reported in Base Funding and One-Time Funding Worksheets	(285,510)
Difference	-
Other Sources of Funding	
Interest Income	
Other (Specify):	
Sub-total Other Programs Offset Revenues (B)	-
Reported in Base Funding and One-Time Funding Worksheets	-
Difference	-
Total Expenditure Recoveries & Offset Revenues (C = A+B)	(285,510)
Difference	-

Board of Health for the Niagara Region Public Health Department

**2018 Annual Reconciliation
As of December 31, 2018**

Funding Received from the Ministry

Programs/Sources of Funding	Cashflow Received in 2018	Prior Year Adjustments Processed in 2018	2018 Adjustments Processed in 2019	Other		Funding Received from the Ministry
				\$	Please Specify	
A	B	C	D	E	F	G = SUM (B:E)
2017-18 One-Time Funding (April 1, 2017 to March 31, 2018)						
Operating Funding						
Smoke-Free Ontario Expanded Smoking Cessation Programming for Priority Populations (100%)	30,000					30,000
Healthy Smiles Ontario Program: Dental Operator (100%)	28,000					28,000
Healthy Menu Choices Act, 2015 -Enforcement (100%)	33,000					33,000
Outbreaks of Diseases: Infection Prevention and Control Lapses (100%)	14,300					14,300
Panorama - Immunization Solution (100%)	129,000					129,000
Public Health Inspector Practicum Program (100%)	10,000					10,000
Needle Exchange Program Initiative (100%)	109,395					109,395
New Purpose-Built Vaccine Refrigerators (100%)	70,000					70,000
2017-18 One-Time Funding Total (A)	423,695					423,695
Base Funding (January 1, 2018 to December 31, 2018)						
Mandatory Programs (Cost-Shared)	19,932,700	158				19,932,858
Chief Nursing Officer Initiative (100%)	121,500					121,500
Electronic Cigarettes Act: Protection and Enforcement (100%)	69,100					69,100
Enhanced Food Safety - Haines Initiative (100%)	78,400					78,400
Enhanced Safe Water Initiative (100%)	35,300					35,300
Harm Reduction Program Enhancement (100%)	250,000					250,000
Healthy Smiles Ontario Program (100%)	1,250,900					1,250,900
Infection Prevention and Control Nurses Initiative (100%)	90,100					90,100
Infectious Diseases Control Initiative (100%)	611,200					611,200
MOH / AMOH Compensation Initiative (100%)	286,522			(39,444)	2018 Year-end accrual	247,078
Needle Exchange Program Initiative (100%)	205,500	(13,500)				192,000
Small Drinking Water Systems Program (Cost-Shared)	40,400					40,400
Smoke-Free Ontario Strategy: Prosecution (100%)	25,200					25,200
Smoke-Free Ontario Strategy: Protection and Enforcement (100%)	474,300					474,300
Smoke-Free Ontario Strategy: Tobacco Control Coordination (100%)	100,000					100,000
Smoke-Free Ontario Strategy: Youth Tobacco Use Prevention (100%)	80,000					80,000
Social Determinants of Health Nurses Initiative (100%)	180,500					180,500
Vector-Borne Diseases Program (Cost-Shared)	500,300	(200)				500,100
Base Funding Total (B)	24,331,922	(13,542)			(39,444)	24,278,936
2018-19 One-Time Funding (April 1, 2018 to March 31, 2019)						
Operating Funding						
Mandatory Programs: Business Intelligence Framework (100%)	125,325					125,325
Smoke-Free Ontario Strategy: Cannabis Enforcement (100%)	-					-
Healthy Growth/School Health: Vision Screening Tools (100%)	-					-
2018-19 One-Time Funding Total (C)	125,325					125,325

Board of Health for the Niagara Region Public Health Department

2018 Annual Reconciliation As of December 31, 2018										
Annual Reconciliation by Sources of Funding										
Programs/Sources of Funding	Q4 Expenditures (at 100%)	Actual Expenditures (at 100%)	Variance Under / (Over)		Actual Expenditures (at provincial share)	Approved Allocation	Eligible Expenditures	Funding Received from the Ministry	Due to / (From) Province	
			\$	(%)					\$	
A	B	C	D = B - C	E = D / B	F = C * Prov. Share	G	H = MIN(F,G)	I	J = I - H	
2017-18 One-Time Funding (April 1, 2017 to March 31, 2018)										
Operating Funding										
Smoke-Free Ontario Expanded Smoking Cessation Programming for Priority Populations (100%)		30,000			30,000	30,000	30,000	30,000	-	
Healthy Smiles Ontario Program: Dental Operator (100%)		28,000			28,000	28,000	28,000	28,000	-	
Healthy Menu Choices Act, 2015 -Enforcement (100%)		33,000			33,000	33,000	33,000	33,000	-	
Outbreaks of Diseases: Infection Prevention and Control Lapses (100%)		14,300			14,300	14,300	14,300	14,300	-	
Panorama - Immunization Solution (100%)		129,846			129,846	129,000	129,000	129,000	-	
Public Health Inspector Practicum Program (100%)		10,000			10,000	10,000	10,000	10,000	-	
Needle Exchange Program Initiative (100%)		106,960			106,960	109,395	106,960	109,395	2,435	
New Purpose-Built Vaccine Refrigerators (100%)		70,125			70,125	70,000	70,000	70,000	-	
2017-18 One-Time Funding Total (A)		422,231			422,231	423,695	421,260	423,695	2,435	
Base Funding (January 1, 2018 to December 31, 2018)										
Mandatory Programs (Cost-Shared)	27,521,299	27,426,099	95,200	0.3%	20,569,574	19,932,700	19,932,700	19,932,858	158	
Chief Nursing Officer Initiative (100%)	121,500	121,500	-	0.0%	121,500	121,500	121,500	121,500	-	
Electronic Cigarettes Act: Protection and Enforcement (100%)	69,100	69,100	-	0.0%	69,100	69,100	69,100	69,100	-	
Enhanced Food Safety - Haines Initiative (100%)	78,400	78,400	-	0.0%	78,400	78,400	78,400	78,400	-	
Enhanced Safe Water Initiative (100%)	35,300	35,300	-	0.0%	35,300	35,300	35,300	35,300	-	
Harm Reduction Program Enhancement (100%)	250,000	250,000	-	0.0%	250,000	250,000	250,000	250,000	-	
Healthy Smiles Ontario Program (100%)	1,278,900	1,250,900	28,000	2.2%	1,250,900	1,250,900	1,250,900	1,250,900	-	
Infection Prevention and Control Nurses Initiative (100%)	90,100	90,100	-	0.0%	90,100	90,100	90,100	90,100	-	
Infectious Diseases Control Initiative (100%)	611,200	611,200	-	0.0%	611,200	611,200	611,200	611,200	-	
MOH / AMOH Compensation Initiative (100%)		218,736			218,736	179,292	179,292	247,078	67,786	
Needle Exchange Program Initiative (100%)	273,968	192,000	81,968	29.9%	192,000	192,000	192,000	192,000	-	
Small Drinking Water Systems Program (Cost-Shared)	53,867	53,867	-	0.0%	40,400	40,400	40,400	40,400	-	
Smoke-Free Ontario Strategy: Prosecution (100%)	25,200	25,200	-	0.0%	25,200	25,200	25,200	25,200	-	
Smoke-Free Ontario Strategy: Protection and Enforcement (100%)	474,300	474,300	-	0.0%	474,300	474,300	474,300	474,300	-	
Smoke-Free Ontario Strategy: Tobacco Control Coordination (100%)	100,000	100,000	-	0.0%	100,000	100,000	100,000	100,000	-	
Smoke-Free Ontario Strategy: Youth Tobacco Use Prevention (100%)	80,000	80,000	-	0.0%	80,000	80,000	80,000	80,000	-	
Social Determinants of Health Nurses Initiative (100%)	180,500	180,500	-	0.0%	180,500	180,500	180,500	180,500	-	
Vector-Borne Diseases Program (Cost-Shared)	666,800	666,800	-	0.0%	500,100	500,100	500,100	500,100	-	
Base Funding Total (B)	31,910,434	31,924,002	(13,568)	-0.0%	24,887,310	24,210,992	24,210,992	24,278,936	67,944	
Total 2018 Annual Reconciliation (A+B)		32,346,233			25,309,541	24,634,687	24,632,252	24,702,631	70,379	
2018-19 One-Time Funding (April 1, 2018 to March 31, 2019)										
Surpluses to be Carried Forward to March 31, 2019										
Operating Funding										
Mandatory Programs: Business Intelligence Framework (100%)	167,100	7,946	159,154	95.2%	7,946	167,100	7,946	125,325	117,379	
Smoke-Free Ontario Strategy: Cannabis Enforcement (100%)		52,600			52,600	52,600	52,600	-	(52,600)	
Healthy Growth/School Health: Vision Screening Tools (100%)		42,600			42,600	42,600	42,600	-	(42,600)	
2018-19 One-Time Funding Total	167,100	103,146	63,954	38.3%	103,146	262,300	103,146	125,325	22,179	

The Regional Municipality of Niagara Public Health Department

General programs

Note to the schedules

December 31, 2018

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, 2018 between the Ontario Ministry of Health and Long Term Care and the Regional Municipality of Niagara and the Instructions for completing the 2018 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.