



FINANCE MEETING

Wednesday, April 22, 2020

1:00 p.m. – 2:30 p.m.

**Hastings Prince Edward Public Health
Via Teleconference**

Dial-In: 613-966-1257; Ext. 8300; PIN 4444

If you are **unable to attend**, and have not already done so,
please arrange for your alternate to attend and advise

Catherine Lovell at clovell@hpeph.ca.

Thank you!

Hastings Prince Edward Public Health 2019 - 2023 Strategic Plan

Our Vision

Healthy Communities,
Healthy People.

Our Mission

Together with our communities,
we help people become as
healthy as they can be.

Our Values Show We CARE



Collaboration



Advocacy



Respect



Excellence

Our Strategic Priorities



Community
Engagement



Staff
Engagement
and Culture



Population Health
Assessment and
Surveillance



Program
Standards



Health
Promotion



FINANCE COMMITTEE MEETING
A G E N D A

Wednesday, April 22, 2020

1. **CALL TO ORDER**
2. **DISCLOSURE OF PECUNIARY INTEREST AND THE GENERAL NATURE THEREOF**
3. **APPROVAL OF THE AGENDA (MOTION)**
4. **ELECTION OF THE CHAIR**
5. **APPROVAL OF MINUTES OF PREVIOUS MEETING (MOTION)**
 - 5.1 Meeting Minutes dated January 22, 2020 [Schedule 5.1](#)
6. **BUSINESS ARISING FROM MINUTES**
7. **NEW BUSINESS (MOTION)**
 - 7.1 1st Quarter Year-to-Date Results [Schedule 7.1](#)
 - 7.2 Report to the Finance Committee [Schedule 7.2](#)
 - 7.3 Review of draft audited financial statements [Schedule 7.3](#)
8. **DATE OF NEXT MEETING**

Wednesday, July 22, 2020 at 1:00 pm
9. **ADJOURNMENT (MOTION)**

Finance Committee Meeting
MINUTES

Wednesday, January 22, 2020 1:00 p.m.
Hastings Prince Edward Public Health
179 North Park Street, Belleville
Douglas Room A, 1st Floor

Present: Ms. Jo-Anne Albert, Mayor, Municipality of Tweed, County of Hastings, Acting Chair
Ms. Jan O'Neill, Mayor, Municipality of Marmora and Lake, County of Hastings
Mr. Andreas Bolik, Councillor, County of Prince Edward
Ms. Deborah Goulden, Provincial Appointee
Mr. Sean Kelly, Councillor, City of Belleville
Mr. Michael Kotsovos, Councillor, City of Quinte West
Ms. Joy Martin, Provincial Appointee
Mr. Bill Sandison, Councillor, City of Belleville

Also Present: Dr. Piotr Oglaza, Medical Officer of Health
Ms. Valerie Dunham, Director of Corporate Services/Associate CEO
Ms. Catherine Lovell, Executive Assistant to the MOH (Recorder)
Ms. Amy Rankin, Manager Finance
Mr. Eric Serwotka, Director of Public Health Programs

Regrets: Mr. Stewart Bailey, Councillor, County of Prince Edward
Mr. Terry Cassidy, Councillor, City of Quinte West, Finance Chair
Dr. Craig Ervine, Provincial Appointee

1. **Call to Order**

The meeting was called to order at 1:05 p.m. by Jo-Anne Albert, Acting Chair.

2. **Disclosure of Pecuniary Interest and the General Nature Thereof**

There was no disclosure of pecuniary interest.

3. **Approval of Agenda**

MOTION:

Moved by: Bill

Seconded by: Andreas

THAT the agenda of the January 22, 2020 Finance Committee be approved as distributed.
CARRIED

4. **Approval of Minutes of Previous Meeting**

4.1 General Minutes of July 24, 2019.

MOTION:

Moved by: Bill

Seconded by: Andreas

THAT the Minutes of the July 24, 2019 Finance Committee meeting be approved as circulated.
CARRIED

5. **Business Arising from Minutes** – None

Schedule 5.1

6. **New Business****6.1 By-Law 2020-01**

MOTION:

Moved by: Bill

Seconded by: Andreas

THAT the Finance Committee receive the By-Law 2020-01 authorizing the borrowing of up to \$1,000,000 as presented and recommend taking it to the next Board of Health meeting for approval.

CARRIED

6.2 Budget 2020 Review

A couple members noted they could not open their agenda packages and so had not reviewed the budget documents. It was suggested that these documents be sent by print in future. Val proceeded to go through the budget in detail. A few items of note:

- The change in cost sharing from 25/75 to 30/70 effective January 1, 2020 results in a \$1.1 million increase to the municipal sector.
- The Province of Ontario indicated we would receive mitigation funding to cover any amount over a 10% change based on 2018 third quarter expenses. We don't have funding confirmed in writing, however these numbers show we are expecting approximately \$837,000 leaving a balance of \$282,480 to be covered by the municipalities.
- Val noted the change in total budget of \$15 million to \$17 million is due to the new Ontario Seniors Dental Care Program (OSDCP). The OSDCP is 100% funding for operating costs of approximately \$931,000 to run the program and approximately \$847,000 for capital projects of which there are two: 1. Construction of a full dental lab, and 2. A mobile clinic.
- Branch offices: Quinte West will move to 4 days a week open to the public, the fifth day staff will report there for work but will not be open to the public. Also reviewing North Hastings.
- Employee benefits experiencing an increase of 15% for dental and health. Expecting another increase in 2021.
- Building occupancy was over budget in 2019 largely due the ODSCP, installed a water softener, upgraded flooring in the stairwells and overall maintenance is very expensive for a new building.

Michael arrived at 1:54 pm.

MOTION:

Moved by: Bill

Seconded by: Andreas

THAT the Finance Committee receive the 2020 Budget report as presented and recommend taking it to the next Board of Health meeting for approval.

CARRIED

7. Closed Session**MOTION:**

Moved by: Bill

Seconded by: Andreas

THAT the Board convene in Closed Session for the purpose of a discussion of personnel issues in accordance with Section 239 (2) b personal matters about an identifiable individual, including municipal or local board employees.

CARRIED

As per the motion made at the Closed Session to return to the Open Session, the Board will now reconvene in Open Session at 1:58 pm.

MOTION:

Moved by: Bill

Seconded by: Andreas

THAT the Board endorse the motions approved in the Closed Session and direct staff to take appropriate action.

CARRIED**8. Date of Next Meeting**

Wednesday, April 22, 2020 at 1:00 pm in Douglas Room A, 1st Floor

9. Adjournment**MOTION:**

Moved by: Bill

Seconded by: Andreas

THAT the Finance Committee meeting be adjourned at 1:59 pm.

CARRIED

Jo-Anne Albert, Acting Finance Chair

HASTINGS PRINCE EDWARD PUBLIC HEALTH

DRAFT Summary of Revenues & Expenses for the period January 1 - March 31, 2020

For Committee Review April 22, 2020

	Ministry of Health - Accountability Agreement			Other Grants and Contracts			Totals and Budget Analysis			
	Mandatory Programs	Related Programs	TOTAL Ministry of Health Programs	Ministry of Health Annual and one time Grants	HBHC	Federal Grants	YEAR TO DATE TOTAL	ANNUAL BUDGET	YTD Budget Variance	YTD Actuals as % of budget (3/12 = 25%)
REVENUES										
Ministry of Health Mandatory, Related and 100% Related	2,581,175	103,579	2,684,754				2,684,754	10,135,950	7,451,196	26%
Ministry of Health Annual and one time grants				27,940			27,940	977,900	949,960	3%
Ministry of Health Mitigation Funding								837,570	837,570	0%
Municipal Levies	847,053		847,053				847,053	3,388,953	2,541,900	25%
Ministry of Children, Community & Social Services					290,130		290,130	1,160,543	870,413	25%
Federal Grants						34,004	34,004	128,988	94,984	26%
Expenditure Recoveries	52,431		52,431				52,431	280,000	227,569	19%
Transfer from Reserves								282,480	282,480	0%
Total Revenues	3,480,659	103,579	3,584,238	27,940	290,130	34,004	3,936,312	17,192,384	13,256,072	23%
EXPENSES										
Salaries and Wages	2,014,300	43,540	2,057,840	28,513	211,865	26,106	2,324,325	10,237,000	7,912,675	23%
Staff Benefits	555,393	8,296	563,689	5,662	66,061	3,649	639,061	2,699,384	2,060,323	24%
Staff Training	16,305		16,305		650	264	17,219	204,000	186,781	8%
Travel Expenses	19,962	4	19,966		4,333	1,378	25,676	221,500	195,824	12%
Building Occupancy	276,848	6,273	283,121				283,121	1,002,600	719,479	28%
Office Expenses, Printing, Postage	13,557		13,557		500		14,057	80,000	65,943	18%
Materials, Supplies	76,466	9,785	86,250		(279)	2,605	88,577	664,000	575,423	13%
Professional & Purchased Services	126,687	14,749	141,436				141,436	762,000	620,564	19%
Communications Costs	23,974		23,974		2,625		26,599	106,000	79,401	25%
Information Technology	71,524	1,813	73,337		4,375		77,712	368,000	290,288	21%
Capital Expenditures				18,080			18,080	847,900	829,820	2%
Total Expenses	3,195,017	84,458	3,279,475	52,255	290,130	34,004	3,655,863	17,192,384	13,536,521	21%
VARIANCE	285,643	19,121	304,763	(24,315)	0	0	280,449	0	280,449	



REPORT TO THE FINANCE COMMITTEE

OF

**HASTINGS & PRINCE EDWARD COUNTIES HEALTH
UNIT**

For the year ended December 31, 2019

Prepared by:
Daniel J.W. Coleman, CPA, CA
Partner
April 16, 2020

AUDIT STATUS

Our audit of the financial statements of Hastings & Prince Edward Counties Health Unit for the year ended December 31, 2019 is substantially complete and we expect to release our auditor's report after the following outstanding matters are completed:

- Receipt of the signed management representation letter
- Approval of the financial statements by the Board of Health

If any significant matters arise between the date of this report and the signing of our audit report we will raise them with you. Our draft unmodified audit opinion is included with the draft financial statements submitted to the committee for review.

QUALITATIVE ASPECTS OF ACCOUNTING PRACTICES AND FINANCIAL REPORTING

Our audit includes consideration of the qualitative aspects of the financial reporting process, including matters that have a significant impact on the relevance, reliability, comparability, understandability and materiality of the information provided in the financial statements.

There are no matters with respect to the qualitative aspects of accounting practices that we wish to draw to your attention in relation to the financial statements for the 2019 fiscal year.

MANAGEMENT REPRESENTATIONS

We are required to obtain written representations from management as an acknowledgement of their responsibility for the fair presentation of the financial statements and as audit evidence on matters material to the financial statements. We have provided a draft of the letter of representation as an attachment to this report. The Director of Corporate Services has committed to provide us with a signed copy of the letter on a date to coincide with the date of our auditor's report.

MISSTATEMENTS

The corrected and uncorrected misstatements identified during our audit are included as attachments with the draft management representation letter.

Canadian generally accepted auditing standards require that we request that management and the Finance Committee correct all the misstatements that we present to them. Management has provided us with the following rationale for not making the adjusting journal entries we proposed:

The unidentified adjustments relate to prepaid costs related to computer licenses or technical

support that are not significant and have been treated consistently with the prior year. However, the amount of annual licensing and support fees has been growing annually and management will review this treatment for the 2020 fiscal year.

If you disagree with management, and would like management to make the proposed adjustment(s), we request that you inform management and us accordingly.

SIGNIFICANT DEFICIENCIES IN INTERNAL CONTROL

During our audit we did not identify any significant deficiencies in internal control to report to the Finance Committee.

INDEPENDENCE

Canadian generally accepted auditing standards require that we communicate at least annually with you regarding all relationships between Hastings & Prince Edward Counties Health Unit and us that, in our professional judgment, may reasonably be thought to bear on our independence.

No matters have been identified that would reasonably be thought to bear on our independence. As a result, we confirm that we are independent.

FINANCIAL STATEMENT PRESENTATION

1. Significant Accounting Policies

The organization's significant accounting policies are disclosed in the notes to the financial statements.

During the year there were no new accounting policies or changes to existing accounting policies.

2. Management's Judgments and Accounting Estimates

During the audit we did not encounter any situations that required significant judgments on the part of management or involved significant estimates.

OTHER MATTERS ARISING FROM THE AUDIT

During the course of our audit we received the full co-operation of management and did not encounter any difficulties during our audit. There were no limitations on the scope of our audit work and we did not have any disagreements with management.

MATTERS TO BE COMMUNICATED

Canadian Auditing Standards require us to communicate to you the following:

- Significant matters identified during the audit in connection with the entity's related parties;
- Whether we encountered other transactions that were unusual or not in the normal course of business;
- Details of any frauds that we identified or information that indicates that a fraud may exist;
- Conditions identified that may cast significant doubt on the entity's ability to continue as a going concern; and
- Non-compliance with laws or regulations that come to the auditor's attention during the course of the audit.

We did not encounter any such matters during the course of our audit.

ACKNOWLEDGEMENTS

During the course of our audit, we received considerable assistance from the organization's staff and management. We would like to take this opportunity to thank them for their efforts and for their constructive approach to the audit.

Yours truly,
WELCH LLP



DANIEL J.W. COLEMAN, CPA, CA
PARTNER

DATE

Welch LLP
67 Ontario Street
Trenton, ON
K8V 2G8

Dear Sirs:

We are providing this letter in connection with your audit of the financial statements of Hastings & Prince Edward Counties Health Unit (the Organization) for the year ended December 31, 2019, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with Canadian public sector accounting standards.

We acknowledge that your examination was planned and conducted in accordance with Canadian generally accepted auditing standards so as to enable you to express an opinion on the financial statements. We understand that while your work includes an examination of the accounting system, internal control and related data to the extent you considered necessary in the circumstances, it is not designed to identify, nor can it necessarily be expected to disclose, fraud, shortages, errors and other irregularities, should any exist.

Certain representations in this letter are described as being limited to matters that are material. An item is considered material, regardless of its monetary value, if it is probable that its omission from or misstatement in the financial statements would influence the decision of a reasonable person relying on the financial statements.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audit:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the engagement letter dated March 4, 2019, for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards.
2. The significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Information Provided

1. We have provided you with:
 - (a) Access to all information of which we are aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
 - (b) Additional information that you have requested from us for the purpose of the audit; and
 - (c) Unrestricted access to persons within the Organization from whom you determined it necessary to obtain audit evidence.
2. All transactions have been recorded in the accounting records and are reflected in the financial statements.
3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud. We have assessed this risk as low.
4. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Organization and involves:
 - (a) Management;
 - (b) Employees who have significant roles in internal control; or
 - (c) Others where the fraud could have a material effect on the financial statements.
5. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the Organization's financial statements communicated by employees, former employees, analysts, regulators or others.
6. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.
7. We have disclosed to you the identity of the Organization's related parties and all the related party relationships and transactions of which we are aware.

Accounts Receivable

1. Notes and accounts receivable represent valid claims relating to transactions made before the end of the fiscal year and do not include any amount relating to goods shipped on consignment. Adequate provision has been made for losses which may be sustained in the collection of receivables.
2. Pledges receivable were evaluated on a basis consistent with that of the previous year to the best of our knowledge and experience and according to the amount of pledges likely to materialize.

Capital Assets

1. All charges to capital asset accounts during the year represent actual additions to and no expenditures of a capital nature were charged to the operations of the Organization during the year.
2. All capital assets sold or dismantled have been properly accounted for in the books of the Organization.
3. Appropriate rates have been used to amortize the assets over their estimated useful lives and the provisions were calculated on a basis consistent with that of the previous period.
4. The Organization has good title to the properties represented by the balance carried on the capital asset accounts. Details of any liens, mortgages and other charges against the capital assets shown on the books of the Organization are disclosed in the notes to the financial statements.
5. Where the value of any capital assets has been impaired, this fact has been disclosed to you.

Liabilities and Commitments

1. At the year end, with the exception of relatively immaterial obligations for which invoices had not been received or which otherwise could not readily be determined or estimated, all known liabilities of the Organization are included and fairly stated on the statement of financial position.
2. At the year-end there were no contingent liabilities (e.g., discounted receivables or drafts, guarantees, pending or unsettled suits, matters in dispute).
3. The Organization has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.
4. At the year-end, the Organization had no unusual commitments or contractual obligations of any sort that were not in the ordinary course of business or that might have an adverse effect upon the Organization.
5. All claims outstanding against the Organization or possible claims have been disclosed to you and, where appropriate, reflected in the financial statements or notes thereto.
6. We understand that any illegal or possibly illegal act could damage the Organization or its reputation or give rise to a claim or claims against the Organization. We are not aware of any violations or possible violations of law or regulations the effects of which should be considered for disclosure in the financial statements or as the basis for recording a contingent loss.

Statement of Operations

1. All of the revenues of the Organization for the year has been recorded in the books of account and disclosed in the financial statements.
2. The statement of financial activities contains no extraordinary or non-recurring items of material amount except as shown thereon.

Restrictions

1. All restrictions on the use of the Organization's funds or assets, as well as all requirements or conditions imposed by third parties, have been brought to your attention and are appropriately disclosed in the financial statements. The Organization complied with all restrictions, requirements or conditions which, in the event of non-compliance could have a significant effect on the financial statements.
2. All assets subject to a lien, pledged or assigned as security or guarantee for liabilities were brought to your attention and are appropriately disclosed in the financial statements.

Minutes

The minute books of the Organization contain an accurate record of all of the business transacted at meetings of directors and committees of directors up to the date of this letter.

Controlled and Related Entities

1. The Organization does not have relationships with any companies or other not-for-profit organizations that involve control, joint control, or significant influence nor does the Organization have an economic interest in any other not-for-profit organization.

Related Party Transactions

1. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian public sector accounting standards.
2. There have been no exchanges of goods or services with any related parties during the year that require disclosure in the financial statements.

Recognition, Measurement and Disclosure

1. Significant assumptions used in arriving at the fair values of financial instruments as measured and disclosed in the financial statements are reasonable and appropriate in the circumstances.
2. The Organization has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.

3. The nature of all material measurement uncertainties has been appropriately disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.
4. The Organization did not undertake any material non-monetary transactions or transactions for no consideration during the financial reporting period under consideration.

Going Concern

We confirm that we have assessed the Organization's ability to continue as a going concern, taking into account all information which is at least twelve months from the year-end date, and we conclude that the Organization is able to continue as a going concern for the foreseeable future.

General

1. We are unaware of any frauds or possible frauds having been committed by the Organization, its employees or any of its directors and officers and we have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
2. We have no knowledge of any allegations of fraud or suspected fraud affecting the Organization's financial statements.
3. We acknowledge that we are responsible for the implementation and operation of internal controls that are designed to prevent and detect fraud and error.
4. We are unaware of any known or probable instances of non-compliance with the requirements of regulatory or governmental authorities, including their financial reporting requirements.
5. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to the representation letter.
6. In the course of your audit of our financial statements for the year ended December 31, 2019, you have recommended certain journal entries and adjustments to our books and records as attached to this letter. We hereby acknowledge that we understand, agree with and approve of the attached journal entries which have been considered necessary to present fairly the financial position and operating results of our Organization.

Events Subsequent to the Year-end

No facts have been discovered which necessitate material adjustment to the year-end figures or disclosure in the notes to the financial statements.

Yours very truly,

HASTINGS & PRINCE EDWARD COUNTIES HEALTH UNIT

Per _____
VALERIE DUNHAM, DIRECTOR OF CORPORATE SERVICES

Draft for discussion purposes

HASTINGS & PRINCE EDWARD COUNTIES HEALTH UNIT

FINANCIAL STATEMENTS

December 31, 2019

Draft for discussion purposes

DATE

Management's Responsibility for Financial Statements

The financial statements of Hastings and Prince Edward Counties Health Unit are the responsibility of management and have been approved by the Board.

The financial statements have been prepared in compliance with Canadian public sector accounting standards for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Organization's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting. The Board, through the Finance Committee, reviews the Organization's financial statements and discusses any significant financial reporting or internal control matters prior to Board approval of the financial statements.

The financial statements have been audited by Welch LLP, independent external auditors appointed by the Organization, in accordance with Canadian generally accepted auditing standards. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Organization's financial statements.

Valerie Dunham
Director of Corporate Services / Associate CEO

INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of
HASTINGS & PRINCE EDWARD COUNTIES HEALTH UNIT

Opinion

We have audited the financial statements of **HASTINGS & PRINCE EDWARD COUNTIES HEALTH UNIT**, which comprise the statement of financial position as at December 31, 2019, and the statements of financial activities and accumulated surplus and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2019, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 generally accepted auditing standards 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 financial statements.

INDEPENDENT AUDITOR'S REPORT (continued)

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

- Identify and assess the risks of material misstatement of the financial statements, 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Trenton, Ontario
Date to be determined

CHARTERED PROFESSIONAL ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS

HASTINGS AND PRINCE EDWARD COUNTIES HEALTH UNIT
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2019

	<u>2019</u>	<u>2018</u>
FINANCIAL ASSETS		
Cash	\$ 4,026,625	\$ 3,620,350
Accounts receivable	221,640	117,716
Due from Province of Ontario	<u>147,840</u>	<u>88,420</u>
	<u>4,396,105</u>	<u>3,826,486</u>
LIABILITIES		
Accounts payable and accrued liabilities	1,198,022	1,237,566
Due to Province of Ontario	191,693	38,927
Deferred revenue	91,320	74,912
Mortgage payable - <i>note 9</i>	<u>7,263,099</u>	<u>7,491,268</u>
	<u>8,744,134</u>	<u>8,842,673</u>
NET FINANCIAL LIABILITIES	<u>(4,348,029)</u>	<u>(5,016,187)</u>
NON-FINANCIAL ASSETS		
Prepaid expenses	82,464	93,109
Tangible capital assets - <i>schedule 2</i>	<u>10,758,915</u>	<u>10,979,045</u>
	<u>10,841,379</u>	<u>11,072,154</u>
ACCUMULATED SURPLUS	<u>\$ 6,493,350</u>	<u>\$ 6,055,967</u>
Represented by:		
Operating fund - <i>schedule 1</i>	\$ 1,242,060	\$ 1,123,215
Reserves - <i>note 7</i>	1,755,474	1,444,975
Equity in tangible capital assets - <i>note 12</i>	<u>3,495,816</u>	<u>3,487,777</u>
	<u>\$ 6,493,350</u>	<u>\$ 6,055,967</u>

Approved by the Board:

_____ Member

_____ Member

(See accompanying notes)

HASTINGS & PRINCE EDWARD COUNTIES HEALTH UNIT
STATEMENTS OF FINANCIAL ACTIVITIES AND ACCUMULATED SURPLUS
YEAR ENDED DECEMBER 31, 2019

	2019 Budget (Note 11)	2019 Actual	2018 Actual
REVENUES			
Provincial funding	\$ 11,638,943	\$ 11,946,450	\$ 11,672,798
Municipal levies	3,388,953	3,388,953	3,338,870
Federal funding	128,988	115,153	122,300
County of Hastings funding	-	-	344,023
Grants	-	1,908	1,470
Interest	-	78,652	47,214
Expenditure recoveries - note 8	210,000	324,107	263,660
	<u>15,366,884</u>	<u>15,855,223</u>	<u>15,790,335</u>
EXPENDITURES			
Salaries	10,227,239	9,645,359	9,439,293
Benefits	2,607,370	2,503,592	2,463,852
Staff training	144,575	130,834	132,242
Travel	196,800	185,567	180,757
Building occupancy - note 9	996,600	865,154	839,494
Office and administration	470,700	610,032	479,522
Program supplies	425,900	747,474	969,639
Professional and purchased services	297,700	309,744	454,984
Amortization - schedule 2	-	420,084	403,946
	<u>15,366,884</u>	<u>15,417,840</u>	<u>15,363,729</u>
ANNUAL SURPLUS	<u>-</u>	437,383	426,606
ACCUMULATED SURPLUS, beginning of year		<u>6,055,967</u>	<u>5,629,361</u>
ACCUMULATED SURPLUS, end of year		<u>\$ 6,493,350</u>	<u>\$ 6,055,967</u>

(See accompanying notes)

HASTINGS & PRINCE EDWARD COUNTIES HEALTH UNIT
STATEMENT OF CHANGE IN NET FINANCIAL LIABILITIES
YEAR ENDED DECEMBER 31, 2019

	<u>2019</u>	<u>2018</u>
Annual surplus	\$ 437,383	\$ 426,606
Acquisition of tangible capital assets - schedule 2	(199,954)	(70,760)
Amortization of tangible capital assets - schedule 2	420,084	403,946
Change in prepaid expenses	<u>10,645</u>	<u>25,979</u>
Decrease in net financial liabilities	668,158	785,771
Net financial liabilities at beginning of year	<u>(5,016,187)</u>	<u>(5,801,958)</u>
Net financial liabilities at end of year	<u>\$ (4,348,029)</u>	<u>\$ (5,016,187)</u>

(See accompanying notes)

HASTINGS & PRINCE EDWARD COUNTIES HEALTH UNIT
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Annual surplus	\$ 437,383	\$ 426,606
Adjustments for:		
Amortization	420,084	403,946
Change in non-cash working capital components:		
Accounts receivable	(103,924)	99,748
Due from Province of Ontario	(59,420)	133,203
Accounts payable and accrued liabilities	(39,544)	151,939
Due to Province of Ontario	152,766	(40,593)
Deferred revenue	16,408	(154,628)
Prepaid expenses	10,645	25,979
	<u>834,398</u>	<u>1,046,200</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of mortgage	<u>(228,169)</u>	<u>(218,996)</u>
CASH FLOWS FROM CAPITAL ACTIVITIES		
Purchase of tangible capital assets	<u>(199,954)</u>	<u>(70,760)</u>
INCREASE IN CASH	406,275	756,444
CASH, beginning of year	<u>3,620,350</u>	<u>2,863,906</u>
CASH, end of year	<u>\$ 4,026,625</u>	<u>\$ 3,620,350</u>

(See accompanying notes)

HASTINGS & PRINCE EDWARD COUNTIES HEALTH UNIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Hastings and Prince Edward Counties Health Unit are the representation of management prepared in accordance with accounting policies prescribed by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada for local governments and their boards. 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 aspects of the accounting policies adopted by the Health Unit are as follows:

Basis of Accounting

The basis of accounting followed in the financial statement presentation includes revenues in the period in which the transactions or events occurred that gave rise to the revenues and expenditures in the period the goods and services are acquired and a liability is incurred or transfers are due.

Deferred Revenue

Deferred revenue represents special program grants which have been received but for which related program costs have yet to be incurred. These amounts will be recognized as revenue in the fiscal year that the program costs are incurred.

Government Transfers

Government transfers received relate to health programs. Transfers are recognized in the financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized and eligibility criteria have been met and reasonable estimates of the amounts can be made.

Non Financial Assets

Non financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization and are classified according to their functional use. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Building and Site Improvements	40 years
Leasehold Improvements	remaining term of lease
Vehicles	5 years
Communication Systems	5 years
Office Equipment	5 years
Computer Equipment	5 years
Signage	5 years

HASTINGS & PRINCE EDWARD COUNTIES HEALTH UNIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenditures during the reporting period. Management makes accounting estimates when determining the estimated useful lives of tangible capital assets, deferred revenue and funding repayable to the Province of Ontario. Actual results could differ from those estimates.

2. PENSION AGREEMENT

The Health Unit, on behalf of its eligible employees, is a participant in the Ontario Municipal Employees Retirement System (OMERS). OMERS is a defined benefit pension plan, fully funded by equal contributions from participating employers and employees, and by the investment earnings on the OMERS fund. OMERS pensions are calculated using a defined benefit formula, taking into account length of service and average annual wage that is designed to integrate with the pension payable from the Canada Pension Plan. The amount contributed to OMERS for 2019 was \$947,597 (2018 - \$897,681) for current service and is included as an expenditure on the Statement of Financial Activities. At December 31, 2019, there is no liability for past service under this agreement.

Because OMERS is a multi-employer pension plan, the Health Unit does not recognize any share of the last reported pension plan surplus as of December 31, 2019 of \$1,531,000,000 (2018 - \$2,790,000,000 deficit) based on the fair market value of the Plan's assets, as this is a joint responsibility of all participating employers and their employees.

3. LIABILITY FOR VESTED SICK LEAVE BENEFITS

Under the previous sick leave benefit plan, unused sick leave could be accumulated and employees could become entitled to a cash payment when they leave the Health Unit's employment.

During 1988, the Health Unit introduced an employee benefit package which includes short and long term disability insurance. As part of the package, the accumulated sick leave days were frozen at the levels existing at the date of implementation of the plan.

The liability for these accumulated days, to the extent that they have vested and could be taken in cash by an employee on termination, amount to \$7,614 (2018 - \$7,562).

HASTINGS & PRINCE EDWARD COUNTIES HEALTH UNIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019

4. COMMITMENTS

The Health Unit leases office accommodation in Picton, Trenton, Madoc and Bancroft and additionally leases office equipment. The future minimum lease payments are as follows:

2020		\$ 86,733
2021		<u>2,674</u>
		<u>\$ 89,407</u>

In addition to the above leases, the Health Unit entered into a construction contract prior to year end for upgrades to the dental clinic in the amount of \$68,100 plus taxes. At December 31, 2019, \$61,290 has yet to be billed.

5. ECONOMIC DEPENDENCE

The majority of the revenue of the Health Unit is provided by the Province of Ontario and by four funding municipalities. The Province funds seventy-five percent (2018 - seventy-five percent) of mandated public health programs while the Counties of Hastings and Prince Edward and the Cities of Belleville and Quinte West combine to fund the remaining twenty-five percent (2018 - twenty-five percent).

6. FINANCIAL INSTRUMENTS

The Health Unit's financial instruments are comprised of cash, accounts receivable, accounts payable and accrued liabilities, mortgage payable and interest rate swap agreement. Unless otherwise noted, it is management's opinion that the Health Unit is not exposed to significant interest rate, currency or credit risks arising from these financial instruments. The fair values of the financial instruments approximate their carrying values due to the short term nature of the instruments except for the mortgage loan payable and interest rate swap agreement. The fair value of the underlying mortgage loan approximates carrying value due to the interest rate being reset monthly. At December 31, 2019, the fair value of the remaining interest rate swap is a liability of \$1,020,587. The Health Unit has access to a line of credit in the amount of \$250,000 with its corporate banker which bears interest at prime.

HASTINGS & PRINCE EDWARD COUNTIES HEALTH UNIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019

7. RESERVES

The Health Unit has established reserves as follows:

The capital reserve is restricted to building replacement, expansion, renovations or major repairs.

	<u>2019</u>	<u>2018</u>
Capital reserve, beginning of year	\$ 1,399,116	\$ 1,103,872
Net revenues for year - schedule 3	<u>310,499</u>	<u>295,244</u>
Capital reserve, end of year	1,709,615	1,399,116
HBHC reserve	<u>45,859</u>	<u>45,859</u>
Total reserves	<u>\$ 1,755,474</u>	<u>\$ 1,444,975</u>

The Healthy Babies Healthy Children (HBHC) reserve is restricted to fund future costs of the program in excess of provincial funding. There were no changes to the HBHC reserve during the year.

8. EXPENDITURE RECOVERIES

Expenditure recoveries consist of:

	<u>2019</u>	<u>2018</u>
Provincial reimbursement of clinic costs	\$ 57,392	\$ 51,647
Vaccination clinics	133,797	78,790
Sexual health clinics	29,966	26,563
Nicotine replacement therapy clinics	28,975	24,078
Tuberculosis testing	31,850	38,210
Food handler training	41,505	43,845
Other	<u>622</u>	<u>527</u>
	<u>\$ 324,107</u>	<u>\$ 263,660</u>

HASTINGS & PRINCE EDWARD COUNTIES HEALTH UNIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019

9. MORTGAGE PAYABLE

Mortgage payable consists of the following:

	2019	2018
Bankers acceptance, interest at Canadian Imperial Bank of Commerce BA rate at time of renewal plus 0.48% per annum acceptance fee. Interest is fixed with an interest rate swap agreement at 4.11%. Interest paid in advance at time of renewal with an adjustment at next monthly renewal to swapped rate. Principal is reduced each monthly renewal based on a blended monthly payment of principal and interest of \$44,316 until January 2040.		
Remaining balances due January 2040.	<u>\$ 7,263,099</u>	<u>\$ 7,491,268</u>

The mortgage is secured by a general security agreement creating a first ranking security interest in all personal property of the Health Unit and a first mortgage over the property located at 179 North Park Street, Belleville, Ontario.

Interest expense of \$302,321 (2018 - \$316,627) is included in building occupancy on the statement of financial activities and accumulated surplus.

Future principal repayments are estimated to be as follows:

2020	\$	237,725
2021		247,682
2022		258,056
2023		268,864
2024		280,125
Thereafter		5,970,647

10. INTEREST RATE SWAP AGREEMENT

The Health Unit entered into an interest rate swap agreement on March 5, 2014, effective January 2, 2015, which fixes the long-term interest rates associated with the mortgage. Under this agreement, the Health Unit pays interest on the notional principal at a fixed rate, and receives interest on the same notional principal at a variable rate based on Bankers' Acceptance rates. At the December 2019 renewal, the interest rate including stamping fee on the Banker's Acceptance was 2.45%. There is no exposure to loss on the notional principal amount since the amount is netted by agreement; however, as interest rates fluctuates, the fair value of the swap rises and falls.

HASTINGS & PRINCE EDWARD COUNTIES HEALTH UNIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019

10. INTEREST RATE SWAP AGREEMENT (continued)

Under the swap agreement, the Health Unit pays a fixed rate of 4.11% per annum on the notional principal. As at December 31, 2019 the notional principal of this agreement was \$7,263,099 (2018 - \$7,491,268) with the notional principal being reduced monthly in a systematic manner until the contract matures on January 3, 2040.

11. BUDGET

The Board of Health approved the budget for 2019 with a municipal levy of \$3,338,953 on February 6, 2019. During the year, the Health Unit entered into additional program agreements or amendments to program agreements. The budgets of these program changes are not reflected in the budget amounts presented.

12. EQUITY IN TANGIBLE CAPITAL ASSETS

Equity in tangible capital assets consist of:

	<u>2019</u>	<u>2018</u>
Tangible capital assets	\$ 10,758,915	\$ 10,979,045
Mortgage payable	<u>(7,263,099)</u>	<u>(7,491,268)</u>
	<u>\$ 3,495,816</u>	<u>\$ 3,487,777</u>

**HASTINGS AND PRINCE EDWARD COUNTIES HEALTH UNIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019**

13. OFF-CALENDAR YEAR PROGRAMS

The Health Unit enters into certain programs with the federal, provincial and municipal governments where the funding year end is March 31st. The breakdown of the total revenue and expenditures of those programs during the year is as follows:

	Vaccine Refrigerators			Ontario Seniors Dental Care Program: Dental Clinic Upgrades - Belleville			Ontario Seniors Dental Care Program: Mobile Dental Clinic			Healthy Babies Healthy Children		
	January - March	April - December	2019 Total	January - March	April - December	2019 Total	January - March	April - December	2019 Total	January to March	April to December	2019 Total
Total funding approved for funding year	\$ -	\$ 10,000		\$ -	\$ 252,900		\$ -	\$ 595,000		\$ 290,130	\$ 1,160,543	
Total funding received in prior calendar year	\$ -	\$ -		\$ -	\$ -		\$ -	\$ -		\$ -	\$ -	
Expended in prior calendar year	-	-		-	-		-	-		-	-	
Deferred revenue carried forward	-	-		-	-		-	-		-	-	
Funding received in current calendar year	-	10,000		-	-		-	-		290,130	870,413	
Settlement adjustment	-	(1,088)		-	-		-	-		-	-	
Funds to be received in next calendar year	-	-		-	76,947		-	-		-	-	
Funding available for use in next calendar year	-	-		-	-		-	-		-	(12,238)	
Revenues	-	8,912	\$ 8,912	-	76,947	\$ 76,947	-	-	\$ -	290,130	858,175	\$ 1,148,305
Expenditures	-	8,912	8,912	-	48,973	48,973	-	-	-	290,130	858,175	1,148,305
Annual surplus	\$ -	\$ -	\$ -	\$ -	\$ 27,974	\$ 27,974	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reconciliation to funding												
Annual surplus (deficit) above	\$ -	\$ -	\$ -	\$ -	\$ 27,974	\$ 27,974	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Add transfers from reserve	-	-	-	-	-	-	-	-	-	-	-	-
Less capital asset acquisitions	-	-	-	-	(27,974)	(27,974)	-	-	-	-	-	-
Funding surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

	Public Health Inspector Practicum Program			Canada Prenatal Nutrition Program			Children's Oral Health Initiative		
	January - March	April - December	2019 Total	January - March	April - December	2019 Total	January - March	April - December	2019 Total
Total funding approved for funding year	\$ 10,000	\$ 10,000		\$ 89,988	\$ 89,988		\$ 39,000	\$ 39,000	
Total funding received in prior calendar year	\$ 10,000	\$ -		\$ 89,988	\$ -		\$ 39,000	\$ -	
Expended in prior calendar year	(10,000)	-		(68,040)	-		(26,944)	-	
Deferred revenue carried forward	-	-		21,948	-		12,056	-	
Funding received in current calendar year	-	10,000		-	80,990		-	39,000	
Settlement adjustment	-	-		-	-		-	-	
Funds to be received in next calendar year	-	-		-	8,998		-	-	
Funding available for use in next calendar year	-	-		-	(29,471)		-	(18,368)	
Revenues	-	10,000	\$ 10,000	21,948	60,517	\$ 82,465	12,056	20,632	\$ 32,688
Expenditures	-	10,000	10,000	21,948	60,517	82,465	12,056	20,632	32,688
Annual surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reconciliation to funding									
Annual surplus above	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Add transfers from reserve	-	-	-	-	-	-	-	-	-
Less capital asset acquisitions	-	-	-	-	-	-	-	-	-
Funding surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Healthy Babies Healthy Children was previously funded on a calendar year basis. For 2019, had two allocations January to March 2019 and April 2019 to March 2020.

HASTINGS & PRINCE EDWARD COUNTIES HEALTH UNIT
SCHEDULE 1 - RECONCILIATION OF FUND BALANCES
OPERATING FUND
YEAR ENDED DECEMBER 31, 2019

	<u>2019</u>	<u>2018</u>
Accumulated surplus, beginning of year	\$ 1,123,215	\$ 877,663
Net revenues	<u>437,383</u>	<u>426,606</u>
	1,560,598	1,304,269
Change - tangible capital assets	220,130	333,186
Principal repayments in year	(228,169)	(218,996)
Capital reserve net revenues	<u>(310,499)</u>	<u>(295,244)</u>
Accumulated surplus, end of year	<u>\$ 1,242,060</u>	<u>\$ 1,123,215</u>

(See accompanying notes)

HASTINGS AND PRINCE EDWARD COUNTIES HEALTH UNIT
SCHEDULE 2 -TANGIBLE CAPITAL ASSETS
YEAR ENDED DECEMBER 31, 2019

	Land	Building and Site Improvements	Leasehold Improvements	Communication Systems	Office Equipment	Computer Equipment	Signage	2019 Total	2018 Total
Historical costs:									
Opening balance	\$ 81,814	\$ 11,726,818	\$ 197,010	\$ 93,585	\$ 414,470	\$ 546,663	\$ 20,941	\$ 13,081,301	\$ 13,010,541
Additions	-	-	-	-	170,553	29,401	-	199,954	70,760
Adjustment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(12,348)	-	-	(12,348)	-
Closing Balance	81,814	11,726,818	197,010	93,585	572,675	576,064	20,941	13,268,907	13,081,301
Accumulated Amortization:									
Opening balance	-	1,023,205	197,010	73,319	301,991	496,261	10,470	2,102,256	1,698,310
Disposals	-	-	-	-	(12,348)	-	-	(12,348)	-
Amortization expense	-	293,170	-	7,506	84,157	31,063	4,188	420,084	403,946
Closing Balance	-	1,316,375	197,010	80,825	373,800	527,324	14,658	2,509,992	2,102,256
Net book value	\$ 81,814	\$ 10,410,443	\$ -	\$ 12,760	\$ 198,875	\$ 48,740	\$ 6,283	\$ 10,758,915	\$ 10,979,045

HASTINGS AND PRINCE EDWARD COUNTIES HEALTH UNIT
SCHEDULE OF OPERATIONS
YEAR ENDED DECEMBER 31, 2019

Mandatory Core	Related Programs - 100% Funded by Province												
	Infectious Diseases Control	Nursing Initiatives	Healthy Smiles Ontario	Enhanced Food Safety - Haines	Enhanced Safe Water Initiative	Needle Exchange Program	Harm Reduction Enhancement	Smoke-Free Ontario Strategy	Ontario Seniors Dental Care Program	Senior Dental Clinic Upgrade	Vaccine Fridges	Subtotal of Related Programs - 100% Funded by Province	
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
REVENUES													
Provincial approved funding MOHLTC	8,474,400	222,300	392,100	550,300	25,000	15,500	51,000	150,000	444,100	440,000	76,947	10,000	2,377,247
Provincial approved funding MCCSS	-	-	-	-	-	-	-	-	-	-	-	-	-
Total approved provincial funding	8,474,400	222,300	392,100	550,300	25,000	15,500	51,000	150,000	444,100	440,000	76,947	10,000	2,377,247
Provincial funding MOH salary	109,590	-	-	-	-	-	-	-	-	-	-	-	-
Settlement adjustments	-	(20,797)	(25,490)	(39,719)	-	-	-	-	-	(85,998)	-	(1,088)	(173,092)
Provincial funding	8,583,990	201,503	366,610	510,581	25,000	15,500	51,000	150,000	444,100	354,002	76,947	8,912	2,204,155
Municipal levies	3,128,953	-	-	-	-	-	-	-	-	-	-	-	-
Federal funding	-	-	-	-	-	-	-	-	-	-	-	-	-
County of Hastings funding	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest income	22,997	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure recoveries	324,107	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	12,060,047	201,503	366,610	510,581	25,000	15,500	51,000	150,000	444,100	354,002	76,947	8,912	2,204,155
EXPENDITURES													
Salaries	7,482,722	145,420	271,575	328,460	18,936	10,455	-	94,365	296,339	63,608	-	-	1,229,158
Benefits	1,914,644	40,142	65,785	90,544	4,189	3,170	-	24,876	84,298	14,387	-	-	327,391
Staff training	115,880	-	-	3,715	-	-	-	3,049	275	5,403	-	-	12,442
Travel	123,463	941	-	4,222	-	-	-	1,705	17,478	-	-	-	24,346
Building occupancy	671,362	15,000	29,250	42,264	1,875	1,875	-	10,000	33,555	11,000	48,973	-	193,792
Office expenses and administration	543,177	-	-	16,071	-	-	-	-	-	13,933	-	8,912	38,916
Program supplies	560,935	-	-	25,305	-	-	51,000	16,005	3,887	81,105	-	-	177,302
Professional and purchased services	295,347	-	-	-	-	-	-	-	8,268	5,129	-	-	13,397
Amortization	420,084	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	12,127,614	201,503	366,610	510,581	25,000	15,500	51,000	150,000	444,100	194,565	48,973	8,912	2,016,744
Annual surplus (deficit) before other items	(67,567)	-	-	-	-	-	-	-	-	159,437	27,974	-	187,411
Loss on disposal of tangible capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Annual surplus (deficit)	(67,567)	-	-	-	-	-	-	-	-	159,437	27,974	-	187,411
RECONCILIATION TO FUNDING													
Annual surplus (deficit) above	(67,567)	-	-	-	-	-	-	-	-	159,437	27,974	-	187,411
Add back amortization	420,084	-	-	-	-	-	-	-	-	-	-	-	-
Add transfers from reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
Add loss on disposal of tangible capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Less tangible capital asset acquisitions	(12,543)	-	-	-	-	-	-	-	-	(159,437)	(27,974)	-	(187,411)
Less principal repayments on mortgage	(228,169)	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in prepayment	-	-	-	-	-	-	-	-	-	-	-	-	-
Funding surplus	111,805	-	-	-	-	-	-	-	-	-	-	-	-

**HASTINGS AND PRINCE EDWARD COUNTIES HEALTH UNIT
SCHEDULE OF OPERATIONS
YEAR ENDED DECEMBER 31, 2019**

	PHI Practicum Student	Healthy Babies Healthy Children	Canada Prenatal Nutrition Program	Other Programs			Capital Reserve	Subtotal of Other Programs	Total	
				Children's Oral Health Initiative	Investing in Healthy Minds	Operating Fund			2019	2018
	\$	\$	\$	\$	\$	\$	\$	\$	\$	
REVENUES										
Provincial approved funding MOHLTC	10,000	-	-	-	-	-	10,000	10,861,647	10,494,546	
Provincial approved funding MCCSS	-	1,160,543	-	-	-	-	1,160,543	1,160,543	1,160,543	
Total approved provincial funding	10,000	1,160,543	-	-	-	-	1,170,543	12,022,190	11,655,089	
Provincial funding MOH salary	-	-	-	-	-	-	-	109,590	51,075	
Settlement adjustments	-	(12,238)	-	-	-	-	(12,238)	(185,330)	(33,366)	
Provincial funding	10,000	1,148,305	-	-	-	-	1,158,305	11,946,450	11,672,798	
Municipal levies	-	-	-	-	-	260,000	260,000	3,388,953	3,338,870	
Federal funding	-	-	82,465	32,688	-	-	115,153	115,153	122,300	
County of Hastings funding	-	-	-	-	-	-	-	-	344,023	
Other revenue	-	-	-	-	1,908	-	1,908	1,908	1,470	
Interest income	-	-	-	-	-	5,156	50,499	78,652	47,214	
Expenditure recoveries	-	-	-	-	-	-	-	324,107	263,660	
Total Revenues	10,000	1,148,305	82,465	32,688	1,908	5,156	310,499	15,991,021	15,790,335	
EXPENDITURES										
Salaries	9,425	842,451	59,596	22,007	-	-	933,479	9,645,359	9,439,293	
Benefits	575	237,928	15,110	7,944	-	-	261,557	2,503,592	2,463,852	
Staff training	-	1,512	-	1,000	-	-	2,512	130,834	132,242	
Travel	-	34,891	2,068	799	-	-	37,758	185,567	180,757	
Building occupancy	-	-	-	-	-	-	-	865,154	839,494	
Office expenses and administration	-	27,939	-	-	-	-	27,939	610,032	479,522	
Program supplies	-	2,584	5,691	938	24	-	9,237	747,474	969,639	
Professional and purchased services	-	1,000	-	-	-	-	1,000	309,744	454,984	
Amortization	-	-	-	-	-	-	-	420,084	403,946	
Total Expenditures	10,000	1,148,305	82,465	32,688	24	-	1,273,482	15,417,840	15,363,729	
Annual surplus (deficit) before other items	-	-	-	-	1,884	5,156	310,499	437,383	426,606	
Loss on disposal of tangible capital assets	-	-	-	-	-	-	-	-	-	
Annual surplus (deficit)	-	-	-	-	1,884	5,156	310,499	437,383	426,606	
RECONCILIATION TO FUNDING										
Annual surplus (deficit) above	-	-	-	-	1,884	5,156	310,499	437,383	426,606	
Add back amortization	-	-	-	-	-	-	-	420,084	403,946	
Add transfers from reserve	-	-	-	-	-	-	-	-	-	
Add loss on disposal of tangible capital assets	-	-	-	-	-	-	-	-	-	
Less tangible capital asset acquisitions	-	-	-	-	-	-	-	(199,954)	(70,760)	
Less principal repayments on mortgage	-	-	-	-	-	-	-	(228,169)	(218,996)	
Decrease (increase) in prepayment	-	-	-	-	-	-	-	-	2,257	
Funding surplus	-	-	-	-	1,884	5,156	310,499	429,344	543,053	