Finance + Audit Committee Report BH.04.OCT1426.R09

October 14, 2026

Report to:	Finance + Audit Committee, Board of Health
Subject	**2027 Draft Budget**

Recommendations

That the Finance + Audit Committee makes recommendation to the Board of Health to receive and approve the 2027 Draft Budget, as presented.

Background

Wellington-Dufferin-Guelph (WDG) Public Health receives funding for its operating budget from multiple sources. These include the Ministry of Health ("the Ministry"), the Ministry of Children, Community and Social Services (MCCSS), the City of Guelph, the County of Wellington, and the County of Dufferin.

The majority of WDG Public Health funding comes from the Ministry and is used to fund a range of public health programs that are cost-shared with the three municipalities that comprise WDG Public Health's geographic territory (City of Guelph, County of Wellington, County of Dufferin). In addition to the cost-shared programs, there are also some 100% provincially funded programs.

This report presents a consolidated budget of the Agency's program funding provided by the Ministry and includes a breakdown of:

a) programs that are cost-shared with the three municipalities; and
b) programs that are funded 100% by the Ministry

Appendices 1, 2, and 3 present these budgets, grouped as follows:

- Appendix 1 – Cost-Shared Budget
- Appendix 2 – Programs 100% base funded through the Ministry of Health
- Appendix 3 – Consolidated Budget

Each of the sub-budgets have been numbered, as follows, and these numbers will be used consistently throughout this report when referring to a sub-budget component:

Report Reference Number	Budget Type	Appendix
(1)	Cost-Shared Programs (Mandatory)	Appendix 1
(2)	100% Ministry of Health Funded Budgets	Appendix 2
(3)	Consolidated Budget	Appendix 3

Public Health and/or Financial Implications

The following assumptions have informed the 2027 budget.

Year Over Year Revenue Highlights

- WDG Public Health is anticipating a 1% base budget increase from the Ministry of Health towards the cost-shared budget, effective January 1, 2027.
- After accounting for the 1% increase in cost-shared revenues from the Ministry, the required municipal levy from the City of Guelph, the County of Wellington, and the County of Dufferin is $10,343,495. This represents a 2.9% increase from 2026.
- Infection Prevention and Control (IPAC) Hub funding has been incorporated into the 100% base funded programs budget (appendix 2). In past years, IPAC funding was provided by the Ministry as one-time funding.

Year Over Year Expense Highlights

- **Salaries and Wages** – Salary increase of 3% for all budgeted positions.
- **Employee Benefits:**
  - Non-statutory – 2027 budgeted increases at 8% for medical and long-term disability, and 5% for dental.
  - OMERS contribution rate changes – Below yearly maximum pensionable earnings (YMPE) decrease from 9% to 8.6%, and above YMPE increase from 14.6% to 15.7%.
- **Building Occupancy** – Increase based on anticipated utility costs and facility maintenance expenses.

- **Information and information technology** – Increase in software expenses, partially offset by a reduction in the quantity of laptops to be replaced.

(1) Cost-Shared Programs

Funding for Cost-Shared Programs is received as a global budget, meaning the Agency receives a lump sum of funding from the province used to fund program deliverables required to ensure adherence to the Ontario Public Health Standards. The allocation of these funds is determined by the Board of Health (BOH) based on Senior Leadership recommendations.

Cost-Shared Programs Included in this Funding Allocation

- Adverse Events Following Immunizations
- Childcare Inspections
- Chronic Diseases Prevention & Well Being
- Community Based Immunization Outreach
- COVID-19 Vaccination
- Effective Public Health Practice
- Emergency Management
- Food Safety
- Harm Reduction Program
- Health Hazard Prevention and Management
- Healthy Smiles Ontario
- Immunization for Children in Schools & Licensed Child Care
- Immunization Monitoring & Surveillance
- Infection Control
- Infectious Diseases Prevention
- Needle Exchange
- Oral Health Assessment & Surveillance
- Personal Services Inspections
- Population Health Assessment
- Rabies
- Safe Water (Drinking Water and Recreational Water)
- Comprehensive School Health
- Sexual Health
- Smoke Free Ontario
- Substance Use & Injury Prevention (Alcohol, Cannabis, and Other Drugs)
- Tuberculosis Prevention & Management
- Vaccine Administration – Clinical Services
- Vaccine Administration – Schools
- Vaccine Management
- Vector-Borne Diseases

(2) Ministry of Health's 100% Funded Budgets

The Ministry also provides dedicated funding (at 100%) for specific positions, programs, and enhancements to programs.

This funding is presented in aggregate in Appendix 2, and includes the following for 2027:

- Medical Officer of Health/Associate Medical Officer of Health Compensation Initiative
- Infection Prevention and Control (IPAC) Hubs
- Ontario Seniors Dental Care Program (OSDCP)

Unlike the Cost-Shared Budget, this funding is allocated exclusively towards its intended program purpose as per Ministry direction.

(3) Consolidated Budget

The Consolidated Budget shows the Cost-Shared Program Budget and the Ministry's 100% Funded Programs combined. This is presented on Appendix 3.

WDG Public Health programs that are not included in this draft budget are:

- Healthy Babies Healthy Children (March 31 year-end) – funded by the MCCSS
- One-time Ministry grants – approved annually
- Other community grants – based on individual service contracts

(4) MCCSS 100% Funded Healthy Babies Health Children Budget

MCCSS provides dedicated funding, at 100%, for the Healthy Babies Health Children Program. This budget is presented in Appendix 4 for information purposes. The funding received for this program is provided on an April 1 to March 31 fiscal year.

Unlike the cost-shared budget, this funding is allocated exclusively towards its intended program purpose.

Budget Objectives

The Senior Leadership Team's objectives for the 2027 budget are:

- Support public health priorities
- Alignment with the Agency's 2024 to 2028 Strategic Plan
- Deliver value for money
- Maintain financial sustainability
- Identify financial efficiencies and cost containment opportunities

Budget Process

The following process was undertaken for the preparation of the 2027 budget:

To date:

- Budget guidelines provided to the management team
- Salaries and benefits costs for 2027 calculated by Finance with support from the Agency's benefit provider
- Preparation of program operating budgets and operational plans by Managers and Directors
- Review of program operating budgets and operational plans by Vice Presidents
- Compilation of Divisional Budgets by Finance
- Finance meetings with Agency leadership to review budgets submitted
- Executive review of draft budget
- Preparation of the report and presentation for the Finance + Audit Committee based on the Medical Officer of Health's approved draft

To come:

- Finance + Audit Committee review and recommendation to the BOH for approval
- BOH approval
- Preparation of the Annual Service Plan and Budget
- Submission of the Annual Service Plan and Budget (March/April 2027)
- Receive provincial funding approval from the Ministry in 2027
- Application to the Ministry of Health for available one-time funding opportunities

2027 Budget Information

One-Time Grants

The Agency continues to explore Ministry and community one-time grant opportunities that align with strategic priorities. Approved grants are presented to the Finance + Audit Committee in the quarterly financial reports.

Risk Analysis

As of the writing of this report, the areas of financial risk for the BOH related to the 2027 budget include:

- Minimal increases to provincial funding
- Inflation impacts which exceed the rate of revenue growth
- Increased service demands due to population growth
- Significant unexpected expenses, including but not limited to outbreaks
- ONA collective agreement expiration April 30, 2027
- Expiration of 5-year term with employee benefits provider March 31, 2027

Appendices

Appendix 1 – Cost-Shared Programs Budget (1)

Appendix 2 – Ministry of Health – 100% Funded Programs Budget (2)

Appendix 3 – Consolidated Budget (3)

Appendix 4 – MCCSS – 100% Funded Healthy Babies Health Children Budget

References

1. Wellington-Dufferin-Guelph Public Health. (2017). *Finance Committee Report – WDGPH Municipal Funding Split* (BH.04.SEP2017.R15)

Prepared by:	Brian Herman, MBA, CPA, CA Chief Financial Officer/Corporate Director, Finance
Approved by:	David Kingma, MBA, MA, CHRE Vice President, Human Resources and Corporate Services & CAO
Submitted by:	Dr. Nicola Mercer, MD, MBA, MPH, FRCPC, C. Dir. Medical Officer of Health & CEO

Appendix 1
Wellington-Dufferin-Guelph Public Health
2027 Draft Budget – Cost Shared Programs Budget

	2026	2027			
	BOH Approved	Increase (Decrease)		Notes	Proposed Budget
		$	%		
Revenues					
Government Funding					
Grant - Ministry of Health	15,535,613	155,356	1.0%	**1**	15,690,969
Municipal Funding					
Grant - City of Guelph	4,702,319	136,367			4,838,686
Grant - County of Wellington	3,182,459	92,292			3,274,751
Grant - County of Dufferin	2,167,209	62,849			2,230,058
Sub-total Municipal Funding	10,051,987	291,508	2.9%	**2**	10,343,495
Total Funding	**25,587,600**	**446,864**	**1.7%**		**26,034,464**
Interest revenue	30,000	0	0.0%		30,000
Total Interest Income	**30,000**	**0**	**0.0%**		**30,000**
Total Revenues	**25,617,600**	**446,864**	**1.7%**		**26,064,464**
Expenses					
Employee Costs					
Employee salaries and wages	15,527,689	229,722	1.5%	**3**	15,757,411
Employee benefits	5,531,597	133,359	2.4%	**4**	5,664,956
Total Employee Costs	**21,059,286**	**363,081**	**1.7%**		**21,422,367**
Operating Costs					
Travel	258,962	6,165	2.4%		265,127
Staff training	227,700	(4,700)	(2.1)%		223,000
Program supplies	439,508	3,150	0.7%		442,658
Professional and purchased services	802,267	9,435	1.2%		811,702
Equipment and furniture	6,000	(6,000)	(100.0)%		0
Board of Health	33,650	0	0.0%		33,650
Building occupancy	1,078,299	49,324	4.6%	**5**	1,127,623
Information, IT equipment and telecommunications	1,355,337	37,543	2.8%	**6**	1,392,880
Office expenses, printing, and postage	115,875	866	0.7%		116,741
Expenditure recoveries and offset revenue	(247,858)	(12,000)	4.8%		(259,858)
Transfers to reserves	488,574		0.0%		488,574
Total Operating Costs	**4,558,314**	**83,783**	**1.8%**		**4,642,097**
Total Expenses	**25,617,600**	**446,864**	**1.7%**		**26,064,464**
Net Surplus (Deficit)	0	0			0

Appendix 1 (Continued)
Wellington-Dufferin-Guelph Public Health
2027 Draft Budget – Budget Notes

Notes:

1. **Ministry of Health:**
   • A base funding increase of 1% over the 2026 approved funding.

2. **Municipalities:**
   • Request for funding increase from municipalities is set at 2.9% overall.
   • 2027 Municipal splits based on 2021 census data (City of Guelph 46.78%, County of Wellington 31.66%, County of Dufferin 21.56%).
   • Every five years there is an adjustment to the municipal splits. Municipal splits will be recalculated for 2028 upon release of the latest census data in 2027.
   • The combined municipal funding represents 39.7% of total cost-shared program funding.

3. **Employee Salaries and Wages:**
   • Permanent staff salary increase in 2027 of 3.0%.

4. **Employee Benefits:**
   • Non-Statutory Benefits are increased April 1 of each year. Increases estimated at 8% for both medical and long-term disability, and 5% for dental have been projected effective April 1, 2027.
   • OMERS contribution rate changes - below YMPE decreased from 9% to 8.6%, and above YMPE increase from 14.6% to 15.7%.

5. **Building Occupancy:**
   • Increase based on anticipated utility costs and facility related expenses.

6. **Information, IT equipment and telecommunications:**
   • Increase to software expenses, offset by reduction in planned laptop replacement costs.

Appendix 2
Wellington-Dufferin-Guelph Public Health
2027 Draft Budget – 100% Ministry of Health Funded Budgets

	2026	2027			
	BOH Approved	Increase (Decrease)		Notes	Proposed Budget
		$	%		
Revenues					
Government Funding					
Grant - Ministry of Health	1,689,547	689,253	40.8%	1	2,378,800
Grant - City of Guelph	0	0			0
Grant - County of Wellington	0	0			0
Grant - County of Dufferin	0	0			0
Transfers from reserve	0	0			0
Total Revenues	**1,689,547**	**689,253**	**40.8%**		**2,378,800**
Expenses					
Employee Costs					
Employee salaries and wages	601,366	549,676	91.4%		1,151,042
Employee benefits	200,326	190,558	95.1%		390,884
Total Employee Costs	**801,692**	**740,234**	**92.3%**		**1,541,926**
Operating Costs					
Travel	12,000	6,000	50.0%		18,000
Staff training	3,000	415	13.8%		3,415
Program supplies	201,000	(250)	(0.1)%		200,750
Professional and purchased services	599,748	(88,577)	(14.8)%	2	511,171
Equipment and furniture	20,000	10,000	50.0%	3	30,000
Building occupancy	40,500	20,568	50.8%	4	61,068
Information, IT equipment, and telecommunications	11,607	863	7.4%		12,470
Total Operating Costs	**887,855**	**(50,981)**	**(5.7)%**		**836,874**
Total Expenses	**1,689,547**	**689,253**	**40.8%**		**2,378,800**
Net Surplus (Deficit)	0	0			0

Notes:

1. Details of 100%-Funded Programs

	2027			
Ontario Seniors Dental Care Program	1,479,100	0	0.0%	1,479,100
IPAC Hub	0	650,400		650,400
MOH/AMOH Compensation	210,447	38,853	18.5%	249,300
Total	**1,689,547**	**689,253**	**40.8%**	**2,378,800**

- IPAC Hub funding is now base funded. This program was previously approved annually as one-time funding.
- MOH/AMOH Compensation: Funding adjusted annually as per revised Ministry salary grid.

2. Reduction in expected dentist costs.

3. Increase in equipment costs associated with seniors dental program.

4. Increase in allocation of facility costs.

Appendix 3
Wellington-Dufferin-Guelph Public Health
2027 Draft Budget – Consolidated

	2026	2027			
	BOH Approved	Increase (Decrease)		Notes	Proposed Budget
		$	%		
Revenues					
Government Funding					
Grant - Ministry of Health	17,225,160	844,609	4.9%		18,069,769
Municipal Funding					
Grant - City of Guelph	4,702,319	136,367			4,838,686
Grant - County of Wellington	3,182,459	92,292			3,274,751
Grant - County of Dufferin	2,167,209	62,849			2,230,058
Sub-total Municipal Funding	10,051,987	291,508	2.9%		10,343,495
Total Funding	**27,277,147**	**1,136,117**	**4.2%**		**28,413,264**
Interest revenue	30,000	0	0.0%		30,000
Total Interest Income	**30,000**	**0**	**0.0%**		**30,000**
Total Revenues	**27,307,147**	**1,136,117**	**4.2%**		**28,443,264**
Expenses					
Employee Costs					
Employee salaries and wages	16,129,055	716,338	4.4%		16,845,393
Employee benefits	5,731,923	306,832	5.4%		6,038,755
Total Employee Costs	**21,860,978**	**1,023,170**	**4.7%**		**22,884,148**
Operating Costs					
Travel	270,962	12,165	4.5%		283,127
Staff training	230,700	(2,300)	(1.0)%		228,400
Program supplies	640,508	5,239	0.8%		645,747
Professional and purchased services	1,402,015	9,435	0.7%		1,411,450
Equipment and furniture	26,000	(6,000)	(23.1)%		20,000
Board of Health	33,650	0	0.0%		33,650
Building occupancy	1,118,799	66,199	5.9%		1,184,998
Information, IT equipment, and telecommunications	1,366,944	39,343	2.9%		1,406,287
Office expenses, printing, and postage	115,875	866	0.7%		116,741
Expenditure recoveries and offset revenue	(247,858)	(12,000)	4.8%		(259,858)
Transfers to reserves	488,574	0	0.0%		488,574
Total Operating Costs	**5,446,169**	**112,947**	**2.1%**		**5,559,116**
Total Expenses	**27,307,147**	**1,136,117**	**4.2%**		**28,443,264**
Net Surplus (Deficit)	0	0			0

Appendix 4

Wellington-Dufferin-Guelph Public Health

2027 Draft Budget – Healthy Babies, Healthy Children 100% Ministry of Children, Community and Social Services

	2025-26	2026-27	2027-28
	MCCSS Approved Budget	MCCSS Approved Budget	Proposed Budget
Total Revenues	**$ 1,888,451**	**$ 1,926,220**	**$ 1,926,220**
Expenses			
Employee Costs			
Employee salaries and wages	1,345,676	1,363,015	1,354,354
Employee benefits	456,649	480,541	487,566
Total Employee Costs	**1,802,325**	**1,843,556**	**1,841,920**
Operating Costs			
Travel	30,309	39,000	40,000
Staff training	9,292	9,000	9,000
Program supplies	14,235	7,000	7,000
Professional and purchased services	8,144	6,964	7,400
Information, IT equipment, and telecommunications	22,216	20,700	20,900
Office expenses, printing and postage	1,930		
Total Operating Costs	**86,126**	**82,664**	**84,300**
Total Expenses	**1,888,451**	**1,926,220**	**1,926,220**
Net Surplus (Deficit)	0	0	0