

August 5, 2022

Jason Trottier
Chief Administrative Officer/Treasurer
Municipality of East Ferris
390 HWY 94
Corbeil, ON P0H 1K0

Dear Jason Trottier:

RE: Audited Financial Statements, Financial Information Return (FIR) and COVID-19 Update

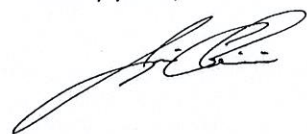
The North Bay Parry Sound District Health Unit (NBPSDHU) Audited Financial Statements for the year ended December 31, 2021, and your 2021 Municipal FIR Schedule 77 are attached for your review. The status of the municipal reserve as of December 31, 2021 can be found on page 9 note 4, of the financial statement.

We would like to update you on the Health Units financial situation. We have confirmation of additional funding to support COVID-19 costs for 2022 that are in excess of mandatory program funding. This means there should be no additional costs to municipalities related to COVID-19 for 2022. The province increased funding to Health Units by 0.75% for 2022. Considering current inflation costs for utilities, insurance and labour/benefits, this has been inadequate to balance the current budget. The funds saved from unfilled positions, and those deployed to COVID-19 work, have been used to cover costs not allowed for in the revised budget.

At the present time funding for 2023 has not been communicated. The mitigation funding to offset the new sharing formula with municipalities has not been confirmed. For 2023, if not received, municipalities would be responsible for \$1,792,400 in additional funding. The status of additional funding related to Health Unit COVID-19 responsibilities for 2023 has not yet been communicated either. On a more positive note, the availability of the Municipal Reserve to help with these funding issues will enable the Board of Health to make plans for 2023 and beyond, taking municipalities funding concerns into account.

The Health Unit has had 2 years of unprecedented workload due to COVID-19, but during that time, and always, we continue to be committed to protecting the health of our communities.

Sincerely yours,



James Chirico, H.BSc., M.D., F.R.C.P. (C), MPH
Medical Officer of Health/Executive Officer

Financial Statements of

**NORTH BAY PARRY SOUND
DISTRICT HEALTH UNIT**

Year ended December 31, 2021

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

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INDEPENDENT AUDITORS' REPORT

To the Board Members of the North Bay Parry Sound District Health Unit

Opinion

We have audited the accompanying financial statements of the North Bay Parry Sound District Health Unit (the Entity), which comprise:

- the statement of financial position as at December 31, 2021
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2021, and its results of operations, its changes in net financial assets 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 "Auditors' Responsibilities for the Audit of the Financial Statements" section of our report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other 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.



Other Matter – Comparative Information

The financial statements for the year ended December 31, 2020 were audited by another auditor who expressed an unmodified opinion on those financial statements dated April 28, 2021.

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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibility 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 auditors' 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 the financial statements.

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



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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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity 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 represents the underlying transactions and events in a manner that achieves fair presentation.
- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

April 27, 2022

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

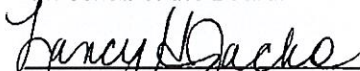
Statement of Financial Position


December 31, 2021, with comparative information for 2020

	2021	2020
Financial assets		
Cash and cash equivalents	\$ 4,640,293	\$ 4,301,625
Accounts receivable (note 3)	927,246	534,942
	<u>5,567,539</u>	<u>4,836,567</u>
Financial liabilities		
Accounts payable and accrued liabilities (note 5)	2,434,378	2,140,239
Deferred revenue (note 6)	1,070,930	289,325
Payable to the Province of Ontario	399,363	695,545
Other employment liabilities (note 8)	477,759	350,906
	<u>4,382,430</u>	<u>3,476,015</u>
Net financial assets	1,185,109	1,360,552
Non-financial assets:		
Tangible capital assets (note 2)	17,478,290	18,032,252
Supplies inventory	205,368	212,286
Prepaid expenses	141,824	82,716
	<u>17,825,482</u>	<u>18,327,254</u>
Contingencies (note 12)		
Commitment (note 13)		
Accumulated surplus (note 4)	\$ 19,010,591	\$ 19,687,806

See accompanying notes to financial statements.

On behalf of the Board:

 Chairperson

 Vice Chairperson

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Statement of Operations and Accumulated Surplus

Year ended December 31, 2021, with comparative information for 2020

	Budget	Total	Total
	2021	2021	2020
Revenues:			
Province of Ontario (note 9)			
Core	\$ 14,734,292	\$ 14,737,006	\$ 14,739,200
Mitigation funding	1,792,400	1,792,400	1,792,400
One-time funding	928,437	6,073,437	739,438
Member municipalities	3,547,747	3,547,747	3,547,743
Cost recoveries - other programs (note 10)	95,500	104,505	208,954
Program revenue	264,825	193,146	265,734
Other grant revenues	100,000	406,058	428,580
Interest and miscellaneous	52,000	169,274	31,105
Transfer to deferred revenue	-	(781,605)	(188,556)
	21,515,201	26,241,968	21,564,598
Expenses: (note 16)			
Public Health Mandatory Programs	18,060,192	23,044,449	18,875,747
Ontario Seniors Dental Care	842,400	913,413	562,032
Healthy Babies, Healthy Children Programs	1,094,400	821,378	1,094,400
COVID-19: School-Focused Nurses Initiative	406,875	713,443	239,197
Infection Prevention and Control Hub	497,500	472,004	-
Miscellaneous grants	-	332,481	105,987
Adult Dental	159,780	130,419	47,013
Unorganized Territories/Indigenous Communities	125,000	125,000	125,000
Unorganized Territories/Northern Fruit and Vegetable	150,000	116,036	150,000
Falls Prevention	100,000	75,252	87,464
MOH/AMOH Compensation Initiative	54,992	55,160	65,184
One-time Programs	24,062	23,174	41,330
	21,515,201	26,822,209	21,393,354
Excess (deficiency) of revenue over expenses before items below	-	(580,241)	171,244
Province of Ontario Settlements (note 11)	-	(96,974)	(567,590)
Loss on disposal of tangible capital assets	-	-	(508)
Annual deficit	-	(677,215)	(396,854)
Accumulated surplus, beginning of year	-	19,687,806	20,084,660
Accumulated surplus, end of year	\$ -	\$ 19,010,591	\$ 19,687,806

See accompanying notes to financial statements.

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Statement of Changes in Net Financial Assets

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Annual deficit	\$ (677,215)	\$ (396,854)
Purchase of tangible capital assets	(251,770)	(421,172)
Amortization of tangible capital assets	805,732	837,250
Loss on disposal of tangible capital assets	-	508
	(123,253)	19,732
Acquisition of prepaid expenses	(141,824)	(82,716)
Use of prepaid expenses	82,716	67,698
Acquisition of supplies inventory	(205,368)	(212,286)
Consumption of supplies inventory	212,286	188,444
	(52,190)	(38,860)
Changes in net financial assets	(175,443)	(19,128)
Net financial assets, beginning of year	1,360,552	1,379,680
Net financial assets, end of year	\$ 1,185,109	\$ 1,360,552

See accompanying notes to financial statements.

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Statement of Cash Flows

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Cash flows from operating activities:		
Annual deficit	\$ (677,215)	\$ (396,854)
Adjustments for:		
Amortization of tangible capital assets	805,732	837,250
Loss on disposal of tangible capital assets	-	508
	128,517	440,904
Changes in non-cash working capital:		
Accounts receivable	(392,304)	(166,794)
Accounts payable and accrued liabilities	294,139	(46,233)
Due to Province of Ontario	(296,182)	189,474
Deferred revenue	781,605	170,447
Other employment liabilities	126,853	105,427
Supplies inventory	6,918	(23,842)
Prepaid expenses	(59,108)	(15,018)
	590,438	654,365
Cash flows from investing activity:		
Purchase of tangible capital assets	(251,770)	(421,172)
Increase in cash	338,668	233,193
Cash and cash equivalents, beginning of year	4,301,625	4,068,432
Cash and cash equivalents, end of year	\$ 4,640,293	\$ 4,301,625

See accompanying notes to financial statements.

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2021

The North Bay Parry Sound District Health Unit (the "Health Unit") is incorporated without share capital under the Health Protection and Promotion Act and its principal activity is to provide mandatory public health programs. The Health Unit is a non-profit organization and is a registered charity exempt from income taxes under the Income Tax Act.

1. Summary of significant accounting policies:

These financial statements are prepared by management in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board. The significant accounting policies applied in the preparation of these financial statements are set out below.

(a) Financial statement presentation:

The financial statements reflect the assets, liabilities, revenues and expenses of the North Bay Parry Sound District Health Unit. The following programs are funded through grants from the Province of Ontario and through transfer payments from member municipalities.

Program Name	% Funded Province of Ontario	% Funded Municipal
Public Health Cost shared Mandatory Programs	70%	30%
Healthy Babies, Healthy Children	100%	0%
School Focused-Nurses Initiative	100%	0%
MOH/AMOS Compensation Initiative	100%	0%
Unorganized Territories/Mandatory Program	100%	0%
Unorganized Territories/Northern Fruit and Vegetable Program	100%	0%
Ontario Seniors Dental Care	100%	0%
Unorganized Territories/Indigenous Community Partnerships	100%	0%
Infection Prevention and Control Hub	100%	0%

(b) Cash and cash equivalents:

Cash and cash equivalents includes cash on hand, current bank accounts and short-term deposits, if any, with terms to maturity of less than 90 days.

(c) Revenue recognition:

Provincial funding revenues are recognized in the year to which the program relates. Municipal revenues are recognized in the year they are levied to member municipalities. Other revenues are recognized when services are provided and collection is reasonably assured. Investment revenue is recognized in the period earned.

Government transfers are recognized as revenue in the financial statements when the transfer is authorized and all eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2021

1. Summary of significant accounting policies (continued):

(d) Retirement benefits:

The Health Unit's contributions due during the period to its multi-employer defined benefit plan are expensed as incurred.

(e) Tangible capital assets:

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Asset	Basis	Term
Furniture	Straight-line	5 to 10 years
Equipment	Straight-line	5 to 8 years
Computer equipment and software	Straight-line	4 to 5 years
Portables	Straight-line	20 years
Building	Straight-line	40 years
Leaseholds	Straight-line	Over term of the lease
Trailers	Straight-line	5 years

(f) Economic dependence:

Substantially all of the Health Unit's revenue is received from the Province of Ontario and municipalities in its district. The continuation of the Health Unit is dependent on this funding.

Any adjustment to funding is recorded in the year it becomes known as an adjustment to net assets.

(g) Budget figures:

Budget figures have been provided for comparison purposes and have been derived from the budget approved by the Board of Directors. The budget figures are unaudited.

(h) Use of estimates:

The preparation of the 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 at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The principal estimates used in the preparation of these financial statements are the determination of the estimated useful life of tangible capital assets. Actual results could differ from these estimates.

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2021

2. Tangible capital assets:

		Furniture	Equipment	Computer Equipment & Software	Leaseholds	Portables	Buildings	Land	Trailers	2021 Total
Cost:										
Balance, January 1, 2021	\$	821,531	1,116,370	2,508,821	253,130	2,916	17,466,093	987,335	-	23,156,196
Additions		21,099	90,339	121,095	-	-	-	-	19,237	251,770
Disposals		(3,486)	(2,885)	(27,743)	-	-	-	-	-	(34,114)
Balance, December 31, 2021	\$	839,144	1,203,824	2,602,173	253,130	2,916	17,466,093	987,335	19,237	23,373,852
Accumulated amortization:										
Balance, January 1, 2021	\$	347,149	801,628	2,179,085	235,408	1,822	1,558,852	-	-	5,123,944
Amortization		70,797	115,055	176,844	1,969	146	437,074	-	3,847	805,732
Disposals		(3,486)	(2,885)	(27,743)	-	-	-	-	-	(34,114)
Balance, December 31, 2021	\$	414,460	913,798	2,328,186	237,377	1,968	1,995,926	-	3,847	5,895,562
Net book value										
At December 31, 2021	\$	424,684	290,026	273,987	15,753	948	15,470,167	987,335	15,390	17,478,290

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2021

2. Tangible capital assets (continued):

		Furniture	Equipment	Computer Equipment & Software	Leaseholds	Portables	Buildings	Land	2020 Total
Cost:									
Balance, January 1, 2020	\$	821,842	1,034,182	2,433,595	233,439	2,916	17,258,121	987,335	\$ 22,771,430
Additions		-	83,484	110,025	19,691	-	207,972	-	421,172
Disposals		(311)	(1,296)	(34,799)	-	-	-	-	(36,406)
Balance, December 31, 2020	\$	821,531	1,116,370	2,508,821	253,130	2,916	17,466,093	987,335	\$ 23,156,196
Accumulated amortization:									
Balance, January 1, 2020	\$	278,596	705,225	1,981,877	233,439	1,676	1,121,778	-	\$ 4,322,591
Amortization		68,864	97,699	231,498	1,969	146	437,074	-	837,250
Disposals		(311)	(1,296)	(34,290)	-	-	-	-	(35,897)
Balance, December 31, 2020	\$	347,149	801,628	2,179,085	235,408	1,822	1,558,852	-	\$ 5,123,944
Net book value									
At December 31, 2020	\$	474,382	314,742	329,736	17,722	1,094	15,907,241	987,335	\$ 18,032,252

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2021

3. Accounts receivable:

	2021	2020
Government of Canada	\$ 243,312	\$ 209,386
Province of Ontario	578,847	278,686
Member municipalities	46,421	10,013
Other	58,666	36,857
	<u>\$ 927,246</u>	<u>\$ 534,942</u>

4. Accumulated surplus:

	2021	2020
Invested in tangible capital assets	\$ 17,478,291	\$ 18,032,252
Municipal reserve (i)	1,796,820	1,786,304
Amounts to be recovered (note 8)	(477,759)	(350,906)
Operating fund	213,239	220,156
	<u>\$ 19,010,591</u>	<u>\$ 19,687,806</u>

(i) Change in Municipal reserve:

Balance, beginning of year	\$ 1,786,304	\$ 1,684,982
Additions:		
Surplus	-	87,450
Interest	10,516	13,872
	<u>\$ 1,796,820</u>	<u>\$ 1,786,304</u>

5. Accounts payable and accrued liabilities:

	2021	2020
Trade payables and other accruals	\$ 1,316,523	\$ 1,362,917
Accrued salaries and benefits	1,024,997	692,229
Due to member municipalities	52,670	44,905
Capital project payable	40,188	40,188
	<u>\$ 2,434,378</u>	<u>\$ 2,140,239</u>

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2021

6. Deferred revenue:

	2021	2020
Deferred revenue, beginning of year	\$ 289,325	\$ 118,878
Add: amount received during the year	2,457,584	623,238
Less: amount recognized as revenue during the year	(1,666,005)	(452,791)
Less: payable to Province of Ontario	(9,974)	-
Deferred revenue, end of year	\$ 1,070,930	\$ 289,325

Included in cash and cash equivalents is restricted amounts of \$1,070,930 (2020 - \$289,325) with respect to the above.

The ending balance is comprised of:

	2021	2020
Infection Prevention and Control Hub	\$ 630,496	\$ -
Healthy Babies Healthy Children	245,017	-
Other Grants	166,884	180,250
Falls Prevention	21,473	17,641
Adult Dental Preventative	7,060	7,297
COVID-19: School-Focused Nurses Initiative	-	53,933
COVID-19: Public Health and Contact Case Management Solutions	-	15,120
Ontario Active Transportation	-	7,578
Mandatory Program: Public Health Inspector Practicum Program	-	7,506
	\$ 1,070,930	\$ 289,325

7. Credit facility:

The Health Unit has authorized line of credit under a credit facility agreement with a Canadian chartered bank. The maximum draw permitted under this agreement is \$500,000 at prime less 0.25%. The amount drawn on this facility at year end was \$Nil (2020 - \$Nil).

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2021

8. Other employment liabilities:

The Health Unit provides certain employee benefits which will require funding in future periods.

	2021	2020
Vacation and compensation time	\$ 477,759	\$ 350,906

9. Province of Ontario funding:

The revenue from the Province of Ontario consists of the following grants:

	Budget 2021	Total 2021	Total 2020
Core:			
Public Health - Mandatory program	\$ 11,409,200	\$ 11,409,200	\$ 11,409,200
Unorganized Territories/Mandatory program	1,058,300	1,058,300	1,058,300
Healthy Babies, Healthy Children	1,094,400	1,094,400	1,094,400
Ontario Seniors Dental Care	842,400	842,400	842,400
Unorganized Territories/Northern			
Fruit and Vegetable program	150,000	150,000	150,000
Unorganized Territories/Indigenous Communities	125,000	125,000	125,000
MOH/AMOH Compensation Initiative	54,992	57,706	59,900
Subtotal	14,734,292	14,737,006	14,739,200
Mitigation funding	1,792,400	1,792,400	1,792,400
One time funding:			
Public Health - COVID Extraordinary program	-	300,000	-
Public Health - COVID Vaccine program	-	3,915,389	-
Ontario Seniors Dental Care	-	45,000	-
COVID-19 School-Focused Nurses Initiative	406,875	700,000	293,130
MOH/AMOH Compensation Initiative	-	-	15,200
Other	24,062	10,548	431,108
Infection Prevention and Control Hub	497,500	1,102,500	-
Subtotal	928,437	6,073,437	739,438
	\$ 17,455,129	\$ 22,602,843	\$ 17,271,038

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2021

10. Cost recoveries:

The Health Unit is responsible for the delivery of various mandated public health and other health programs which are funded 100% by the Province of Ontario. Some expenditures related to the delivery of these programs are initially incurred by the Health Unit and are subsequently recovered from these provincial programs. These amounts recovered are recorded as cost recoveries in the Health Unit's statement of operations and accumulated surplus.

11. Province of Ontario Settlements:

The Province of Ontario settlements for the year consists of the following:

	2021	2020
COVID-19: School-Focused Nurses Initiative	\$ (40,490)	\$ –
Unorganized Territories/Northern Fruit and Vegetable	(33,964)	–
One-time programs	(10,000)	(167,795)
Healthy Babies, Healthy Children	(9,974)	–
MOH/AMOH Compensation Initiative	(2,546)	(3,249)
Ontario Seniors Dental Care	–	(270,833)
Mitigation funding	–	(125,713)
	<u>\$ (96,974)</u>	<u>\$ (567,590)</u>

12. Contingencies:

On July 1, 1987, a group of health care organizations, ("subscribers"), formed Healthcare Insurance Reciprocal of Canada ("HIROC"). HIROC is registered as a Reciprocal pursuant to provincial Insurance Acts which permit persons to exchange with other persons reciprocal contracts of indemnity insurance. HIROC facilitates the provision of liability insurance coverage to health care organizations in the provinces and territories where it is licensed. Subscribers pay annual premiums, which are actuarially determined, and are subject to assessment for losses in excess of such premiums, if any, experienced by the group of subscribers for the years in which they were a subscriber. No such assessments have been made to current date.

Since its inception in 1987, HIROC has accumulated an unappropriated surplus, which is the total of premiums paid by all subscribers plus investment income less the obligation for claims reserves and expenses and operating expenses. Each subscriber which has an excess of premium plus investment income over the obligation for their allocation of claims reserves and expenses and operating expenses may be entitled to receive distributions of their share of the unappropriated surplus at the time such distributions are declared by the Board of Directors of HIROC.

The Health Unit became a member of HIROC in January 2013 and is subject to any assessment on a proportionate basis.

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2021

13. Commitments:

On July 1, 1987, a group of health care organizations, ("subscribers"), formed Healthcare Insurance Reciprocal of Canada ("HIROC"). HIROC is registered as a Reciprocal pursuant to provincial

- a. The Health Unit rents office premises in Sturgeon Falls on a lease that expired during 2017, currently on a month-to-month agreement, Mattawa based on scheduled clinics, total was \$1,800 for the year, Parry Sound under lease expiring on August 31, 2023 at \$120,564 per year and Burks Falls under lease expiring on September 30, 2022 at \$27,849 per year.
- b. The Health Unit rents equipment under various long-term leases, the longest of which expires in 2025. The annual lease payments amount to \$28,345 (2020 - \$34,666).

The minimum annual lease payments for the next five years are as follows:

2022	\$ 172,004
2023	97,391
2024	8,095
2025	1,232
2026	-

14. Pension agreement:

The Health Unit is an employer member of the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer, defined benefit pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of the benefits. The Health Unit has adopted defined contribution plan accounting principles for this Plan because insufficient information is available to apply defined benefit plan accounting principles. The Health Unit records as pension expense the current service cost, amortization of past service costs and interest costs related to the future employment contributions to the Plan for past employee service.

OMERS provides pension services to almost half a million active and retired members and approximately 1,000 employers. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2021. The results of this valuation disclosed total actuarial liabilities of \$120,796 million in respect of benefits accrued for service with actuarial assets at that date of \$117,665 million indicating a going concern actuarial deficit of \$3,131 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Health Unit does not recognize any share of the OMERS pension surplus or deficit. The amount contributed to OMERS for 2021 was \$1,217,566 (2020 - \$1,215,221) for current service.

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2021

15. Segmented reporting:

The Canadian Chartered Public Accountants Public Sector Accounting Handbook Section PS 2700, Segment Disclosures, establishes standards on defining and disclosing segments in a government's financial statements. Government organizations that apply these standards are encouraged to provide the disclosures established by this section when their operations are diverse enough to warrant such disclosures. The Health Unit has only one identifiable segment, considered to be public health, as presented in these financial statements.

16. Expenditures by object:

	2021	2020
Salaries	\$ 17,099,089	\$ 13,958,313
Employee benefits	3,911,296	3,393,650
Professional and purchase services	2,036,727	866,972
Materials and supplies	1,313,902	997,876
Amortization of tangible capital assets	805,732	837,250
Occupancy	556,699	497,165
Information technology	307,871	238,036
Communication costs	295,628	212,339
Travel	285,501	148,006
Professional development	122,451	126,270
Equipment	87,313	117,477
	\$ 26,822,209	\$ 21,393,354

17. Comparative information:

Certain of the comparative information have been restated to meet current years' presentation.

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2021

18. Financial risks:

The Health Unit's main sources of revenue are government operation grants, municipal levies and other service fees. In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This resulted in the Canadian, Provincial and Municipal governments enacting emergency measures to combat the spread of the virus. The Health Unit realigned its resources in support of the COVID-19 response. In doing so, programs and services were adapted. Some programs were temporarily suspended while others were adjusted and delivered ensuring COVID-19 safe measures were put in place.

Significant resources were required to respond to the pandemic. The provincial government has provided financial relief in the form of COVID-19 General Program funding of \$300,000 and COVID-19 Vaccine Program funding of \$3,915,389.

The impact of COVID-19 is expected to negatively impact normal operations for a duration that cannot be reasonably predicted. The further overall operational and financial impact is highly dependent on the duration of COVID-19, including the potential occurrence of additional waves of the pandemic, and could be affected by other factors that are currently not known at this time. The Provincial government has made a commitment to fund the extraordinary expenses required to respond to COVID-19. Management is actively monitoring the effect of the pandemic on its financial condition, liquidity, operations, suppliers, and workforce. Given the daily evolution of the pandemic and the global responses to curb its spread, the Agency is not able to fully estimate the effects of the pandemic on its results of operations, financial condition, or liquidity at this time.

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 1 - Public Health Mandatory Programs

Statement of Operations

Year ended December 31, 2021, with comparative information for 2020

(Unaudited)

	Budget 2021	Total 2021	Total 2020
Revenue:			
Province of Ontario			
Core	\$ 12,467,500	\$ 12,467,500	\$ 12,467,500
Mitigation funding	1,792,400	1,792,400	1,792,400
One-time funding	-	4,215,389	-
Member municipalities	3,466,967	3,466,967	3,466,963
Program revenue	188,825	135,318	221,265
Cost recoveries - other programs	95,500	104,505	208,954
Other grant revenues	-	16,804	117,945
Interest and miscellaneous	49,000	168,133	31,105
Transfer from deferred revenue	-	27,875	-
Transfer to deferred revenue	-	(28,100)	(27,875)
	18,060,192	22,366,791	18,278,257
Expenses:			
Salaries	11,833,286	14,679,548	12,122,546
Employee benefits	3,158,446	3,384,140	2,972,918
Professional and purchased services	562,039	1,494,196	742,239
Program material and supplies	658,193	965,208	735,846
Occupancy	485,503	556,699	497,165
Information technology	279,071	307,871	235,835
Communication costs	214,448	292,377	208,707
Travel	249,421	278,025	133,485
Professional development	356,916	115,250	118,787
Office supplies	114,935	109,956	88,130
Equipment	147,934	81,052	95,957
Amortization of tangible capital assets	-	780,127	814,119
Allocated costs	-	-	110,013
	18,060,192	23,044,449	18,875,747
Excess (deficit) of revenue over expenses before items below	-	(677,658)	(597,490)
Capital expenditures	-	(225,722)	(186,504)
Province of Ontario settlement for the year	-	-	(125,713)
Loss on disposal of tangible capital assets	-	-	(508)
Annual deficit	\$ -	\$ (903,380)	\$ (910,215)

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 2 - Healthy Babies, Healthy Children Program

Statement of Operations

Year ended December 31, 2021, with comparative information for 2020

(Unaudited)

	Budget	Total	Total
	2021	2021	2020
Revenue:			
Province of Ontario			
Core	\$ 1,094,400	\$ 1,094,400	\$ 1,094,400
Transfer to deferred revenue	-	(245,017)	-
	1,094,400	849,383	1,094,400
Expenses:			
Salaries	825,200	632,605	846,308
Employee benefits	237,077	161,189	227,530
Travel	30,597	6,530	10,452
Communication costs	-	3,251	3,632
Professional and purchased services	1,526	2,544	2,162
Office supplies	-	244	-
Program material and supplies	-	-	448
Professional development	-	-	462
Amortization of tangible capital assets	-	6,010	-
Allocated costs	-	9,005	3,406
	1,094,400	821,378	1,094,400
Excess of revenue over expenses before items below	-	28,005	-
Capital expenditures	-	(24,041)	-
Province of Ontario settlement for the year	-	(9,974)	-
Annual deficit	\$ -	\$ (6,010)	\$ -

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 3 - Ontario Seniors Dental Care

Statement of Operations

Year ended December 31, 2021, with comparative information for 2020

(Unaudited)

	Budget	Total	Total
	2021	2021	2020
Revenue:			
Province of Ontario			
Core	\$ 842,400	\$ 842,400	\$ 842,400
One-time funding	-	45,000	-
Program revenue	-	8,425	2,643
	842,400	895,825	845,043
Expenses:			
Salaries	438,573	361,666	247,405
Employee benefits	101,071	81,853	80,544
Professional and purchased services	163,256	312,403	96,261
Program material and supplies	53,000	51,767	16,767
Equipment	-	5,000	11,464
Office supplies	200	589	953
Professional development	2,000	540	3,865
Travel	4,300	-	879
Information technology	-	-	763
Amortization of tangible capital assets	-	19,595	23,131
Allocated costs	80,000	80,000	80,000
	842,400	913,413	562,032
Excess (deficiency) of revenue over expenses before items below	-	(17,588)	283,011
Capital expenditures	-	(2,007)	(35,308)
Province of Ontario settlement for the year	-	-	(270,833)
Annual deficit	\$ -	\$ (19,595)	\$ (23,130)

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 4 - COVID-19: School-Focused Nurses Initiative

Statement of Operations

Year ended December 31, 2021, with comparative information for 2020

(Unaudited)

	Budget	Total	Total
	2021	2021	2020
Revenue:			
Province of Ontario			
One-time funding	\$ 406,875	\$ 700,000	\$ 293,130
Transfer from deferred revenue	-	53,933	-
Transfer to deferred revenue	-	-	(53,933)
	406,875	753,933	239,197
Expenses:			
Salaries	312,205	568,328	194,093
Employee benefits	94,670	145,115	45,104
	406,875	713,443	239,197
Excess of revenue over expenses before items below	-	40,490	-
Province of Ontario settlement for the year	-	(40,490)	-
Annual surplus	\$ -	\$ -	\$ -

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 5 - Unorganized Territories/Northern Fruit and Vegetable

Statement of Operations

Year ended December 31, 2021, with comparative information for 2020

(Unaudited)

	Budget	Total	Total
	2021	2021	2020
Revenue:			
Province of Ontario			
Core	\$ 150,000	\$ 150,000	\$ 150,000
Expenses:			
Salaries	59,408	49,714	59,697
Employee benefits	16,915	10,101	16,015
Program material and supplies	56,177	48,405	58,895
Office supplies	1,000	305	-
Travel	-	11	-
Professional and purchased services	9,000	-	7,853
Allocated costs	7,500	7,500	7,540
	150,000	116,036	150,000
Excess of revenue over expenses before items below	-	33,964	-
Province of Ontario settlement for the year	-	(33,964)	-
Annual surplus	\$ -	\$ -	\$ -

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 6 - Unorganized Territories/Indigenous Communities

Statement of Operations

Year ended December 31, 2021, with comparative information for 2020

(Unaudited)

	Budget	Total	Total
	2021	2021	2020
Revenue:			
Province of Ontario			
Core	\$ 125,000	\$ 125,000	\$ 125,000
Expenses:			
Salaries	67,170	32,744	57,278
Employee benefits	19,350	5,949	15,744
Program material and supplies	26,480	77,878	39,882
Professional development	3,500	281	3,081
Travel	500	148	870
Professional and purchased services	-	-	150
Allocated costs	8,000	8,000	7,995
	125,000	125,000	125,000
Annual surplus	\$ -	\$ -	\$ -

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 7 - MOH/AMOH Compensation Initiative

Statement of Operations

Year ended December 31, 2021, with comparative information for 2020

(Unaudited)

	Budget	Total	Total
	2021	2021	2020
Revenue:			
Province of Ontario			
Core	\$ 54,992	\$ 57,706	\$ 59,900
One-time funding	-	-	15,200
	54,992	57,706	75,100
Expenses:			
Salaries	46,623	46,765	55,254
Employee benefits	8,369	8,395	9,930
	54,992	55,160	65,184
Excess of revenue over expenses before items below	-	2,546	9,916
Province of Ontario settlement for the year	-	(2,546)	(3,249)
Member Municipality surplus to be transferred to municipal reserves	-	-	(6,667)
Annual surplus	\$ -	\$ -	\$ -

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 8 - One-Time Programs

Statement of Operations

Year ended December 31, 2021, with comparative information for 2020

(Unaudited)

	Public Health Inspector Practicum 2021-2022		COVID-19 Case and Contact Management Project		Total		Total
	2021	2021	2021	2021	2021	2021	2020
	Budget	Actual	Budget	Actual	Budget	Actual	Actual
Revenue:							
Province of Ontario							
One-time funding	\$ -	\$ 2,494	\$ 24,062	\$ 8,054	\$ 24,062	\$ 10,548	\$ 431,110
Transfer from deferred revenue	-	7,506	-	15,120	-	22,626	-
Transfer to deferred revenue	-	-	-	-	-	-	(22,626)
	-	10,000	24,062	23,174	24,062	33,174	408,484
Expenses:							
Salaries	-	-	12,853	19,208	12,853	19,208	10,532
Employee benefits	-	-	1,156	3,966	1,156	3,966	132
Information technology	-	-	10,053	-	10,053	-	1,438
Professional and purchased services	-	-	-	-	-	-	756
Building and equipment	-	-	-	-	-	-	208,587
Program material and supplies	-	-	-	-	-	-	19,244
	-	-	24,062	23,174	24,062	23,174	240,689
Excess of revenue over expenses before items below	-	10,000	-	-	-	10,000	167,795
Capital expenditures	-	-	-	-	-	-	(199,359)
Province of Ontario settlement	-	(10,000)	-	-	-	(10,000)	(167,795)
Annual surplus (deficit)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (199,359)

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 9 - Adult Dental

Statement of Operations

Year ended December 31, 2021, with comparative information for 2020

(Unaudited)

	Budget	Total	Total
	2021	2021	2020
Revenue:			
Member municipalities	\$ 80,780	\$ 80,780	\$ 80,780
Program revenue	76,000	49,403	44,420
Miscellaneous Income	3,000	-	-
Transfer from deferred revenue		19,797	22,390
Transfer to deferred revenue	-	(19,561)	(19,797)
	159,780	130,419	127,793
Expenses:			
Salaries	98,268	98,173	22,837
Employee benefits	20,893	22,668	4,500
Program material and supplies	33,250	7,797	2,410
Equipment	5,000	1,261	828
Professional development	1,869	520	75
Professional and purchased services	-	-	16,363
Office supplies	500	-	-
	159,780	130,419	47,013
Excess of revenue over expenses before items below	-	-	80,780
Member Municipality surplus to be transfered to municipal reserves	-	-	(80,780)
Annual surplus	\$ -	\$ -	\$ -

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 10 - Infection Prevention and Control Hub

Statement of Operations

Year ended December 31, 2021, with comparative information for 2020

(Unaudited)

	Budget	Total	Total
	2021	2021	2020
Revenue:			
Province of Ontario			
One-time funding	\$ 497,500	\$ 1,102,500	\$ -
Transfer to deferred revenue	-	(630,496)	-
	497,500	472,004	-
Expenses:			
Salaries	407,260	395,740	-
Employee benefits	76,740	69,937	-
Professional development	3,750	5,625	-
Travel	1,125	702	-
Program material and supplies	3,750	-	-
Professional and purchased services	2,500	-	-
Equipment	2,000	-	-
Office supplies	375	-	-
	497,500	472,004	-
Annual surplus	\$ -	\$ -	\$ -

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 11 - Falls Prevention

Statement of Operations

Year ended December 31, 2021, with comparative information for 2020

(Unaudited)

	Budget	Total	Total
	2021	2021	2020
Revenue:			
Other grant revenues	\$ 100,000	\$ 79,084	\$ 100,000
Transfer from deferred revenue	-	17,641	5,105
Transfer to deferred revenue	-	(21,473)	(17,641)
	100,000	75,252	87,464
Expenses:			
Salaries	63,788	48,671	56,104
Employee benefits	18,667	12,123	8,065
Program material and supplies	17,545	13,437	21,362
Office supplies	-	737	558
Professional development	-	199	-
Travel	-	85	1,375
	100,000	75,252	87,464
Annual surplus	\$ -	\$ -	\$ -

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 12 - Miscellaneous Grants

Statement of Operations

Year ended December 31, 2021, with comparative information for 2020

(Unaudited)

	Budget	Total	Total
	2021	2021	2020
Revenue:			
Other grant revenues	\$ -	\$ 310,170	\$ 180,166
Miscellaneous income	-	1,141	-
Transfer from deferred revenue	-	147,454	73,275
Transfer to deferred revenue	-	(126,284)	(147,454)
		332,481	105,987
Expenses:			
Salaries	-	61,422	77,305
Employee benefits	-	5,860	13,168
Professional and purchased services	-	227,584	1,188
Program material and supplies	-	37,615	13,381
Travel	-	-	945
	-	332,481	105,987
Annual surplus	\$ -	\$ -	\$ -

FIR2021: East Ferris

Asmt Code: 4844

MAH Code: 85101

Schedule 77

HEALTH UNIT

for the year ended December 31, 2021

Municipal % Levy Total Levy
4.270% 151,545.00 3,547,747.00

0210	Health Unit	North Bay Parry Sound District Health Unit	% of Municipality's Share of Health Unit	4.270%
Consolidated Statement of Financial Position				
Financial Assets				
0410	Cash and cash equivalents		\$	\$
0420	Accounts Receivable		\$	\$
0430	Investments		\$	\$
0460	Other		\$	\$
0470	Other		\$	\$
0480	Other		\$	\$
0490	Total Financial Assets		\$	\$
Liabilities				
0610	Accounts Payable and accrued liabilities		\$	\$
0620	Debt		\$	\$
0630	Pensions and other employee benefits		\$	\$
0640	Other accrued liabilities		\$	\$
0650	Deferred Revenue		\$	\$
0660	Other		\$	\$
0670	Other		\$	\$
0680	Other		\$	\$
0690	Total Liabilities		\$	\$
0910	Net Financial Assets (Net Debt)		\$	\$
Non-Financial Assets				
0810	Tangible capital assets		\$	\$
0820	Inventories of supplies		\$	\$
0830	Prepaid expenses		\$	\$
0860	Other		\$	\$
0870	Other		\$	\$
0880	Other		\$	\$
0890	Total Non-Financial Assets		\$	\$
0920	Accumulated Surplus/(Deficit)		\$	\$
Accumulated Surplus Analysis				
1010	Equity in Tangible Capital Assets		\$	\$
1020	Reserves and Reserve Funds		\$	\$
1030	General Surplus/(Deficit)		\$	\$
1060	Other		\$	\$
1080	Other		\$	\$
1090	Accumulated Surplus/(Deficit)		\$	\$
1210	Health Unit		% of Municipality's Share of Health Unit	300.0000%
Consolidated Statement of Operations				
REVENUES				
Provincial				
1411	Province of Ontario		\$	\$
1450	Land Ambulance		\$	\$
1467	Other		\$	\$
1468	Other		\$	\$
1489	Total Provincial Funding		\$	\$
Federal				
1811	Government of Canada		\$	\$
1868	Other		\$	\$
1889	Total Federal Funding		\$	\$
Municipal Contributions				
1810	Municipal Bllings		\$	\$
1868	Other		\$	\$
1889	Total Municipal Contributions		\$	\$
Other Revenues				
2010	Investment Income		\$	\$
2020	Deferred revenue earned		\$	\$
2067	Other	Cost Recovery	\$	\$
2068	Other	Program Revenue	\$	\$
2089	Total Other Revenues		\$	\$
0930	Total Revenues		\$	\$
EXPENSES				
Health Services				
2410	Land Ambulance		\$	\$
2420	Public Health		\$	\$
2430	Other		\$	\$
2440	DSAB Administration		\$	\$
2460	Other		\$	\$
2467	Other		\$	\$
2468	Other		\$	\$
2489	Total Health Services		\$	\$
0950	Annual Surplus / (Deficit)		\$	\$