

Financial Statements of

**WELLINGTON DUFFERIN
GUELPH PUBLIC
HEALTH UNIT**

And Independent Auditors' Report thereon

Year ended December 31, 2021



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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Wellington Dufferin Guelph Public Health Unit

Opinion

We have audited the financial statements of Wellington Dufferin Guelph Public 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 debt 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 debt 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 auditors' 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 ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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



In preparing the financial statements, management is responsible for assessing the 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' 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 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.

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.



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- 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 represent 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

Waterloo, Canada

May 13, 2022

WELLINGTON DUFFERIN GUELPH PUBLIC HEALTH UNIT

Statement of Financial Position

December 31, 2021, with comparative information for 2020

| | 2021 | 2020 |
|--|----------------------|----------------------|
| Financial assets: | | |
| Cash | \$ 6,721,280 | \$ 2,679,772 |
| Accounts receivable | 1,201,726 | 635,190 |
| Due from Province of Ontario | 94,473 | 2,253,023 |
| | <u>8,017,479</u> | <u>5,567,985</u> |
| Liabilities: | | |
| Accounts payable and accrued liabilities | 1,986,019 | 1,909,481 |
| Due to Province of Ontario | 1,357,963 | - |
| Due to programs (note 3) | 639,208 | 207,686 |
| Employee benefits payable (note 4) | 1,537,585 | 1,644,856 |
| Deferred revenue | - | 221,833 |
| Trust liabilities (note 5) | 2,975 | 1,060 |
| Long-term debt (note 6) | 3,328,023 | 4,476,088 |
| | <u>8,851,773</u> | <u>8,461,004</u> |
| Net debt | (834,294) | (2,893,019) |
| Non-financial assets: | | |
| Tangible capital assets (note 2) | 20,663,213 | 21,504,472 |
| Prepaid expenses | 35,243 | 49,686 |
| Inventory | 1,475 | 3,385 |
| | <u>20,699,931</u> | <u>21,557,543</u> |
| Accumulated surplus | <u>\$ 19,865,637</u> | <u>\$ 18,664,524</u> |

See accompanying notes to financial statements.

Approved by the Board of Health:

_____ Director

_____ Director

WELLINGTON DUFFERIN GUELPH PUBLIC HEALTH UNIT

Statement of Operations and Accumulated Surplus

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

| | 2021 Budget | 2021 Actual | 2020 Actual |
|---|----------------------|----------------------|----------------------|
| Revenue: | | | |
| Ministry of Health Base Funding | \$ 15,825,470 | \$ 15,477,948 | \$ 15,201,853 |
| Ministry of Health One-Time Funding | 13,525,927 | 13,534,800 | 3,523,253 |
| City of Guelph | 4,357,069 | 4,357,069 | 4,378,584 |
| County of Wellington | 2,937,532 | 2,923,783 | 3,185,885 |
| County of Dufferin | 1,925,677 | 1,925,677 | 1,880,360 |
| Other community grants | 325,000 | 457,523 | 162,567 |
| Ministry of Children, Community and Social Services | 1,429,304 | 1,239,298 | 2,581,208 |
| Public Health Agency of Canada | 117,353 | 146,196 | 60,713 |
| Interest income | 27,000 | 13,452 | 40,596 |
| | 40,470,332 | 40,075,746 | 31,015,019 |
| Expenses: | | | |
| Salaries and wages | 23,911,836 | 23,707,608 | 18,689,857 |
| Benefits | 5,961,850 | 5,947,716 | 4,794,257 |
| Building occupancy (note 6) | 3,153,798 | 1,880,604 | 984,766 |
| Professional and purchased services | 3,216,789 | 3,027,882 | 2,090,496 |
| Information and IT | 1,242,560 | 890,524 | 736,975 |
| Program materials and supplies | 1,413,852 | 1,113,631 | 745,021 |
| Travel | 547,910 | 519,921 | 171,619 |
| Communications | 305,763 | 298,859 | 297,059 |
| Office expenses, printing and postage | 216,394 | 140,215 | 134,596 |
| Staff and volunteer training and recognition | 199,938 | 126,578 | 61,032 |
| Board of Health | 34,650 | 4,385 | 6,193 |
| Amortization of tangible capital assets | - | 1,393,037 | 1,536,352 |
| Interest and bank charges | 135,559 | 135,558 | 170,665 |
| Expenditure recoveries (note 9) | (336,807) | (311,885) | (290,375) |
| | 40,004,092 | 38,874,633 | 30,128,513 |
| Excess of revenue over expenses before the undernoted items | 466,240 | 1,201,113 | 886,506 |
| Transfer to reserves (note 13) | (466,240) | - | - |
| Excess of revenue over expenses | - | 1,201,113 | 886,506 |
| Accumulated surplus, beginning of year | 18,664,524 | 18,664,524 | 17,778,018 |
| Accumulated surplus, end of year | \$ 18,664,524 | \$ 19,865,637 | \$ 18,664,524 |

See accompanying notes to financial statements.

WELLINGTON DUFFERIN GUELPH PUBLIC HEALTH UNIT

Statement of Changes in Net Financial Debt

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

| | 2021 | 2020 |
|---|--------------|----------------|
| Excess of revenue over expenditures | \$ 1,201,113 | \$ 886,506 |
| Amortization of tangible capital assets | 1,393,037 | 1,536,352 |
| Change in prepaid expenses | 14,443 | 16,402 |
| Change in inventory | 1,910 | 3,960 |
| Acquisition of tangible capital assets | (551,778) | (676,457) |
| Decrease in net debt | 2,058,725 | 1,766,763 |
| Net debt, beginning of year | (2,893,019) | (4,659,782) |
| Net debt, end of year | \$ (834,294) | \$ (2,893,019) |

See accompanying notes to financial statements.

WELLINGTON DUFFERIN GUELPH PUBLIC HEALTH UNIT

Statement of Cash Flows

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

| | 2021 | 2020 |
|--|--------------|--------------|
| Cash provided by (used in): | | |
| OPERATING ACTIVITIES: | | |
| Excess of revenue over expenditures | \$ 1,201,113 | \$ 886,506 |
| Item not involving cash: | | |
| Amortization | 1,393,037 | 1,536,352 |
| Decrease (increase) in due from Province of Ontario | 2,158,550 | (1,558,526) |
| Increase in accounts payable and accrued liabilities | 76,538 | 744,761 |
| Decrease in prepaid expenses | 14,443 | 16,402 |
| Increase in due to programs | 431,522 | 124,224 |
| Increase (decrease) in employee benefits payable | (107,271) | 236,957 |
| Increase (decrease) in deferred revenue | (221,833) | 156,903 |
| Increase (decrease) in trust liabilities | 1,915 | (2,192) |
| Decrease in inventory | 1,910 | 3,960 |
| Increase in accounts receivable | (566,536) | (173,068) |
| Increase in due to Province of Ontario | 1,357,963 | - |
| | 5,741,351 | 1,972,279 |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Long-term debt repaid | (1,148,065) | (1,110,961) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Acquisition of tangible capital assets | (551,778) | (676,457) |
| <hr/> | | |
| Net increase in cash | 4,041,508 | 184,861 |
| Cash, beginning of year | 2,679,772 | 2,494,911 |
| <hr/> | | |
| Cash, end of year | \$ 6,721,280 | \$ 2,679,772 |

See accompanying notes to financial statements.

WELLINGTON DUFFERIN GUELPH PUBLIC HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2021

Nature of operations:

Wellington Dufferin Guelph Public Health Unit ("WDGPH") has been created by statute under the Health Protection and Promotion Act ("HPPA") and is by statute an autonomous Board of Health. The Board of Health is comprised of municipal members representing each of the obligated municipalities of the County of Wellington (3), the County of Dufferin (2), and the City of Guelph (3) and seven Provincial appointees. As stated in WDGPH's Mission statement, WDGPH uses an innovative approach to deliver evidence-informed programs and services to meet the distinctive needs of our communities.

WDGPH operates programs in accordance with the Ontario Public Health Standards and Protocols as mandated by the Province of Ontario. The Province of Ontario mandates that WDGPH provide programs and services that prevent disease, protect health and promote the well-being of individuals. Additional initiatives are also delivered within Wellington, Dufferin, and Guelph including: Preschool Speech and Language, Canadian Prenatal Nutrition Program, and acting as the host agency for the Poverty Elimination Task Force Guelph-Wellington.

1. Significant accounting policies:

The financial statements have been prepared in accordance with Canadian public sector accounting standards ("PSAS"), and reflect the following policies:

(a) Basis of presentation:

Basis of accounting

- a) The operations reported on in the financial statements reflect the complete operations WDGPH.
- b) The operations of WDGPH general programs are funded by the Counties of Wellington and Dufferin, the City of Guelph, and the Ontario Ministry of Health. Each year the amount expenditure is based upon budgeted approvals and is funded accordingly. Funding amounts not received at year-end are recorded as receivable. Funding amounts in excess of actual expenditures incurred during the year are recorded as payable, or as deferred revenue depending on the terms of the funding agreement.

Revenue and expenses are reported on the accrual basis of accounting.

WELLINGTON DUFFERIN GUELPH PUBLIC HEALTH UNIT

Notes to Financial Statements (continued)

Year ended December 31, 2021

1. Significant accounting policies (continued):

(b) 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 and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Significant estimates used within these financial statements include accrued liabilities and employee benefits payable. Actual results may differ from these estimates.

(c) Revenue recognition:

WDGPH receives revenue in the form of government transfers from the Province of Ontario (Ministry of Health and Ministry of Children, Community and Social Services), the Corporation of the County of Wellington, the Corporation of the County of Dufferin, and the Corporation of the City of Guelph. Government transfers are recognized as revenue in the financial statements in the period in which the events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria and/or stipulations have been met, and reasonable estimates of the amount can be made.

(d) Tangible capital assets:

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to the acquisition, construction, development, or betterment of the asset. The cost, less residual value of the tangible capital assets is amortized on a straight-line basis over their estimated useful lives as follows:

| Asset | Rate |
|------------------------------|---------------|
| Buildings | 30 years |
| Leasehold improvements | Term of lease |
| Equipment | 5 years |
| Technology and communication | 3 years |
| Parking Lot | 20 years |
| Furniture and fixtures | 5 years |

One-half of the annual amortization is charged in the year of acquisition and in the year of disposal.

WELLINGTON DUFFERIN GUELPH PUBLIC HEALTH UNIT

Notes to Financial Statements (continued)

Year ended December 31, 2021

2. Tangible capital assets:

| Cost | Balance, December 31, 2020 | Additions | Dispositions | Balance, December 31, 2021 |
|------------------------------|----------------------------------|------------|--------------|----------------------------------|
| Land | \$ 1,021,784 | \$ - | \$ - | \$ 1,021,784 |
| Buildings | 24,304,674 | 77,941 | - | 24,382,615 |
| Leasehold improvements | 243,745 | 23,787 | - | 267,532 |
| Equipment | 1,441,124 | 127,167 | - | 1,568,291 |
| Technology and communication | 5,990,538 | 314,447 | - | 6,304,985 |
| Parking lot | 231,802 | - | - | 231,802 |
| Furniture and fixtures | 2,153,134 | 8,436 | - | 2,161,570 |
| | \$ 35,386,801 | \$ 551,778 | \$ - | \$ 35,938,579 |

| Accumulated amortization | Balance, December 31, 2020 | Amortization | Dispositions | Balance, December 31, 2021 |
|------------------------------|----------------------------------|--------------|--------------|----------------------------------|
| Land | \$ - | \$ - | \$ - | \$ - |
| Buildings | 5,213,397 | 842,596 | - | 6,055,993 |
| Leasehold improvements | 64,842 | 17,233 | - | 82,075 |
| Equipment | 1,167,781 | 131,069 | - | 1,298,850 |
| Technology and communication | 5,283,850 | 359,209 | - | 5,643,059 |
| Parking Lot | 52,155 | 11,590 | - | 63,745 |
| Furniture and fixtures | 2,100,304 | 31,340 | - | 2,131,644 |
| | \$ 13,882,329 | \$ 1,393,037 | \$ - | \$ 15,275,366 |

| Net book value | 2021 | 2020 |
|------------------------------|---------------|---------------|
| Land | \$ 1,021,784 | \$ 1,021,784 |
| Buildings | 18,326,622 | 19,091,277 |
| Leasehold improvements | 185,457 | 178,903 |
| Equipment | 269,441 | 273,343 |
| Technology and communication | 661,926 | 706,688 |
| Parking lot | 168,057 | 179,647 |
| Furniture and fixtures | 29,926 | 52,830 |
| | \$ 20,663,213 | \$ 21,504,472 |

WELLINGTON DUFFERIN GUELPH PUBLIC HEALTH UNIT

Notes to Financial Statements (continued)

Year ended December 31, 2021

3. Due to programs:

The following represents unspent funding for the following programs:

| | 2021 | 2020 |
|--|-------------------|-------------------|
| Due to Parenting to Pregnancy | \$ - | \$ 46,840 |
| Due to Preschool Speech and Language | - | 97,848 |
| Due to Healthy Babies Healthy Children | 610,472 | 34,262 |
| Due to Climate Change | 28,736 | 28,736 |
| | <u>\$ 639,208</u> | <u>\$ 207,686</u> |

WELLINGTON DUFFERIN GUELPH PUBLIC HEALTH UNIT

Notes to Financial Statements (continued)

Year ended December 31, 2021

4. Employee benefits payable:

| | 2021 | 2020 |
|--|---------------------|---------------------|
| Vacation time payable | \$ 1,479,164 | \$ 1,551,851 |
| Compensation time payable | 49,082 | 79,681 |
| Part-time Ontario Nurses Association (ONA) accumulated sick leave payable | 9,339 | 13,324 |
| | \$ 1,537,585 | \$ 1,644,856 |

Vacation time payable

The provisions of the employee's vacation plan allows for the accumulation of vacation credits for use in future periods. The approximate value of the credits as at December 31, 2021 is \$1,479,164 (2020 - \$1,551,851).

Compensation time payable

Hours earned by employees that are not paid or taken are compensation time. Upon termination of employment, any hours of compensation time that an employee has earned, but not taken, are payable at their wage rate. The approximate value of the time as at December 31, 2021 is \$49,082 (2020 - \$79,681).

Part-time nurses accumulated illness allowance

Permanent part-time nurses who work less than twenty-eight hours per week are not eligible for the short-term disability or long-term disability plans provided to staff working twenty-eight hours per week or more. Instead, these nurses accumulate an illness allowance on a pro rata basis of one and one-half days per month worked in each year. Any unused portion accumulates from year to year. In the event of an illness, a nurse may draw from this accumulated balance to continue to receive their regular daily rate of pay. There is no payout for unused illness allowance. The estimated potential liability for part-time nurses accumulated illness allowance as at December 31, 2021 is \$9,339 (2020 - \$13,324), included in other employee benefits payable.

WELLINGTON DUFFERIN GUELPH PUBLIC HEALTH UNIT

Notes to Financial Statements (continued)

Year ended December 31, 2021

5. Trust liabilities:

WDGPH periodically receives funds from various sources for specific purposes, which WDGPH holds in Trust. Balances are drawn down when funds are expended in accordance with the stipulations placed on them by the provider of the funds.

| | 2021 | 2020 |
|-------------------------------|----------|----------|
| Hearing (Wee Talk) | \$ - | \$ 560 |
| Children's Report Card | - | 500 |
| County of Wellington - Dental | 2,975 | - |
| | \$ 2,975 | \$ 1,060 |

6. Long-term debt:

On December 19, 2012, WDGPH entered into a Financial Agreement with the County of Wellington, the County of Dufferin, and the City of Guelph to finance the cost of building the two new facilities at Chancellors Way, Guelph, and Broadway, Orangeville. The Financial Agreement allowed for quarterly advances of capital by the obligated municipalities to WDGPH beginning in January 2013, until the completion of the new facilities. The total amount of the advances was not to exceed \$24,400,000. Interest is calculated annually, commencing on the 1st day of the month following the date of substantial completion of both facilities. The interest rate is 3.34% per annum, and the term and amortization of the loans is twenty years. Repayment of these loans commenced thirty days following certification by the project's architect of substantial completion of both facilities. The whole or any part of the capital financing under this agreement may be prepaid at any time or times without penalty or bonus.

The total amount borrowed under the loan agreement was \$18,481,487. The amount outstanding as of December 31, 2021 is \$3,328,023. Future principal and interest payments under this loan agreement are projected to be:

WELLINGTON DUFFERIN GUELPH PUBLIC HEALTH UNIT

Notes to Financial Statements (continued)

Year ended December 31, 2021

6. Long-term debt (continued):

| | | |
|------------------------|----|-----------------|
| 2022 | \$ | 1,281,624 |
| 2023 | | 1,281,624 |
| 2024 | | 930,467 |
| | | <hr/> 3,493,715 |
| Less: Interest portion | | 165,692 |
| Long-term debt | \$ | <hr/> 3,328,023 |

The total interest paid on long-term debt in 2021 was \$133,559 (2020 - \$170,665).

WELLINGTON DUFFERIN GUELPH PUBLIC HEALTH UNIT

Notes to Financial Statements (continued)

Year ended December 31, 2021

7. COVID-19 Related Expenditures (by object):

These amounts reflect costs incurred as a result of the COVID-19 pandemic response and are included within the expense captions on the face of the Statement of Operations and Accumulated Surplus.

| | 2021 | 2020 |
|--|---------------------|-------------------|
| Salaries and wages | \$ 8,430,562 | \$ 2,553,701 |
| Benefits | 996,423 | 137,819 |
| Staff and volunteer training and recognition | 126 | 14 |
| Travel | 383,807 | 55,792 |
| Building occupancy | 958,304 | 27,533 |
| Professional and purchased services | 1,887,764 | 187,571 |
| Program materials and supplies | 854,974 | 303,804 |
| Office expenses, printing, and postage | 50,201 | 46,050 |
| Information and IT | 115,559 | 179,617 |
| Communications | 142,881 | 118,256 |
| Interest - Line of credit | 1,999 | - |
| Capital expenditures | 224,127 | - |
| Total expenditures | 14,046,727 | 3,610,157 |
| Less: Reimbursed by Ministry of Health | (12,082,800) | (2,810,157) |
| Net COVID-19 expenditures funded through the municipal portion of the Cost Shared Mandatory program | \$ 1,963,927 | \$ 800,000 |

Included in the above capital expenditures of \$224,127, are amounts which have been capitalized. This is made up of \$48,119 of Equipment, \$166,170 of Information and IT cost and \$9,838 of Occupancy costs.

Amounts that have been reimbursed by the Ministry of Health are included in Ministry of Health One-Time Funding on the Statement of Operations.

WELLINGTON DUFFERIN GUELPH PUBLIC HEALTH UNIT

Notes to Financial Statements (continued)

Year ended December 31, 2021

8. Accumulated surplus and reserves:

Accumulated surplus consists of individual fund surplus and reserves as follows:

| | 2021 | 2020 |
|---|----------------------|----------------------|
| Tangible capital assets (note 2) | \$ 20,663,213 | \$ 21,504,472 |
| Reserves | 2,607,670 | 1,779,782 |
| Long-term debt | (3,328,023) | (4,476,088) |
| Accumulated deficit from March 31st year-end programs | (77,223) | (143,642) |
| | \$ 19,865,637 | \$ 18,664,524 |

Accumulated deficit from March 31st year-end programs represents the cumulative net excess of expenses over revenues for the Preschool Speech and Language Program, Healthy Babies Healthy Children Program, Climate Change Program and the Pregnancy to Parenting Program as at December 31st.

| | 2021 | 2020 |
|----------------------------|---------------------|---------------------|
| Balance, beginning of year | \$ 1,779,782 | \$ 1,134,233 |
| Interest earned on reserve | 11,067 | 21,070 |
| Transfer to reserves | 888,574 | 624,479 |
| Transfer from reserves | (71,753) | - |
| Balance, end of year | \$ 2,607,670 | \$ 1,779,782 |

Reserves consist of the following:

| | 2021 | 2020 |
|--|---------------------|---------------------|
| Contingency Reserve | \$ 650,846 | \$ 647,627 |
| Technology Reserve | 558,802 | 158,008 |
| Orangeville Facilities Reserve | 481,201 | 325,973 |
| Guelph Facilities Reserve | 866,889 | 527,107 |
| Fluoride Varnish Program Reserve | 49,932 | 71,904 |
| Poverty Elimination Task Force Reserve | - | 49,163 |
| Balance, end of year | \$ 2,607,670 | \$ 1,779,782 |

WELLINGTON DUFFERIN GUELPH PUBLIC HEALTH UNIT

Notes to Financial Statements (continued)

Year ended December 31, 2021

9. Expenditure recoveries:

| | Budget 2021 | 2021 | 2020 |
|------------------------------|----------------|------------|------------|
| Sales, tests and course fees | \$ 57,650 | \$ 338 | \$ 72,170 |
| Vaccines and immunizations | 89,000 | 94,473 | 58,248 |
| File searches | 2,000 | 609 | 40 |
| Rental Income | 37,998 | 31,000 | 46,516 |
| Staffing recoveries | 93,759 | 149,649 | - |
| Other grants | - | - | 110,000 |
| Other miscellaneous | 56,400 | 35,816 | 3,401 |
| | \$ 336,807 | \$ 311,885 | \$ 290,375 |

10. Municipal split:

WDGPH receives funding for Cost Shared Mandatory and Related programs from the three obligated municipalities under the Health Protection and Promotion Act. The percentage of total municipal funding provided by each of the three obligated municipalities is based on the population of each municipality relative to the total population of Wellington-Dufferin-Guelph, based on the most recent Census. In 2021, the split is based on the 2016 Census (2020 - 2016 Census).

| | Population | 2016 Census |
|----------------------|------------|-------------|
| County of Wellington | 90,932 | 32.0 % |
| County of Dufferin | 61,735 | 21.7 |
| City of Guelph | 131,794 | 46.3 |
| | 284,461 | 100.0 % |

WELLINGTON DUFFERIN GUELPH PUBLIC HEALTH UNIT

Notes to Financial Statements (continued)

Year ended December 31, 2021

11. Credit facility:

At December 31, 2021 WDGPH had an unsecured line of credit of \$3,000,000 (2020 - \$500,000) bearing interest at the bank prime rate of 2.45% (2020 - 2.45%), of which all has remained unused at year-end.

12. Pension agreements:

WDGPH makes contributions to the Ontario Municipal Employees' Retirement System ("OMERS"), which is a multi-employer plan, on behalf of approximately 200 (2020 - 220) members of its staff.

OMERS is a multi-employer plan, therefore, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, WDGPH does not recognize any share of the OMERS pension surplus or deficit. At December 31, 2021 the plan reported a \$3.1 billion actuarial deficit (2020 - \$3.2 billion actuarial deficit).

The plan is a defined benefit plan that specifies the amount of the retirement benefit to be received by the employee based upon length of service and rates of pay.

The amount contributed to OMERS for 2021 was \$1,515,990 (2020 - \$1,460,936).

13. Budget figures:

The budgeted figures, which are presented for comparison purposes, are prepared on a cash basis.

WELLINGTON DUFFERIN GUELPH PUBLIC HEALTH UNIT

Notes to Financial Statements (continued)

Year ended December 31, 2021

14. Commitments and contingencies:

WDGPH leases office and clinic space. In addition, land has been leased under a long-term operating lease which expires on April 30, 2062. WDGPH also has a small number of long-term commitments under contract. Minimum lease payments and other long-term commitments under contract over the next five years are as follows:

| | | |
|------|----|-----------|
| 2022 | \$ | 308,536 |
| 2023 | | 290,897 |
| 2024 | | 286,365 |
| 2025 | | 286,365 |
| 2026 | | 286,365 |
| | \$ | 1,458,528 |

In the normal course of business, WDGPH is involved in various claims. Though the outcome of these various pending claims as at December 31, 2021 cannot be determined with certainty, WDGPH believes that their outcome will have no significant adverse impact on its financial position, operating results or cash flows.

15. Comparative information:

Certain comparative information have been reclassified from those previously presented to conform to the presentation adopted in the current year.

Schedule of Revenues and Expenditure Recoveries - Schedule 1
 Cost Shared Mandatory and 100% Ministry of Health Funded Related Programs
 For the Year Ended December 31, 2021

| | Cost-Shared Programs | School Focused Nurses | 100% Ontario Seniors Dental Care Program | 100% Provincial COVID | 100% Provincial OTG | MOH Compensation | Total 2021 | Total 2020 |
|--|----------------------|-----------------------|--|-----------------------|---------------------|------------------|-------------------|--------------------|
| Revenue | | | | | | | | |
| Provincial | | | | | | | | |
| Ministry of Health Base Funding | 14,781,500 | - | 521,578 | - | - | 174,870 | 15,477,948 | 15,788,103 |
| Ministry of Health One-time | - | 1,400,000 | - | 12,082,800 | 52,000 | - | 13,534,800 | 2,937,003 |
| Sub-total provincial funding | 14,781,500 | 1,400,000 | 521,578 | 12,082,800 | 52,000 | 174,870 | 29,012,748 | 18,725,106 |
| Municipal | | | | | | | | |
| City of Guelph | 4,122,287 | - | - | - | - | - | 4,122,287 | 4,025,278 |
| County of Wellington | 2,845,551 | - | - | - | - | - | 2,845,551 | 2,778,587 |
| County of Dufferin | 1,925,677 | - | - | - | - | - | 1,925,677 | 1,880,360 |
| Sub-total municipal funding | 8,893,515 | - | - | - | - | - | 8,893,515 | 8,684,225 |
| Total Funding | 23,675,015 | 1,400,000 | 521,578 | 12,082,800 | 52,000 | 174,870 | 37,906,263 | 27,409,331 |
| Interest Income | 13,452 | - | - | - | - | - | 13,452 | 40,596 |
| Total Revenue | 23,688,467 | 1,400,000 | 521,578 | 12,082,800 | 52,000 | 174,870 | 37,919,715 | 27,449,927 |
| Expenses | | | | | | | | |
| Employee Costs | | | | | | | | |
| Salaries and wages | 13,440,673 | 1,107,251 | 138,300 | 7,530,562 | 30,000 | 146,535 | 22,393,321 | 16,937,052 |
| Benefits | 4,421,818 | 292,749 | 42,992 | 782,424 | - | 28,335 | 5,568,318 | 4,293,705 |
| Total salaries, wages and benefits | 17,862,491 | 1,400,000 | 181,292 | 8,312,986 | 30,000 | 174,870 | 27,961,639 | 21,230,757 |
| Operating Costs | | | | | | | | |
| Staff and volunteer training and recognition | 116,083 | - | - | 126 | - | - | 116,209 | 57,306 |
| Board of Health | 4,385 | - | - | - | - | - | 4,385 | 6,193 |
| Travel | 259,057 | - | 1,378 | 218,807 | - | - | 479,242 | 162,536 |
| Building Occupancy | 897,517 | - | 23,787 | 958,304 | - | - | 1,879,608 | 1,151,010 |
| Office expenses, printing and postage | 108,412 | - | 32 | 31,201 | - | - | 139,645 | 134,332 |
| Professional and purchased services | 762,932 | - | 180,549 | 1,560,039 | - | - | 2,503,520 | 836,667 |
| Program materials and supplies | 505,288 | - | 85,794 | 516,772 | - | - | 1,107,854 | 692,783 |
| Information and IT | 763,609 | - | - | 115,559 | - | - | 879,168 | 729,457 |
| Communications | 155,978 | - | - | 142,881 | - | - | 298,859 | 297,059 |
| Interest and bank charges | 133,559 | - | - | 1,999 | - | - | 135,558 | - |
| Net Covid-19 related expenditures | - | - | - | - | - | - | - | 2,810,157 |
| Amortization of tangible capital assets | 1,393,037 | - | - | - | - | - | 1,393,037 | 1,536,352 |
| Total operating costs | 5,099,857 | - | 291,540 | 3,545,688 | - | - | 8,937,084 | 8,413,852 |
| Total Expenditures | 22,962,348 | 1,400,000 | 472,832 | 11,858,674 | 30,000 | 174,870 | 36,898,724 | 29,644,609 |
| Expenditure recoveries | (163,121) | - | - | - | - | - | (163,121) | (290,375) |
| Total net expenditures after expenditure recoveries | 22,799,227 | 1,400,000 | 472,832 | 11,858,674 | 30,000 | 174,870 | 36,735,603 | 29,354,234 |
| Excess (deficiency) of revenue over expenditures for the year | 889,240 | - | 48,746 | 224,126 | 22,000 | - | 1,184,112 | (1,904,307) |

Wellington-Dufferin-Guelph Public Health
 Schedule of One Time Funds - Schedule 2
 For the Year Ended December 31, 2021

| | Funding Period | Provincial Funding Approved | Actual spent 2020 | Actual spent 2021 | Funding Available for 2022 | Payable (Receivable) from MOH |
|---|---------------------------|-----------------------------------|----------------------|----------------------|----------------------------------|-------------------------------------|
| | | \$ | \$ | \$ | \$ | \$ |
| One time funding | | | | | | |
| New Purpose-Built Vaccine Refrigerators | Apr 1 2020 to Mar 31 2021 | \$ 33,000 | \$ 33,000 | \$ - | \$ - | \$ - |
| Public Health Inspector Practicum Program | Apr 1 2020 to Mar 31 2021 | 10,000 | 10,000 | - | - | - |
| School-Focused Nurses Initiative | Aug 1 2020 to Mar 31 2021 | 938,000 | 586,250 | 351,750 | - | - |
| Dental Clinic Upgrades - Guelph | Apr 1 2020 to Mar 31 2021 | 135,300 | 18,760 | - | - | 116,540 |
| Dental Clinic Upgrades - Orangeville | Apr 1 2020 to Mar 31 2021 | 34,200 | 25,624 | - | - | 8,576 |
| New Purpose-Built Vaccine Refrigerators | Apr 1 2021 to Mar 31 2022 | 22,000 | - | 22,000 | - | - |
| Public Health Inspector Practicum Program | Apr 1 2021 to Mar 31 2022 | 30,000 | - | 30,000 | - | - |
| COVID-19 General Program | Jan 1 2021 to Dec 31 2021 | 3,258,700 | - | 3,258,700 | - | - |
| COVID-19 Vaccine Program | Jan 1 2021 to Dec 31 2021 | 9,528,600 | - | 8,824,100 | - | 704,500 |
| School-Focused Nurses Initiative | Apr 1 2021 to Mar 31 2022 | 1,400,000 | - | 1,048,250 | 351,750 | - |