

Financial Statements of

ALGOMA PUBLIC HEALTH

And Independent Auditor's Report thereon

Year ended December 31, 2024

ALGOMA PUBLIC HEALTH

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Year ended December 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Algoma Public Health

Opinion

We have audited the accompanying financial statements of Algoma Public Health (the "Board"), which comprise:

- the statement of financial position as at December 31, 2024
- the statement of operations and accumulated surplus for the year then ended
- the statement of change in net 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 Board as at December 31, 2024, 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 report.

We are independent of the Board 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.



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

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

Auditor's 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 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 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 Board'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 Board'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 Board 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants, Licensed Public Accountants

Sault Ste. Marie, Ontario

April 23, 2025

ALGOMA PUBLIC HEALTH

Statement of Financial Position

December 31, 2024, with comparative information for 2023

	2024	2023
Financial assets		
Cash	\$ 4,702,136	\$ 4,663,966
Accounts receivable	1,716,755	2,089,635
Receivable from participating municipalities	12,654	6,482
	6,431,545	6,760,083
Financial liabilities		
Accounts payable and accrued liabilities	1,538,841	1,402,404
Payable to the Province of Ontario	2,750,849	3,426,716
Deferred revenue (note 5)	277,755	280,411
Employee future benefit obligations (note 6)	2,885,767	2,835,275
Term loans (note 10)	2,907,234	3,308,095
	10,360,446	11,252,901
Net debt	(3,928,901)	(4,492,818)
Non-financial assets		
Tangible capital assets (note 7)	16,559,920	16,913,434
Prepaid expenses	365,259	128,517
	16,925,179	17,041,951
Contingencies (note 11)		
Commitments (note 13)		
Accumulated surplus (note 8)	\$ 12,996,278	\$ 12,549,133

See accompanying notes to financial statements.

ALGOMA PUBLIC HEALTH

Statement of Operations and Accumulated Surplus

Year ended December 31, 2024, with comparative information for 2023

	2024 Budget (note 15)	2024	2023
Revenue:			
Municipal levy - public health	\$ 4,440,568	\$ 4,440,568	\$ 4,189,217
Provincial grants:			
Public health	12,938,110	13,874,568	14,288,528
Community health	1,302,903	1,290,672	1,231,013
Fees, other grants and recovery of expenditures	709,047	869,439	830,583
	19,390,628	20,475,247	20,539,341
Expenses (note 14):			
Public Health Programs (Schedule 1)	17,415,857	17,612,220	18,674,092
Community Health Programs (Schedule 2)			
Healthy Babies and Children	1,140,750	1,125,835	1,066,956
Nurse Practitioner	162,153	164,835	164,058
Stay on Your Feet	100,000	96,473	117,180
Brighter Futures for Children	114,447	131,273	120,403
Employee future benefits	-	50,492	(14,381)
Interest on long-term debt	56,560	56,560	63,410
Amortization of tangible capital assets	790,414	790,414	711,906
	19,780,181	20,028,102	20,903,624
Operating surplus (deficit)	(389,553)	447,145	(364,283)
Accumulated surplus, beginning of year	12,549,133	12,549,133	12,913,416
Accumulated surplus, end of year	\$ 12,159,580	\$ 12,996,278	\$ 12,549,133

See accompanying notes to financial statements.

ALGOMA PUBLIC HEALTH

Statement of Change in Net Debt

Year ended December 31, 2024, with comparative information for 2023

	2024 Budget (note 15)	2024	2023
Operating surplus (deficit)	\$ (389,553)	\$ 447,145	\$ (364,283)
Additions to tangible capital assets	-	(436,900)	(210,785)
Prepaid expenses	-	(236,742)	(128,517)
Amortization of tangible capital assets	790,414	790,414	711,906
	400,861	563,917	8,321
Net debt, beginning of year	(4,492,818)	(4,492,818)	(4,501,139)
Net debt, end of year	\$ (4,091,957)	\$ (3,928,901)	\$ (4,492,818)

See accompanying notes to financial statements.

ALGOMA PUBLIC HEALTH

Statement of Cash Flows

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operating activities:		
Operating surplus (deficit)	\$ 447,145	\$ (364,283)
Items not involving cash:		
Amortization of tangible capital assets	790,414	711,906
Employee future benefit obligations	50,492	(14,381)
	1,288,051	333,242
Change in non-cash working capital:		
Decrease (increase) in accounts receivable	372,880	(539,128)
Decrease in receivable from participating municipalities	(6,172)	-
Increase in accounts payable and accrued liabilities	136,437	82,834
Decrease in payable to the Province of Ontario	(675,867)	(1,201,587)
Decrease in deferred revenue	(2,656)	(37,490)
Increase in prepaid expenses	(236,742)	(128,517)
	875,931	(1,490,646)
Financing activities:		
Repayment of principal on term loans	(400,861)	(394,011)
Capital activities:		
Additions to tangible capital assets	(436,900)	(210,785)
Increase (decrease) in cash	38,170	(2,095,442)
Cash, beginning of year	4,663,966	6,759,408
Cash, end of year	\$ 4,702,136	\$ 4,663,966

See accompanying notes to financial statements.

ALGOMA PUBLIC HEALTH

Notes to Financial Statements

Year ended December 31, 2024

The Board of Health for the District of Algoma operating as Algoma Public Health (the "Board") is governed by a public health board as mandated by the Health Protection and Promotion Act for the purpose of promoting and protecting public health.

1. Significant accounting policies:

The financial statements are prepared in accordance with the Canadian generally accepted accounting principles for government organizations as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Board are as follows:

(a) Basis of accounting:

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

The accrual basis of accounting recognizes revenue as they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Revenue recognition:

The operations of the Board are funded by the Province of Ontario, levies to participating municipalities and user fees. Funding amounts not received at year end are recorded as receivable. Funding amounts in excess of actual expenditures incurred during the year are repayable and are reflected as liabilities.

Certain programs of the Board operate on a March 31 fiscal year. Revenues received in excess of expenditures incurred at December 31 are deferred on the statement of financial position until related expenditures are incurred or upon final settlement.

Fees and other revenue from transactions with performance obligations, are recognized as the Board satisfies a performance obligation by providing the promised goods or services to the payor. Fees and other revenue from transactions with no performance obligations are recognized when the Board has the authority to claim or retain an inflow of economic resources and when a past transaction or event is an asset. Amounts received prior to the end of the year that will be recognized in subsequent fiscal year are deferred and reported as a liability. The majority of Board revenues do not fall under the new PS 3400 accounting standard.

(c) Prior years' funding adjustments:

The Ministry of Health (the "Ministry") undertakes financial reviews of the Board's operations from time to time, based on the Board's submissions of annual settlement forms. Adjustments to the financial statements, if any, a result of these reviews are accounted for in the period when notification is received from the Ministry.

(d) Non-financial assets:

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

ALGOMA PUBLIC HEALTH

Notes to Financial Statements

Year ended December 31, 2024

1. Significant accounting policies (continued):

(e) Tangible capital assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over the following number of years:

Asset	Years
Building	40
Leasehold improvements	10
Furniture and equipment	10
Vehicle	4
Computer equipment	3

Annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

(f) Employee future benefit obligations:

The Board sponsors a defined benefit life and health care plan for all employees who retire from active service with an unreduced OMERS pension. The Board accrues its obligations under the defined benefit plan as the employees render the services necessary to earn these retirement benefits. The cost of future benefits earned by employees is actuarially determined using the projected benefit method prorated on service and incorporates management's best estimates with respect to mortality and termination rates, retirement age and expected inflation rate with respect to employee benefit costs.

Actuarial gains (losses) on the accrued benefit obligation arise from the differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation.

(g) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Significant items subject to estimates and assumptions include the carrying amount of tangible capital assets, valuation allowances for accounts receivables and estimation of obligations related to employee future benefits. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

ALGOMA PUBLIC HEALTH

Notes to Financial Statements

Year ended December 31, 2024

1. Significant accounting policies (continued):

(h) Financial instruments:

Financial instruments are classified into three categories: cost, amortized cost or fair value.

Cost

Amounts are measured at cost less any amount for valuation allowance. Valuation allowances are made when collection is in doubt.

Amortized cost

Amortized cost is measured using the effective interest rate method. The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability (or a group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period, based on the effective interest rate. It is applied to financial assets or financial liabilities that are not in the fair value category and is now the method that must be used to calculate amortized cost.

Fair value

The Board manages and reports performance for groups of financial assets on a fair-value basis. Investments traded in an active market are reflected at fair value as at the reporting date. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments are recorded as an expense. Unrealized gains and losses on financial assets are recognized in the statement of remeasurement gains and losses until such time that the financial asset is derecognized due to disposal or impairment. At the time of derecognition, the related realized gains and losses are recognized in the statement of operations and accumulated surplus and related balances reversed from the statement of remeasurement gains and losses. A statement of remeasurement gains and losses has not been included as there are no matters to report therein.

Establishing fair value:

The fair value of guarantees and letters of credit are based on fees currently charged for similar agreements or on the estimated cost to terminate them or otherwise settle the obligations with the counterparties at the reported borrowing date. In situations in which there is no market for these guarantees, and they were issued without explicit costs, it is not practicable to determine their fair value with sufficient reliability (if applicable).

ALGOMA PUBLIC HEALTH

Notes to Financial Statements

Year ended December 31, 2024

1. Significant accounting policies (continued):

(h) Financial instruments (continued):

Fair value hierarchy:

The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable:

Level 1 – fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

The following chart shows the measurement method for each type of financial instrument:

Financial instrument	Measurement method
Cash	Cost
Accounts receivable	Amortized cost
Receivable from participating municipalities	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Payable to the Province of Ontario	Amortized cost
Term loans	Amortized cost

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Notes to Financial Statements

Year ended December 31, 2024

1. Significant accounting policies (continued):

(i) Asset retirement obligations:

The Board recognizes the fair value of an Asset Retirement Obligation ("ARO") when all of the following criteria have been met:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

A liability for asset retirement obligations has not been recorded in these financial statements. Given the nature of the assets, the age of the facilities and the remediation work completed to date it was determined there is no further legal obligation on the part of the Board to complete remediation efforts.

2. Change in accounting policy – adoption of new accounting standards:

The Board adopted the following standards concurrently beginning January 1, 2024 retroactively with restatement: *PS 3160 Public Private Partnerships*, *PS 3400 Revenue* and adopted *PSG-8 Purchased Intangibles* prospectively.

PS 3400 Revenue establishes standards on how to account for and report on revenue, specifically differentiating between transactions that include performance obligations (i.e. the payor expects a good or service from the public sector entity), referred to as exchange transactions, and transactions that do not have performance obligations, referred to as non-exchange transactions. For exchange transactions, revenue is recognized when a performance obligation is satisfied. For non-exchange transactions, revenue is recognized when there is authority to retain an inflow of economic resources and a past event that gave rise to an asset has occurred.

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Notes to Financial Statements

Year ended December 31, 2024

3. Participating municipalities:

The participating municipalities are as follows:

City of Sault Ste. Marie
City of Elliot Lake
Town of Blind River
Town of Bruce Mines
Town of Thessalon
Town of Spanish
Municipality of Wawa
Municipality of Huron Shores
Village of Hilton Beach
Township of Dubreuilville
Township of Hilton
Township of Jocelyn
Township of Johnson
Township of Laird
Township of Macdonald, Meredith & Aberdeen Additional
Township of North Shore
Township of Plummer Additional
Township of Prince
Township of St. Joseph
Township of Tarbutt
Township of White River
Certain unincorporated areas in the District of Algoma

4. Credit facility:

The Board has an authorized line of credit available in the amount of \$500,000. The credit facility bears interest at prime + 0.75% and is unsecured. At December 31, 2024, \$Nil (2023 – \$Nil) was outstanding under the facility.

5. Deferred revenue:

The Board operates several additional programs funded by the Ministry. Excess funding received for these programs or programs funded for a program year which differs from the Health Unit's fiscal year is deferred in the accounts until the related costs and final settlements are determined.

A summary of the year's activity relating to those programs is as follows:

	2024	2023
Deferred revenue, beginning of year	\$ 280,411	\$ 317,901
Additional funding deferred during the year	–	9,278
Funding recognized as revenue in the year	(2,656)	(46,768)
Deferred revenue, end of year	\$ 277,755	\$ 280,411

ALGOMA PUBLIC HEALTH

Notes to Financial Statements

Year ended December 31, 2024

6. Employee future benefits:

(a) Pension agreements:

The Board makes contributions to the Ontario Municipal Employees Retirement Fund ("OMERS"), which is a multi-employer plan, on behalf of 2024 – 171 members (2023 – 179 members) of its staff. The plan is a multi-employer, defined-benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. The multi-employer plan is valued on a current market basis for all plan assets.

The Board's contributions to OMERS equal those made by the employees. The amount contributed was 2024 – \$1,177,309 (2023 – \$1,263,039) for current service and is included as an expense on the statement of operations and accumulated surplus. No pension liability for this type of plan is included in the Board's financial statements.

(b) Employee future benefit obligations:

Employee future benefit obligations are future liabilities of the Board to its employees and retirees for benefits earned but not taken as at December 31, 2024. The liabilities will be recovered from future revenues and consist of the following:

	2024	2023
Post-retirement benefits (i)	\$ 1,116,600	\$ 1,123,702
Non-vested sick leave (ii)	664,500	600,237
Accrued vacation pay (iii)	1,104,667	1,111,336
	<u>\$ 2,885,767</u>	<u>\$ 2,835,275</u>

ALGOMA PUBLIC HEALTH

Notes to Financial Statements

Year ended December 31, 2024

6. Employee future benefits (continued):

(b) Employee future benefit obligations (continued):

(i) Post-retirement benefits:

The post-retirement benefit liability is based on an actuarial valuation performed by the Board's actuaries. The date of the most recent actuarial valuation of the post-retirement benefit plan is December 31, 2024. The significant actuarial assumptions adopted in estimating the Board's liability are as follows:

- Discount Rate 4.70%
- Health Care Trend Rate 4.0% to 5.5%

Information about the Board's future obligations with respect to these costs is as follows:

	2024	2023
Accrued benefit obligations, beginning of year	\$ 1,123,702	\$ 1,145,969
Current service cost	38,300	33,941
Interest cost	35,000	35,188
Benefits paid	(48,500)	(53,246)
Amortization of actuarial gains	(31,902)	(38,150)
Accrued benefit obligations, end of year	\$ 1,116,600	\$ 1,123,702

(ii) Non-vested sick leave:

Accumulated sick leave credits refers to the balance of unused sick leave credits which accrue to employees each month. Unused sick days are banked and may be used in the future if sick leave is beyond their yearly entitlement. No cash payments are made for unused sick time upon leaving the Board's employment.

(iii) Accrued vacation pay:

Accrued vacation pay represents the liability for vacation entitlements earned by employees but not taken as at December 31.

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Notes to Consolidated Financial Statements

Year ended December 31, 2024

7. Tangible capital assets:

Cost	Balance at December 31, 2023	Additions	Transfers and disposals	Balance at December 31, 2024
Building	\$ 23,072,474	\$ 151,208	\$ -	\$ 23,223,682
Leasehold improvements	1,583,164	-	-	1,583,164
Furniture and equipment	2,145,864	35,253	-	2,181,117
Vehicle	40,113	-	-	40,113
Computer equipment	3,372,128	250,439	-	3,622,567
Total	\$ 30,213,743	\$ 436,900	\$ -	\$ 30,650,643

Accumulated Amortization	Balance at December 31, 2023	Disposals	Amortization expense	Balance at December 31, 2024
Building	\$ 6,755,856	\$ -	\$ 552,150	\$ 7,308,006
Leasehold improvements	1,216,288	-	106,976	1,323,264
Furniture and equipment	2,006,797	-	31,581	2,038,378
Vehicle	40,113	-	-	40,113
Computer equipment	3,281,255	-	99,707	3,380,962
Total	\$ 13,300,309	\$ -	\$ 790,414	\$ 14,090,723

	Net book value, December 31, 2023	Net book value, December 31, 2024
Building	\$ 16,316,618	\$ 15,915,676
Leasehold improvements	366,876	259,900
Furniture and equipment	139,067	142,739
Vehicle	-	-
Computer equipment	90,873	241,605
Total	\$ 16,913,434	\$ 16,559,920

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Notes to Consolidated Financial Statements

Year ended December 31, 2024

7. Tangible capital assets (continued):

Cost	Balance at December 31, 2022	Additions	Transfers and disposals	Balance at December 31, 2023
Building	\$ 23,012,267	\$ 60,207	\$ -	\$ 23,072,474
Leasehold improvements	1,583,164	-	-	1,583,164
Furniture and equipment	2,113,825	63,343	(31,304)	2,145,864
Vehicle	40,113	-	-	40,113
Computer equipment	3,284,893	87,235	-	3,372,128
Total	\$ 30,034,262	\$ 210,785	\$ (31,304)	\$ 30,213,743

Accumulated Amortization	Balance at December 31, 2022	Disposals	Amortization expense	Balance at December 31, 2023
Building	\$ 6,206,384	\$ -	\$ 549,472	\$ 6,755,856
Leasehold improvements	1,109,313	-	106,975	1,216,288
Furniture and equipment	2,010,880	(31,304)	27,221	2,006,797
Vehicle	40,113	-	-	40,113
Computer equipment	3,253,017	-	28,238	3,281,255
Total	\$ 12,619,707	\$ (31,304)	\$ 711,906	\$ 13,300,309

	Net book value, December 31, 2022	Net book value, December 31, 2023
Building	\$ 16,805,883	\$ 16,316,618
Leasehold improvements	473,851	366,876
Furniture and equipment	102,945	139,067
Vehicle	-	-
Computer equipment	31,876	90,873
Total	\$ 17,414,555	\$ 16,913,434

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Notes to Financial Statements

Year ended December 31, 2024

8. Accumulated surplus:

Accumulated surplus is comprised of:

	2024	2023
Invested in tangible capital assets	\$ 16,559,920	\$ 16,913,434
Reserve fund (note 8)	2,143,820	2,064,546
Operating	85,539	(285,477)
Unfunded:		
Employee future benefits	(2,885,767)	(2,835,275)
Term loans	(2,907,234)	(3,308,095)
	\$ 12,996,278	\$ 12,549,133

9. Reserve fund:

The Board has set aside a reserve fund for specific purposes to be approved by the Board.

	2024	2023
Balance, beginning of year	\$ 2,064,546	\$ 2,005,166
Additions to reserve fund	—	—
Investment income	79,274	59,380
Balance, end of year	\$ 2,143,820	\$ 2,064,546

The reserve fund has been placed in a premium investment account and is included in cash on the statement of financial position. Interest is earned on daily balances and paid monthly at tiered annual rates from 2.5% to 3.5%.

10. Term loans:

	2024	2023
Term loan #1	\$ 2,737,357	\$ 3,114,793
Term loan #2	169,877	193,302
	\$ 2,907,234	\$ 3,308,095

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Notes to Financial Statements

Year ended December 31, 2024

10. Term loans (continued):

Principal payment due on the term loans is as follows:

Year	Annual payments
2025	\$ 408,645
2026	416,034
2027	423,556
2028	431,215
2029	439,012
Thereafter	788,772

Term loan #1 is a non-revolving loan bearing interest of 1.80%. The loan is repayable in blended monthly interest and principal payments of \$35,893 and matures on September 1, 2031. Security is in the form of an assignment of fire insurance and a borrowing resolution.

Term loan #2 bears interest of 1.80%. The loan is repayable in monthly interest and principal payments of \$2,225. The loan is due on September 1, 2031. Security is in the form of an assignment of fire insurance and a borrowing resolution.

Interest paid in the year was \$56,560 (2023 – \$63,410).

11. Contingencies:

The Board is periodically subject to legal claims or employee grievances. In the opinion of management, the ultimate resolution of any current claims or grievances would not have a material effect on the financial position (or results of operations) of the Board and any claims would not exceed the current insurance coverage. Accordingly, no provisions for losses has been reflected in the accounts of the Board for these amounts. Settlements, if any, resulting in a cost to the Board will be accounted for in the period the amounts can be determined.

12. Segmented information:

The Board provides a wide range of services to citizens of the District of Algoma. For management reporting purposes, the Board's operations and activities are organized and reported by programs. Programs were created for the purposes of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Public health services are provided by programs and their activities are reported in these funds. Certain programs have been separately disclosed in Schedule 2 – Expenditures – Community Health Programs.

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Notes to Financial Statements

Year ended December 31, 2024

13. Commitments:

The Board is committed to minimum annual lease payments under various operating leases as follows:

Year	Annual payments
2025	\$ 201,459
2026	107,482
2027	83,485
2028	6,957

The annual lease payments are exclusive of maintenance and other operating costs.

14. Expenses by object:

	2024	2023
Salaries and benefits	\$ 14,858,251	\$ 15,644,049
Materials and supplies	4,322,877	4,484,259
Amortization	790,414	711,906
Interest on long-term debt	56,560	63,410
	\$ 20,028,102	\$ 20,903,624

15. Budget:

The budget approved by the board was not prepared on a basis consistent with that used to report the actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards now require a full accrual basis. The budget figures excluded amortization expense and included debt principal payments. As a result, the budget figures presented in the statements of operations and accumulated surplus and change in net debt represent the budget adopted by the board with adjustments as follows:

	2024
Adopted budget for the year	\$ -
Adjustments to adopted budget:	
Debt principal repayments	400,861
Amortization of tangible capital assets	(790,414)
Budget deficit per statement of operations and accumulated surplus	\$ (389,553)

ALGOMA PUBLIC HEALTH

Statement of Revenue and Expenses – Public Health Programs

Schedule 1

Year ended December 31, 2024, with comparative information for 2023

	2024	2024	2023
	Budget	Total	Total
	(note 15)		
Revenue (Schedule 3)			
Provincial grant	\$ 12,938,110	\$ 13,874,568	\$ 14,288,529
Levies	4,440,568	4,440,568	4,189,217
Recoveries	494,600	641,695	593,000
	17,873,278	18,956,831	19,070,746
Expenses:			
Salaries and wages	10,659,824	10,675,500	11,439,383
Benefits	2,773,746	2,788,588	2,864,975
Accounting and audit	35,000	35,700	27,267
Equipment	987,150	846,567	867,490
Insurance	264,000	247,547	196,717
Occupancy and renovations	1,018,182	907,073	950,473
Office supplies	27,400	22,475	26,437
Professional development	98,101	119,076	94,029
Program promotion	14,500	13,325	23,470
Program supplies	375,979	386,754	424,629
Program administration	40,000	29,732	44,785
Purchase professional services	683,719	1,102,025	1,240,780
Telephone and telecommunications	253,710	270,652	296,021
Travel	184,546	167,206	177,636
	17,415,857	17,612,220	18,674,092
Excess of revenue over expenses before the undernoted	457,421	1,344,611	396,654
Interest on long-term debt	56,560	56,560	63,410
Amortization	790,414	790,414	711,906
(Deficiency) excess of revenue over expenses	\$ (389,553)	\$ 497,637	\$ (378,662)

ALGOMA PUBLIC HEALTH

Schedule 2

Expenditures - Community Health Programs

Year ended December 31, 2024, with comparative information for 2023

	Healthy Babies and Children	Nurse Practitioner	Stay on Your Feet	Brighter Futures for Children	2024 Total	2023 Total
Salaries and employee benefits:						
Salaries	\$ 846,814	114,818	74,247	59,981	\$ 1,095,860	\$ 1,064,655
Employee benefits	233,268	27,358	17,352	20,325	298,303	275,036
	1,080,082	142,176	91,599	80,306	1,394,163	1,339,691
Supplies and services:						
Equipment	-	-	-	-	-	900
Occupancy and renovations	-	8,400	-	4,500	12,900	12,000
Office supplies	-	1,505	-	-	1,505	3,720
Insurance	-	1,200	-	-	1,200	1,200
Audit fees	2,544	-	-	-	2,544	4,533
Professional development	6,568	204	545	-	7,317	7,030
Program administration	-	-	-	2,625	2,625	-
Program supplies	4,870	6,550	3,518	43,070	58,008	47,905
Purchased professional services	-	-	-	-	-	9,000
Telephone and telecommunications	9,000	4,800	-	-	13,800	16,850
Travel	22,771	-	811	772	24,354	25,768
	45,753	22,659	4,874	50,967	124,253	128,906
Total expenditures	\$ 1,125,835	164,835	96,473	131,273	\$ 1,518,416	\$ 1,468,597

ALGOMA PUBLIC HEALTH

Summary of Public Health Programs for Settlement to the Province of Ontario

Schedule 3

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Revenues:		
Public Health Funding	\$ 10,020,303	\$ 8,861,200
Levies	4,440,568	4,189,217
Sr. Dental	1,800,991	1,852,850
One Time Funding Mass Immunization	291,704	288,300
One Time Funding Mitigation	-	1,037,800
One Time Funding COVID-19 School Nurses	-	292,258
Unorganized	530,400	530,400
Infection Prevention and Control Hub	315,550	-
One Time Funding Infection Prevention and Control Hub	308,766	584,831
One Time Funding COVID-19 General Program	-	385,500
Land Control	223,400	196,325
Northern Ontario Fruits and Vegetables	117,400	117,400
Recoveries from Programs	194,059	165,379
Interest	224,236	231,296
Unorganized - Indigenous Communities	98,000	98,000
MOH and AMOH Compensation	147,642	125,988
One Time Funding RSV Adult Prevention Program	75,619	-
One Time Funding Security System Upgrades	91,600	-
One Time Funding Network Switches	61,100	-
One Time Funding Fire System Upgrade	-	23,526
One Time Funding PHI Practicum Student	15,349	42,559
One Time Funding Needle Exchange Program	144	36,181
One Time Funding Smoke Free Ontario Tablets	-	636
One Time Funding Vaccine Fridges	-	11,100
	18,956,831	19,070,746
Expenditures: (including capital items):		
Public Health Mandatory Programs	14,028,010	14,339,666
Public Health Mandatory Programs - COVID-19 Managed Costs	-	22,768
100% Provincial Funded Sr. Dental	1,800,991	1,852,850
One Time Funding Mass Immunization	291,704	288,300
One Time Funding COVID-19 School Nurses	-	292,258
100% Provincial Funded Unorganized	530,400	530,400
One Time Funding Infection Prevention and Control Hub	624,316	584,831
One Time Funding COVID-19 General Program	-	385,500
Land Control	223,400	196,325
100% Funded Northern Ontario Fruits and Vegetables	117,400	117,400
100% Funded Indigenous Communities	98,000	98,000
100% Funded MOH and AMOH Compensation	147,642	125,988
One Time Funding RSV Adult Prevention Program	75,619	-
One Time Funding Security System Upgrades	91,600	-
One Time Funding Network Switches	61,100	-
One Time Funding Fire System Upgrade	-	23,526
One Time Funding PHI Practicum Student	15,349	42,559
One Time Funding Needle Exchange Program	144	36,181
One Time Funding Smoke Free Ontario Tablets	-	636
One Time Funding Vaccine Fridges	-	11,100
	18,105,675	18,948,288
Excess of revenues over expenditures	\$ 851,156	\$ 122,458