

**North Bay Parry Sound District  
Health Unit  
Financial Statements  
For the year ended December 31, 2019**

**North Bay Parry Sound District Health Unit**  
**Financial Statements**  
For the year ended December 31, 2019

---

**Contents**

<b>Independent Auditor's Report</b>	<b>2 - 3</b>
<b>Financial Statements</b>	
Statement of Financial Position	4
Statement of Operations	5
Statement of Changes in Net Assets	6
Statement of Cash Flows	7
Notes to Financial Statements	8 - 19
Schedule 1 - Public Health Mandatory Programs	20
Schedule 2 - Healthy Babies, Healthy Children Program	21
Schedule 3 - Healthy Smiles Ontario	22
Schedule 4 - Smoke Free Ontario	23
Schedule 5 - Infection Control	24
Schedule 6 - Genetics Program	25
Schedule 7 - Ontario Seniors Dental Care	26
Schedule 8 - Public Health Nursing Initiative	27
Schedule 9 - Indigenous Partnership	28
Schedule 10 - Diabetes Strategy	29
Schedule 11 - MOH Initiative	30
Schedule 12 - Haines Food Safety	31
Schedule 13 - Needle Exchange	32
Schedule 14 - Enhanced Safe Water	33
Schedule 15 - Falls Prevention	34
Schedule 16 - Panorama	35
Schedule 17 - Adult Dental	36
Schedule 18 - Northern Fruit and Vegetable	37
Schedule 19 - Enhanced Harm Reduction	38
Schedule 20 - One-Time Program	39



Tel: 705-495-2000  
Fax: 705-495-2001  
Toll-Free: 800-461-6324  
www.bdo.ca

BDO Canada LLP  
101 McIntyre Street W  
Suite 301  
North Bay ON P1B 2Y5 Canada

---

## Independent Auditor's Report

---

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

#### Opinion

We have audited the financial statements of the North Bay Parry Sound District Health Unit (the Entity), which comprise of the statement of financial position as at December 31, 2019, and the statement of operations, statement of changes in net assets 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 Entity as at December 31, 2019, and the results of its 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 Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our 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.

#### Other Information

Management is responsible for the other information. The other information comprises:

- The information, other than the financial statements and our auditor's report thereon, included in the Unaudited Supplementary Financial Information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge of obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Unaudited Supplementary Financial Information prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of these 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.

#### **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.

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

*BDO Canada LLP*

Chartered Professional Accountants, Licensed Public Accountants

North Bay, Ontario  
April 22, 2020

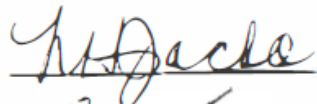
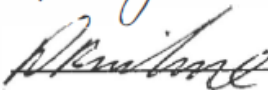
# North Bay Parry Sound District Health Unit Statement of Financial Position

December 31	2019	2018
<b>Financial Assets</b>		
Cash and cash equivalents	\$ 4,068,431	\$ 3,486,133
Accounts receivable (Note 2)	368,148	263,924
	<u>4,436,579</u>	<u>3,750,057</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (Note 5)	2,171,828	1,164,951
Due to Province of Ontario	506,071	656,095
Due to member municipalities	14,644	10,160
Deferred revenue (Note 6)	118,878	599,963
Other employment liabilities (Note 8)	245,479	270,919
	<u>3,056,900</u>	<u>2,702,088</u>
<b>Net financial assets</b>	<u>1,379,679</u>	<u>1,047,969</u>
<b>Non-Financial Assets</b>		
Tangible capital assets (Note 3)	18,448,839	18,920,835
Supplies inventory	188,444	168,285
Prepaid expenses	67,698	80,531
	<u>18,704,981</u>	<u>19,169,651</u>
<b>Accumulated surplus (Note 4)</b>	<u>\$ 20,084,660</u>	<u>\$ 20,217,620</u>

Commitments (Note 13)

Contingencies (Note 12)

On behalf of the Board:

 _____	Chairperson
 _____	Vice Chairperson

## North Bay Parry Sound District Health Unit Statement of Operations

For the year ended December 31	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
Province of Ontario (Note 9)	\$ 16,835,873	\$ 16,635,331	\$ 19,213,895
Member municipalities	3,674,691	3,674,691	3,674,691
Cost recoveries - other programs (Note 10)	154,067	151,924	201,250
Program revenue	249,652	199,064	382,775
Other grant revenues	212,190	351,552	341,693
Interest and other	67,249	110,707	297,576
Transfer from (to) deferred revenue	-	132,527	(225,849)
	<u>21,193,722</u>	<u>21,255,796</u>	<u>23,886,031</u>
<b>Expenses (Note 16)</b>			
Public Health Mandatory Programs	15,375,730	15,716,439	15,393,576
Healthy Smiles Ontario	1,146,500	1,163,418	1,113,890
Healthy Babies, Healthy Children Program	1,094,400	1,094,400	1,094,400
Smoke Free Ontario	479,200	479,220	449,817
Public Health Nursing Initiative	392,100	392,100	392,100
Infection Control	389,000	389,000	389,000
Ontario Seniors Dental Care	631,800	214,557	-
Adult Dental	310,766	167,120	268,259
Northern Fruit and Vegetable	150,000	165,856	161,278
Diabetes Strategy	150,000	150,000	150,000
Enhanced Harm Reduction	150,000	150,000	144,525
Genetics Program	398,216	149,006	280,212
One-time Program	188,300	105,433	70,977
Falls Prevention	100,000	100,909	95,213
Indigenous Partnership	93,750	93,750	-
Needle Exchange	54,700	54,700	54,700
MOH Initiative	42,060	49,675	46,047
Haines Food Safety	31,700	31,700	31,700
Enhanced Safe Water	15,500	15,500	15,500
Panorama	-	-	71,512
	<u>21,193,722</u>	<u>20,682,783</u>	<u>20,222,706</u>
<b>Excess of revenues over expenses before items below</b>	\$ -	573,013	3,663,325
Province of Ontario settlement (Note 11)		(704,853)	(628,276)
Loss on disposal of tangible capital assets		(1,120)	(123,299)
<b>Annual (deficit) surplus</b>		(132,960)	2,911,750
<b>Accumulated surplus, beginning of year</b>		20,217,620	17,305,870
<b>Accumulated surplus, end of year (Note 4)</b>		<u>\$ 20,084,660</u>	<u>\$ 20,217,620</u>

The accompanying notes are an integral part of these financial statements.

## North Bay Parry Sound District Health Unit Statement of Changes in Net Assets

For the year ended December 31	2019 Budget	2019 Actual	2018 Actual
Annual (deficit) surplus	\$ -	\$ (132,960)	\$ 2,911,750
Acquisition of tangible capital assets	-	(350,057)	(810,374)
Amortization of tangible capital assets	-	820,933	1,092,098
Loss on disposal of tangible capital assets	-	1,120	123,299
	-	339,036	3,316,773
Acquisition of prepaid expenses	-	(67,698)	(80,531)
Use of prepaid expenses	-	80,531	93,935
Acquisition of supplies inventory	-	(188,444)	(168,285)
Consumption of supplies inventory	-	168,285	174,588
	-	(7,326)	19,707
Changes in net financial assets	-	331,710	3,336,480
Net financial assets (debt), beginning of year	1,047,969	1,047,969	(2,288,511)
Net financial assets, end of year	\$ 1,047,969	\$ 1,379,679	\$ 1,047,969

The accompanying notes are an integral part of these financial statements.

## North Bay Parry Sound District Health Unit Statement of Cash Flow

For the year ended December 31

2019

2018

### Cash provided by (used in)

#### Operating transactions

Annual (deficit) surplus	\$ (132,960)	\$ 2,911,750
Items not involving cash		
Amortization of tangible capital assets	820,933	1,092,098
Loss on disposal of tangible capital assets	1,120	123,299
Changes in non-cash working capital balances		
Accounts receivable	(104,224)	340,551
Accounts payable and accrued liabilities	1,006,877	(2,025,532)
Due to Province of Ontario	(150,024)	539,990
Due to member municipalities	4,484	2,136
Deferred revenue	(481,085)	225,849
Other employment liabilities	(25,440)	(13,728)
Supplies inventory	(20,159)	6,303
Prepaid expenses	12,833	13,404

	932,355	3,216,120
--	---------	-----------

#### Investing transactions

Acquisition of tangible capital assets	(350,057)	(810,374)
--	-----------	-----------

#### Financing transactions

Repayment of long-term debt	-	(1,099,000)
-----------------------------	---	-------------

Increase in cash and cash equivalents during the year	582,298	1,306,746
---	---------	-----------

Cash and cash equivalents, beginning of year	3,486,133	2,179,387
--	-----------	-----------

Cash and cash equivalents, end of year	\$ 4,068,431	\$ 3,486,133
--	--------------	--------------



---

## North Bay Parry Sound District Health Unit Notes to Financial Statements

**December 31, 2019**

---

### 1. Significant Accounting Policies

**Nature of Organization**      The North Bay Parry Sound District 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.

**Basis of Accounting**      The financial statements of the Health Unit are prepared by management in accordance with Canadian public sector accounting standards. Significant aspects of the accounting policies adopted by the Health Unit are as follows:

**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	75%	25%
Healthy Babies, Healthy Children	100%	0%
Healthy Smiles Ontario	100%	0%
Smoke Free Ontario	100%	0%
Infection Control	100%	0%
Genetics	100%	0%
Public Health Nursing Initiative	100%	0%
Diabetes Strategy	100%	0%
MOH Initiative	100%	0%
Haines Food Safety	100%	0%
Enhanced Safe Water	100%	0%
Falls Prevention	100%	0%
Panorama	100%	0%
Healthy Smiles Ontario	100%	0%
Enhanced Harm Reduction	100%	0%
Northern Fruit & Vegetable	100%	0%
Adult Dental	0%	100%
Needle Exchange	100%	0%
Ontario Seniors Dental Care	100%	0%
Indigenous Partnerships	100%	0%

---

## North Bay Parry Sound District Health Unit

### Notes to Financial Statements

December 31, 2019

---

#### 1. Significant Accounting Policies (continued)

##### 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.

##### 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:

Furniture	5 to 10 years
Equipment	5 to 8 years
Computer equipment and software	4 to 5 years
Portables	20 years
Building	40 years
Leaseholds	Straight line over term of the lease

##### Retirement Benefits

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

##### 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

December 31, 2019

---

#### 1. Significant Accounting Policies (continued)

##### 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.

##### 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.

---

#### 2. Accounts Receivable

	2019	2018
Government of Canada	\$ 253,160	\$ 176,889
Province of Ontario	76,128	45,996
Other	38,861	41,039
	<u>\$ 368,149</u>	<u>\$ 263,924</u>

## North Bay Parry Sound District Health Unit Notes to Financial Statements

**December 31, 2019**

### 3. Tangible Capital Assets

	2019								
	Furniture	Equipment	Computer Equipment & Software	Leaseholds	Portables	Buildings	Land	Construction in progress	Total
Cost, beginning of year	\$ 822,447	\$ 903,572	\$ 2,246,280	\$ 233,439	\$ 2,916	\$ 17,258,121	\$ 987,335	\$ -	\$ 22,454,110
Additions	-	133,221	216,836	-	-	-	-	-	350,057
Disposals	(605)	(2,611)	(29,521)	-	-	-	-	-	(32,737)
Cost, end of year	\$ 821,842	\$ 1,034,182	\$ 2,433,595	\$ 233,439	\$ 2,916	\$ 17,258,121	\$ 987,335	\$ -	\$ 22,771,430
Accumulated amortization, beginning of year	\$ 209,011	\$ 622,170	\$ 1,776,800	\$ 233,439	\$ 1,530	\$ 690,325	\$ -	\$ -	\$ 3,533,275
Amortization	70,190	84,410	234,734	-	146	431,453	-	-	820,933
Disposals	(605)	(1,355)	(29,657)	-	-	-	-	-	(31,617)
Accumulated amortization, end of year	\$ 278,596	\$ 705,225	\$ 1,981,877	\$ 233,439	\$ 1,676	\$ 1,121,778	\$ -	\$ -	\$ 4,322,591
Net carrying amount, end of year	\$ 543,246	\$ 328,957	\$ 451,718	\$ -	\$ 1,240	\$ 16,136,343	\$ 987,335	\$ -	\$ 18,448,839

## North Bay Parry Sound District Health Unit Notes to Financial Statements

**December 31, 2019**

### 3. Tangible Capital Assets (continued)

2018

	Furniture	Equipment	Computer Equipment	Leaseholds	Portables	Buildings	Land	Construction in progress	Total
Cost, beginning of year	\$ 925,651	\$ 781,162	\$ 2,075,253	\$ 986,891	\$ 2,916	\$ -	\$ 987,335	\$ 17,567,097	\$ 23,326,305
Additions	575,226	189,731	354,393	-	-	7,258,121	-	-	18,377,471
Disposals	(678,430)	(67,321)	(183,366)	(753,452)	-	-	-	(17,567,097)	(19,249,666)
Cost, end of year	<u>\$ 822,447</u>	<u>\$ 903,572</u>	<u>\$ 2,246,280</u>	<u>\$ 233,439</u>	<u>\$ 2,916</u>	<u>\$ 7,258,121</u>	<u>\$ 987,335</u>		<u>\$ 22,454,110</u>
Accumulated amortization, beginning of year	\$ 697,948	\$ 620,794	\$ 1,693,430	\$ 986,891	\$ 1,384	\$ -	\$ -	\$ -	\$ 4,000,447
Amortization	70,791	67,074	263,762	-	146	690,325	-	-	1,092,098
Disposals	(559,728)	(65,698)	(180,392)	(753,452)	-	-	-	-	(1,559,270)
Accumulated amortization, end of year	<u>\$ 209,011</u>	<u>\$ 622,170</u>	<u>\$ 1,776,800</u>	<u>\$ 233,439</u>	<u>\$ 1,530</u>	<u>\$ 690,325</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,533,275</u>
Net carrying amount, end of year	<u>\$ 613,436</u>	<u>\$ 281,402</u>	<u>\$ 469,480</u>	<u>\$ -</u>	<u>\$ 1,386</u>	<u>\$ 6,567,796</u>	<u>\$ 987,335</u>		<u>\$ 18,920,835</u>

# North Bay Parry Sound District Health Unit

## Notes to Financial Statements

**December 31, 2019**

### 4. Accumulated Surplus

	2019	2018
Invested in tangible capital assets	\$ 18,448,839	\$ 18,920,835
Municipal reserve <sup>(i)</sup>	1,684,982	1,391,545
Amounts to be recovered (Note 8)	(245,479)	(270,919)
Operating fund	196,318	176,159
Accumulated surplus, end of year	<u>\$ 20,084,660</u>	<u>\$ 20,217,620</u>

(i) Change in Municipal reserve

Balance, beginning of year	\$ 1,391,545	\$ 1,030,058
Additions:		
Surplus	266,234	345,062
Interest	27,203	16,425
Balance, end of year	<u>\$ 1,684,982</u>	<u>\$ 1,391,545</u>

### 5. Accounts Payable and Accrued Liabilities

	2019	2018
Trade payables and other accruals	\$ 1,874,046	\$ 854,084
Accrued salaries and benefits	257,594	199,949
Capital project payables	40,188	110,918
	<u>\$ 2,171,828</u>	<u>\$ 1,164,951</u>

## North Bay Parry Sound District Health Unit Notes to Financial Statements

**December 31, 2019**

### 6. Deferred Revenue

	2019	2018
Deferred revenue, beginning of year	\$ 599,963	\$ 374,114
Add: amount received during the year	246,042	533,347
Less: amount recognized as revenue during the year	(378,569)	(417,338)
Transfer from (to) Genetics Program	-	109,840
Less: payable to Province of Ontario	(86,902)	-
Less: payable to Health Sciences North	(261,656)	-
Deferred revenue, end of year	<u>\$ 118,878</u>	<u>\$ 599,963</u>

Included in cash and cash equivalents is restricted amounts of \$118,878 (2018 - \$599,963) with respect to the above.

The ending balance is comprised of:

	2019	2018
Province of Ontario - Genetics Program	\$ -	\$ 292,960
- Northern Fruit and Vegetable	-	18,142
- Needle Exchange	14,994	-
- Miscellaneous	55,923	44,867
- Falls Prevention	5,105	6,014
- Adult Dental	-	62,500
- Active School Transportation	42,856	50,000
- Immunization	-	32,230
- Indigenous Partnership	-	93,250
	<u>\$ 118,878</u>	<u>\$ 599,963</u>

### 7. Credit Facility

The Health Unit has an 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 (2018 - \$Nil).

# North Bay Parry Sound District Health Unit

## Notes to Financial Statements

**December 31, 2019**

### 8. Other Employment Liabilities

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

	2019	2018
Vacation and compensating time	<b>\$ 245,479</b>	<b>\$ 270,919</b>

### 9. Province of Ontario Revenue

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

	2019 Budget	2019 Actual	2018 Actual
Organized territories	\$ 10,400,900	<b>\$ 10,400,900</b>	\$ 10,400,900
Unorganized territories	1,058,300	<b>1,058,300</b>	1,058,300
Healthy Smiles Ontario	1,138,500	<b>1,138,500</b>	1,138,500
Healthy Babies, Healthy Children	1,094,400	<b>1,094,400</b>	1,094,400
Ontario Seniors Dental Care	631,800	<b>631,800</b>	-
Smoke Free Ontario	479,200	<b>479,200</b>	479,200
Infection Control	389,000	<b>389,000</b>	389,000
Public Health Nursing Initiative	392,100	<b>392,100</b>	392,100
Northern Fruit and Vegetable Program	150,000	<b>168,142</b>	207,520
Diabetes Strategy	150,000	<b>150,000</b>	150,000
Enhanced Harm Reduction	150,000	<b>150,000</b>	150,000
Genetics	375,663	<b>138,635</b>	375,663
Indigenous Partnerships	93,750	<b>93,750</b>	-
Needle Exchange	54,700	<b>54,700</b>	54,700
MOH Initiative	42,060	<b>49,682</b>	54,541
Haines Food Safety	31,700	<b>31,700</b>	31,700
Enhanced Safe Water	15,500	<b>15,500</b>	15,500
One-time funding:			
Accommodation and Land Development	-	-	3,000,000
Other	188,300	<b>199,022</b>	221,871
	<b>\$ 16,835,873</b>	<b>\$ 16,635,331</b>	<b>\$ 19,213,895</b>



---

## North Bay Parry Sound District Health Unit

### Notes to Financial Statements

December 31, 2019

---

#### 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.

---

#### 11. Province of Ontario Settlements

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

	2019	2018
Public Health Mandatory Programs	\$ (178,574)	\$ (478,568)
Healthy Smiles Ontario	-	(57,975)
Smoke Free Ontario	-	(29,400)
Ontario Seniors Dental Care	(437,085)	-
MOH Initiative	(7)	(8,494)
Northern Fruit & Vegetable	(2,286)	(46,242)
Enhanced Harm Reduction	-	(5,475)
Vaccine Fridge - One-Time Funding	(640)	(2,122)
Indigenous Partnership - One-Time Funding	(86,261)	-
	<u>\$ (704,853)</u>	<u>\$ (628,276)</u>

---

## North Bay Parry Sound District Health Unit Notes to Financial Statements

December 31, 2019

---

### 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.

---

### 13. Commitments

- 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 \$924 for the year, Parry Sound under lease expiring in August 31, 2021 at \$120,564 per year and Burks Falls under lease expiring in 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 2024. The annual lease payments amount to \$34,666 (2018 - \$16,230).

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

2020	\$	190,710
2021		144,135
2022		49,570
2023		17,306
2024		11,341

---

## North Bay Parry Sound District Health Unit Notes to Financial Statements

December 31, 2019

---

### 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, 2019. The results of this valuation disclosed total actuarial liabilities of \$107,687 million in respect of benefits accrued for service with actuarial assets at that date of \$104,290 million indicating a going concern actuarial deficit of \$3,397 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 2019 was \$1,173,568 (2018 - \$1,212,214) for current service.

---

### 15. Segmented Reporting

The Canadian Institute of Chartered 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.

# North Bay Parry Sound District Health Unit

## Notes to Financial Statements

**December 31, 2019**

### 16. Expenditures by Object

	2019	2018
Salaries	\$ 12,511,511	\$ 12,520,232
Employee benefits	3,215,736	3,216,822
Materials and supplies	1,942,783	1,006,009
Professional and purchased services	670,056	715,661
Occupancy	454,296	667,055
Professional development	418,121	287,950
Travel	260,281	260,367
Information technology	213,182	256,895
Communication costs	172,125	193,978
Equipment	3,759	5,639
Amortization of tangible capital assets	820,933	1,092,098
	<b>\$ 20,682,783</b>	<b>\$ 20,222,706</b>

### 17. Comparative Figures

Certain of the comparative figures have been conformed to meet current year's presentation.

### 18. Subsequent Event

Subsequent to year end, the impact of COVID-19 in Canada and on the global economy increased significantly. As the impacts of COVID-19 continue, there could be further impact on the Health Unit, employees, suppliers and other third party business associates that could impact the timing and amounts realized on the Health Unit's assets and future ability to deliver services and projects. At this time, the full potential impact of COVID-19 on the Health Unit is not known. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of disruption and the related financial impact cannot be reasonably estimated at this time. The Health Unit's ability to continue delivering services and employ related staff, will depend on the legislative mandates from the various levels of government. The Health Unit will continue to focus on managing expenditures and leveraging existing funds and available credit facilities to ensure it is able to continue providing essential services to the area.

**North Bay Parry Sound District Health Unit**  
**Schedule 1 - Public Health Mandatory Programs**  
**Statement of Operations**  
**(Unaudited)**

For the year ended December 31	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
Province of Ontario	\$ 11,459,200	\$ 11,461,689	\$ 11,459,200
One-time funding - Accommodation	-	-	3,000,000
Member municipalities	3,476,115	3,674,691	3,476,115
Program	241,652	323,312	290,156
Cost recoveries - other programs	154,067	151,924	201,250
Other grants	-	83,523	18,992
Interest and miscellaneous	44,696	103,902	292,044
	<u>15,375,730</u>	<u>15,799,041</u>	<u>18,737,757</u>
<b>Expenses</b>			
Salaries	9,898,138	9,233,406	9,235,141
Employee benefits	2,633,726	2,388,233	2,397,738
Program material and supplies	509,945	1,328,320	573,791
Professional and purchased services	533,648	526,484	444,926
Professional development	370,311	359,669	266,068
Equipment	141,140	-	-
Travel	257,002	206,725	204,034
Information technology	282,523	179,953	222,495
Communication costs	144,475	167,442	188,501
Occupancy	498,772	454,296	667,055
Office supplies	106,050	85,060	112,405
Amortization of tangible capital assets	-	785,066	1,075,686
Allocated costs	-	1,785	5,736
	<u>15,375,730</u>	<u>15,716,439</u>	<u>15,393,576</u>
<b>Excess of revenues over expenses before items below</b>	-	82,602	3,344,181
Province of Ontario settlement for the year	-	(178,574)	(478,568)
Loss on disposal of tangible assets	-	(1,120)	(123,299)
<b>Annual (deficit) surplus</b>	\$ -	\$ (97,092)	\$ 2,742,314

**North Bay Parry Sound District Health Unit**  
**Schedule 2 - Healthy Babies, Healthy Children Program**  
**Statement of Operations**  
**(Unaudited)**

For the year ended December 31	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
Province of Ontario	\$ 1,094,400	\$ 1,094,400	\$ 1,094,400
<b>Expenses</b>			
Salaries	816,891	825,778	817,166
Employee benefits	236,207	228,978	232,953
Travel	36,302	26,385	27,914
Communication costs	-	3,333	3,939
Professional and purchased services	1,500	3,222	1,526
Office supplies	-	964	-
Professional development	-	629	-
Information technology	-	334	1,225
Program material and supplies	3,500	189	-
Allocated costs	-	4,588	9,677
	1,094,400	1,094,400	1,094,400
<b>Annual surplus</b>	\$ -	\$ -	\$ -

**North Bay Parry Sound District Health Unit  
Schedule 3 - Healthy Smiles Ontario  
Statement of Operations  
(Unaudited)**

For the year ended December 31	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
Province of Ontario	\$ 1,138,500	\$ 1,138,500	\$ 1,138,500
Program	8,000	8,279	16,527
Interest and miscellaneous	-	614	426
	<u>1,146,500</u>	<u>1,147,393</u>	<u>1,155,453</u>
<b>Expenses</b>			
Salaries	721,057	641,049	609,547
Employee benefits	197,661	196,072	174,422
Program material and supplies	60,500	113,635	87,490
Professional and purchased services	25,300	71,611	86,262
Professional development	7,240	9,664	7,732
Information technology	5,500	3,069	3,858
Travel	3,600	2,555	2,657
Office supplies	2,150	1,190	1,760
Amortization of tangible capital assets	-	16,025	16,412
Allocated costs	123,492	108,548	123,750
	<u>1,146,500</u>	<u>1,163,418</u>	<u>1,113,890</u>
<b>Excess of revenues over expenses before items below</b>	-	(16,025)	41,563
Province of Ontario settlement for the year	-	-	(57,975)
<b>Annual deficit</b>	\$ -	\$ (16,025)	\$ (16,412)

**North Bay Parry Sound District Health Unit  
Schedule 4 - Smoke Free Ontario  
Statement of Operations  
(Unaudited)**

For the year ended December 31	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
Province of Ontario	\$ 479,200	\$ 479,200	\$ 479,200
Interest and miscellaneous	-	20	17
	<u>479,200</u>	<u>479,220</u>	<u>479,217</u>
<b>Expenses</b>			
Salaries	336,387	322,627	329,799
Program material and supplies	7,255	65,197	20,753
Employee benefits	67,299	60,844	66,752
Travel	21,313	17,164	17,957
Professional and purchased services	36,450	2,589	3,699
Professional development	500	861	238
Communication costs	250	185	230
Office supplies	-	15	318
Allocated costs	9,746	9,738	10,071
	<u>479,200</u>	<u>479,220</u>	<u>449,817</u>
<b>Excess of revenues over expenses before items below</b>	-	-	29,400
Province of Ontario settlement for the year	-	-	(29,400)
<b>Annual surplus</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**North Bay Parry Sound District Health Unit  
Schedule 5 - Infection Control  
Statement of Operations  
(Unaudited)**

For the year ended December 31	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
Province of Ontario	\$ 389,000	\$ 389,000	\$ 389,000
<b>Expenses</b>			
Salaries	299,852	299,639	296,468
Employee benefits	80,709	79,490	78,057
Program material and supplies	7,139	5,835	6,827
Professional development	-	1,546	4,430
Communication costs	1,300	1,165	1,309
Travel	-	64	438
Allocated costs	-	1,261	1,471
	389,000	389,000	389,000
<b>Annual surplus</b>	\$ -	\$ -	\$ -

**North Bay Parry Sound District Health Unit  
Schedule 6 - Genetics Program  
Statement of Operations  
(Unaudited)**

For the year ended December 31	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
Province of Ontario	\$ 375,663	\$ 138,635	\$ 375,663
One-time funding	-	4,200	9,300
Transfer from (to) deferred revenue	-	-	(109,840)
Interest and miscellaneous	22,553	6,171	5,089
	<u>398,216</u>	<u>149,006</u>	<u>280,212</u>
<b>Expenses</b>			
Salaries	244,247	90,372	137,082
Professional and purchased services	75,990	37,000	69,255
Employee benefits	66,779	19,185	42,637
Office supplies	-	2,323	2,615
Program material and supplies	7,850	126	203
Professional development	3,350	-	212
Allocated costs	-	-	28,208
	<u>398,216</u>	<u>149,006</u>	<u>280,212</u>
<b>Annual surplus</b>	\$ -	\$ -	\$ -

The Genetics program was transferred to Health Sciences North in the Fall of 2019.

**North Bay Parry Sound District Health Unit  
Schedule 7 - Ontario Seniors Dental Care  
Statement of Operations  
(Unaudited)**

For the year ended December 31	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
Province of Ontario	\$ 631,800	\$ 631,800	\$ -
	631,800	631,800	-
<b>Expenses</b>			
Program material and supplies	176,592	133,771	-
Salaries	358,016	47,766	-
Employee benefits	89,692	9,885	-
Professional development	-	1,837	-
Information technology	2,250	1,272	-
Travel	5,250	158	-
Office supplies	-	26	-
Amortization of tangible capital assets	-	19,842	-
	631,800	214,557	-
Excess of revenues over expenses before items below	-	417,243	-
Province of Ontario settlement for the year	-	(437,085)	-
<b>Annual deficit</b>	\$ -	\$ (19,842)	\$ -

**North Bay Parry Sound District Health Unit  
Schedule 8 - Public Health Nursing Initiative  
Statement of Operations  
(Unaudited)**

For the year ended December 31	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
Province of Ontario	\$ 392,100	\$ 392,100	\$ 392,100
<b>Expenses</b>			
Salaries	309,678	310,749	311,355
Employee benefits	82,422	81,351	80,745
	392,100	392,100	392,100
<b>Annual surplus</b>	\$ -	\$ -	\$ -

**North Bay Parry Sound District Health Unit  
Schedule 9 - Indigenous Partnerships  
Statement of Operations  
(Unaudited)**

For the year ended December 31	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
Province of Ontario	\$ 93,750	\$ 93,750	\$ -
<b>Expenses</b>			
Salaries	39,619	41,114	-
Professional development	33,596	30,296	-
Employee benefits	9,438	10,943	-
Program material and supplies	10,665	10,838	-
Travel	432	559	-
	93,750	93,750	-
<b>Annual surplus</b>	\$ -	\$ -	\$ -

**North Bay Parry Sound District Health Unit  
Schedule 10 - Diabetes Strategy  
Statement of Operations  
(Unaudited)**

For the year ended December 31	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
Province of Ontario	\$ 150,000	\$ 150,000	\$ 150,000
<b>Expenses</b>			
Salaries	85,972	80,563	86,238
Program material and supplies	22,715	26,018	22,675
Employee benefits	27,299	23,507	24,487
Professional development	-	3,544	559
Travel	-	881	1,971
Professional and purchased services	100	100	100
Office supplies	-	-	48
Allocated costs	13,914	15,387	13,922
	150,000	150,000	150,000
<b>Annual surplus</b>	\$ -	\$ -	\$ -

**North Bay Parry Sound District Health Unit  
Schedule 11 - MOH Initiative  
Statement of Operations  
(Unaudited)**

For the year ended December 31	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
Province of Ontario	\$ 42,060	\$ 49,682	\$ 54,541
<b>Expenses</b>			
Salaries	34,777	41,709	38,662
Employee benefits	7,283	7,966	7,385
	42,060	49,675	46,047
<b>Excess of revenues over expenses before items below</b>	-	7	8,494
Province of Ontario settlement for the year	-	(7)	(8,494)
<b>Annual surplus</b>	\$ -	\$ -	\$ -

**North Bay Parry Sound District Health Unit  
Schedule 12 - Haines Food Safety  
Statement of Operations  
(Unaudited)**

For the year ended December 31	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
Province of Ontario	\$ 31,700	\$ 31,700	\$ 31,700
<b>Expenses</b>			
Information technology	28,554	28,554	28,554
Program material and supplies	3,146	3,146	3,146
	31,700	31,700	31,700
<b>Annual surplus</b>	\$ -	\$ -	\$ -



**North Bay Parry Sound District Health Unit  
Schedule 13 - Needle Exchange  
Statement of Operations  
(Unaudited)**

For the year ended December 31	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
Province of Ontario	\$ 54,700	\$ 54,700	\$ 54,700
<b>Expenses</b>			
Program material and supplies	37,500	37,394	35,836
Professional and purchased services	17,200	17,306	18,864
	54,700	54,700	54,700
<b>Annual surplus</b>	\$ -	\$ -	\$ -

**North Bay Parry Sound District Health Unit  
Schedule 14 - Enhanced Safe Water  
Statement of Operations  
(Unaudited)**

For the year ended December 31	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
Province of Ontario	\$ 15,500	\$ 15,500	\$ 15,500
<b>Expenses</b>			
Salaries	12,162	12,572	12,202
Employee benefits	3,338	2,928	3,298
	15,500	15,500	15,500
<b>Annual surplus</b>	\$ -	\$ -	\$ -

**North Bay Parry Sound District Health Unit**  
**Schedule 15 - Falls Prevention**  
**Statement of Operations**  
**(Unaudited)**

For the year ended December 31	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
Other grants	\$ 100,000	\$ 100,000	\$ 100,000
Transfer from deferred revenue	-	6,014	1,227
Transfer to deferred revenue	-	(5,105)	(6,014)
	<u>100,000</u>	<u>100,909</u>	<u>95,213</u>
<b>Expenses</b>			
Salaries	60,612	60,586	59,200
Employee benefits	21,199	17,747	13,096
Program material and supplies	18,189	17,729	18,538
Travel	-	3,747	2,824
Professional development	-	550	977
Office supplies	-	550	578
	<u>100,000</u>	<u>100,909</u>	<u>95,213</u>
<b>Annual surplus</b>	\$ -	\$ -	\$ -

---

**North Bay Parry Sound District Health Unit  
Schedule 16 - Panorama  
Statement of Operations  
(Unaudited)**

For the year ended December 31	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
One-time funding	\$ -	\$ -	\$ 71,512
<b>Expenses</b>			
Salaries	-	-	57,931
Employee benefits	-	-	13,581
	-	-	71,512
<b>Annual surplus</b>	\$ -	\$ -	\$ -

---

**North Bay Parry Sound District Health Unit  
Schedule 17 - Adult Dental  
Statement of Operations  
(Unaudited)**

For the year ended December 31	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
Member municipalities	\$ 198,576	\$ -	\$ 198,576
Other grants	112,190	167,120	255,531
	310,766	167,120	454,107
<b>Expenses</b>			
Salaries	206,760	114,306	166,381
Employee benefits	49,489	27,109	39,073
Program material and supplies	45,150	13,726	23,655
Professional and purchased services	-	7,195	31,501
Information technology	1,000	-	763
Equipment	5,000	3,759	5,640
Professional development	3,367	965	1,246
Travel	-	60	-
	310,766	167,120	268,259
<b>Municipal surplus</b>	\$ -	\$ -	\$ 185,848

**North Bay Parry Sound District Health Unit**  
**Schedule 18 - Northern Fruit & Vegetable**  
**Statement of Operations**  
**(Unaudited)**

For the year ended December 31	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
Province of Ontario - one-time	\$ 37,500	\$ 55,642	\$ 207,520
Province of Ontario	112,500	112,500	-
<b>Expenses</b>			
Program material and supplies	46,154	77,527	79,454
Salaries	57,663	59,133	53,976
Employee benefits	16,515	15,865	15,477
Professional and purchased services	17,430	2,149	3,556
Office supplies	-	548	398
Travel	5,000	17	-
Allocated costs	7,238	10,617	8,417
	150,000	165,856	161,278
<b>Excess of revenues over expenses before items below</b>	-	2,286	46,242
Province of Ontario settlement for the year	-	(2,286)	(46,242)
<b>Annual surplus</b>	\$ -	\$ -	\$ -

**North Bay Parry Sound District Health Unit  
Schedule 19 - Enhanced Harm Reduction  
Statement of Operations  
(Unaudited)**

For the year ended December 31	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
Province of Ontario	\$ 150,000	\$ 150,000	\$ 150,000
<b>Expenses</b>			
Salaries	106,218	106,338	94,523
Employee benefits	27,237	29,803	25,422
Program material and supplies	8,015	8,762	15,519
Professional development	8,530	4,629	6,489
Travel	-	468	2,572
	150,000	150,000	144,525
<b>Excess of revenues over expenses before items below</b>	-	-	5,475
Province of Ontario settlement for the year	-	-	(5,475)
<b>Annual surplus</b>	\$ -	\$ -	\$ -

**North Bay Parry Sound District Health Unit**  
**Schedule 20 - One-Time Programs**  
**Statement of Operations**  
**(Unaudited)**

**For the year ended December 31, 2019**

	Indigenous Partnership		Provincial Requirements		Public Health Inspectors		Vaccine Fridge		Total	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>Revenues</b>										
Province of Ontario - Operating	\$ 125,000	\$ 124,500	\$ 43,300	\$ 43,155	\$ 10,000	\$ 15,536	\$ 10,000	\$ 9,142	\$ 188,300	\$ 192,333
<b>Expenses</b>										
Salaries	37,109	25,775	39,364	32,952	9,111	13,153	-	-	85,584	71,880
Employee benefits	7,210	5,003	3,936	9,547	889	1,280	-	-	12,035	15,830
Professional development	-	3,850	-	-	-	81	-	-	-	3,931
Travel	2,500	459	-	17	-	1,022	-	-	2,500	1,498
Professional and purchased services	57,924	2,400	-	-	-	-	-	-	57,924	2,400
Program materials and supplies	20,257	752	-	-	-	-	10,000	9,142	30,257	9,894
	<b>125,000</b>	<b>38,239</b>	<b>43,300</b>	<b>42,516</b>	<b>10,000</b>	<b>15,536</b>	<b>10,000</b>	<b>9,142</b>	<b>188,300</b>	<b>105,433</b>
Excess of revenues over expenses before item below	-	86,261	-	639	-	-	-	-	-	86,900
Province of Ontario settlement	-	(86,261)	-	(639)	-	-	-	-	-	(86,900)
<b>Municipal surplus</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>