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

March 31, 2020

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## Independent Auditor's Report

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

### Opinion

We have audited the accompanying schedule of revenues and expenditures of the Regional Municipality of Niagara Public Health Department – Ambulance Communications Service (the “Program”), for the year 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 year ended March 31, 2020 is prepared, in all material respects, in accordance with the financial reporting provisions of the agreement dated May 28, 2010 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 Note 1 to the schedule, which describes the basis of accounting. The schedule is prepared to assist the Region in complying with the financial reporting provisions of the agreement dated May 28, 2010 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. Our opinion is not modified in respect of this matter.

### Responsibilities of Management and Those Charged with Governance for the Schedule

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

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

### Auditor’s Responsibilities for the Audit of the Schedule

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

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

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

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

Chartered Professional Accountants  
Licensed Public Accountants  
June 25, 2020

Draft

**The Regional Municipality of Niagara Public Health Department**  
**Ambulance Communications Service**  
**Schedule of revenues and expenditures**  
For the year ended March 31, 2020

	Notes	2020 Budget \$	2020 Actual \$	2019 Actual \$
<b>Revenues</b>				
Provincial grant		6,196,319	6,196,294	5,686,704
Other income		—	8,505	10,248
		<b>6,196,319</b>	<b>6,204,799</b>	5,696,952
<b>Expenditures</b>				
Salaries and benefits				
Salaries and wages		4,029,828	4,209,239	4,054,990
Employee benefits		1,468,160	1,459,471	1,415,858
Transportation and communications		154,012	154,846	178,494
Services and rentals		237,381	244,415	227,744
Supplies and equipment		56,890	34,025	18,956
Administrative costs	2	250,048	287,310	316,844
Total expenditures		<b>6,196,319</b>	<b>6,389,306</b>	6,212,886
Ineligible administration costs	2	—	(15,252)	(15,781)
Total eligible expenditures		<b>6,196,319</b>	<b>6,374,054</b>	6,197,105
<b>Excess of expenditures over revenues</b>		<b>—</b>	<b>(169,255)</b>	(500,153)

The accompanying notes to the Schedule are an integral part of this Schedule.

**The Regional Municipality of Niagara Public Health Department  
Ambulance Communications Service  
Notes to the schedule of revenues and expenditures  
March 31, 2020**

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**1. Significant accounting policies**

*Basis for presentation*

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

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

*Revenues and expenditures*

Revenues are reported on the accrual basis of accounting.

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

*Capital assets*

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

*Employee future benefits*

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

*Use of estimates*

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

**2. Administration costs**

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

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

**The Regional Municipality of Niagara Public Health Department**  
**Ambulance Communications Service**  
**Notes to the schedule of revenues and expenditures**  
 March 31, 2020

**2. Administration costs (continued)**

Administration costs, which have been allocated, are:

	<b>2020</b>	2019
	\$	\$
Accounting services	<b>6,492</b>	7,757
Capital levy	<b>10,252</b>	7,997
Debt costs	<b>4,999</b>	7,784
Financial management	<b>25,922</b>	4,815
Human resources services	<b>39,024</b>	33,157
IT program support services and project costs	<b>74,879</b>	108,730
Land ambulance shared services	<b>71,223</b>	67,270
Legal services	<b>1,404</b>	1,706
Payroll services	<b>49,525</b>	72,575
Printing costs	<b>192</b>	310
Procurement services	<b>3,317</b>	4,719
Property management	<b>81</b>	24
	<b>287,310</b>	316,844

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

	<b>2020</b>	2019
	\$	\$
Capital levy	<b>10,253</b>	7,997
Debt costs	<b>4,999</b>	7,784
	<b>15,252</b>	15,781

**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.