

Report to: Finance Committee, Board of Health
Submitted by: Dr. Nicola Mercer, Medical Officer of Health and CEO
Subject: 2017 SECOND QUARTER FINANCIALS

RECOMMENDATION(S)

- (a) That the Finance Committee makes recommendation to the Board of Health to receive the 2017 Second Quarter Financials, for information.

BACKGROUND

Wellington-Dufferin-Guelph Public Health’s (WDGPH) annual budget consists of several sub-budgets based on different funders and funding structures. The sub-budgets have been numbered and these numbers have been used consistently throughout this report. The main budget of the organization consists of the sub-budgets numbered (1) through (7) below. In addition to the main budget, WDGPH receives several community grants for projects which are aligned with and build upon the work of WDGPH in the community. These community grants are numbered (8) through (12) below.

No.	Program/Budget Name	Funder(s)	Year-end
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Cost-Shared Sub-budgets

1	Cost-shared Mandatory Programs	Ministry of Health and Long-Term Care (MOHLTC); City of Guelph; County of Wellington; County of Dufferin	December 31 st
2	Cost-shared Related Programs	MOHLTC; City of Guelph; County of Wellington; County of Dufferin	December 31 st

100% Funded Sub-budgets

3	100% MOHLTC Funded Programs	MOHLTC	December 31 st
4	Healthy Babies Healthy Children	Ministry of Children and Youth Services (MCYS)	December 31 st
5	Preschool Speech and Language	MCYS	March 31 st
6	Wee-Talk	County of Wellington	December 31 st
7	Canadian Prenatal Nutrition Program (CPNP)	Public Health Agency of Canada (PHAC)	March 31 st

External Projects

8	Poverty Elimination Task Force (PETF)	City of Guelph, County of Wellington, United Way Wellington-Dufferin-Guelph	December 31 st
9	Children's Report Card	County of Wellington	December 31 st
10	Nurturing Neighbourhoods	Family and Children's Services Guelph-Wellington	December 31 st
11	My Health e-Snapshot: A Preconception Health Research Study	Women's College Hospital	December 31 st
12	System of Care	County of Wellington, KidsAbility, Canadian Mental Health Association (CMHA) Waterloo-Wellington	December 31 st

One-Time Grants

13	One-Time Grants	MOHLTC	December 31 st / March 31 st
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The 2017 budget, approved by the Board of Health on November 2, 2016, included sub-budgets (1), (2), and (3) above. These sub-budgets, along with the One-Time Grant requests (13) were submitted to the MOHLTC via the Program Based Grants (PBG) submission on March 1, 2017. The provincial funding approval has not yet been received for 2017.

PUBLIC HEALTH AND/OR FINANCIAL IMPLICATIONS:

Appendix 1: Cost-shared Mandatory Programs (1)

Cost-shared Mandatory Programs are the public health programs and services that are funded by the MOHLTC and the three obligated municipalities under Regulation 553 of the Health Protection and Promotion Act (HPPA): the County of Wellington, the County of Dufferin, and the City of Guelph. Boards of health are responsible for allocating this funding to meet the requirements of the HPPA, the Ontario Public Health Standards (OPHS) and Protocols, and the Ontario Public Health Organizational Standards, according to local needs and priorities.

Current Net Position:

APPENDIX "1" represents the statement of revenue and expenditures for the six months ended June 30, 2017, for the Cost-shared Mandatory programs. As reported on the attached statement, there was a surplus totalling \$152,259 as of the end of June.

Budget to actual variances of greater than \$100,000 are explained below:

Salary and benefits expenses were lower than budgeted by \$323,756 for the period. Of this variance, \$49,125 is from having one less work day in 2017, a further \$127,427 is from leaves of absence, including maternity and short and long-term disability leaves, and \$136,170 in gapping from vacancies. An additional \$175,000 of savings was realized from benefits related

to vacancies, maternity leaves, and the fact that the actual benefits renewal rates received in April were lower than budgeted for (\$70K). These savings have been offset by costs related to employee separations.

Professional and Purchased Services expense had a positive variance of \$108,091 for the first six months of the year due to legal (\$31.8K), advertising (\$28.2K) and consulting (\$29K) and fees spending being lower than budgeted for the period, as well as other minor savings on the membership fees, clinic physicians fees, and fees for services lines.

Information and IT Equipment expenses were lower than budgeted by \$112,572, due to the computer hardware purchases which were phased more heavily in the Q1 and Q2 budget, but which will take place later in the year.

APPENDIX “2”: All Other Programs (2 – 12)

Appendix “2” presents the funding received and expenditures made for the period for all other ongoing programs at WDGPH.

MOHLTC Cost-shared Related Programs

Vector Borne Diseases – funding provided for this program must be used for the ongoing surveillance, public education, prevention and control of all reportable and communicable vector-borne diseases and outbreaks of vector-borne disease, which include, but are not limited to, West Nile Virus and Lyme Disease.¹

Small Drinking Water Systems – this funding is provided to support the ongoing assessments and monitoring of small drinking water systems. Under this program, public health inspectors are required to conduct new and ongoing site-specific risk assessments of all small drinking water systems within the oversight of the Board of Health; ensure system compliance with the regulation governing the small drinking water systems; and ensure the provision of education and outreach to the owners/operators of small drinking water systems.¹

MOHLTC 100% Funded Related Programs

Needle Exchange – This funding is provided for the purchase of needles and syringes, and their associated disposal costs, for the Board of Health’s Needle Exchange Program.¹

Enhanced Food Safety – This initiative was established to augment the Board of Health’s capacity to deliver the Food Safety Program.¹

Healthy Smiles Ontario – This program provides prevention and basic treatment services for children and youth from low-income families who are 17 years of age or under and who do not have access to any form of dental coverage.¹

Infectious Diseases Control Initiative – This funding is provided for the sole purpose of monitoring and controlling infectious diseases and enhancing the Board of Health’s ability to handle and coordinate increased activities related to outbreak management.¹

Smoke Free Ontario – This funding is provided in support of the government’s Healthy Change Strategy and Action Plan. The Smoke-Free Ontario Strategy is a multi-level comprehensive tobacco control strategy aiming to eliminate tobacco-related illness and death by preventing experimentation and escalation of tobacco use among children, youth and young adults; increasing and supporting cessation by motivating and assisting people to quit tobacco use; and protecting the health of Ontarians by eliminating involuntary exposure to second-hand smoke.¹

Electronic Cigarettes Act – This funding was provided to prepare for the implementation and enforcement of the *Electronic Cigarettes Act (ECA)* which was effective January 1, 2016.

Enhanced Safe Water – The purpose of this initiative is to increase the Board of Health’s capacity to meet the requirements of the Safe Water Program Standard under the OPHS.¹

Chief Nursing Officer – Funding is provided for the Chief Nursing Officer position at WDGPH. The purpose of the Chief Nursing Officer position in each Board of Health is to enhance the health outcomes of the community at individual, group and population levels, through contributions to organizational strategic planning and decision making; by facilitating recruitment and retention of qualified, competent public health nursing staff and by enabling quality public health nursing practice.¹

Infection Prevention and Control Nurse – This funding is provided to contribute to the cost of a Public Health Nurse, and the majority of the nurse’s time must be spent on infection prevention and control activities.¹

Social Determinants of Health Nurses Initiative – With this funding, public health nurses with specific knowledge and expertise on social determinants of health and health inequities issues will provide enhanced supports internally and externally to the Board of Health to address the needs of priority populations impacted most negatively by the social determinants of health in the Board of Health area.¹

MOH Compensation Initiative – Funding is provided by the Province to subsidize the salary/benefits/stipends for the Medical Officer of Health to ensure compensation falls within the salary ranges outlined in the 2012 Physician Services Agreement and subsequent addendums to that agreement.¹

MCYS Funded Programs

Healthy Babies Healthy Children – The MCYS provides funding for this program with the goal of helping children get a healthy start in life. The program does this by helping infants and children up to age six and their families through screening and assessments, supports for new parents and help in finding community programs and resources.²

Preschool Speech and Language – As the lead agency for the Wellington-Dufferin-Guelph area Preschool Speech and Language Program, WDGPH coordinates the provision of speech pathology services delivered by Groves Memorial Community Hospital, North Wellington

Health Care Corporation and St. Joseph's Health Centre. This funding has a fiscal year of April to March.

County of Wellington Wee Talk - This funding is provided by the County of Wellington to integrate with the speech pathology services available in Wellington County funded by the MCYS under the Preschool Speech and Language program.

Canadian Prenatal Nutrition Program - This funding is provided by the PHAC, on an April to March fiscal year, to deliver a comprehensive program to promote and support optimal nutrition and health in pregnant and early postpartum women who live in difficult life situations.³

Other Community Grants - Various other community grants are provided by the municipalities served by WDGPH and other community partners (Family and Children's Services, United Way, Dufferin Coalition for Kids, Women's College Hospital, Dufferin Child and Family Services, KidsAbility, and CMHA Waterloo Region). The work undertaken with this funding aligns with the mandate of WDGPH under the HPPA, OPHS and Organizational Standards. This funding provides additional resources to WDPGH to augment the work of the Agency.

APPENDIX "3" – One-time Grants

Appendix "3" presents the one-time grants approved as part of the 2016 Provincial Funding Approval which were deferred to the first quarter of 2017 in accordance with the funding approval provided by the MOHLTC. The one-time grants requested as part of the 2017 MOHLTC funding request are also listed for information purposes, however provincial funding approval for 2017 has not yet been received.

APPENDICES:

Appendix "1" – Statement of Revenue & Expenditures for the six months ended June 30, 2017 – Cost-shared Mandatory Programs

Appendix "2" – Q2 Financial Report 2017: All Other Programs

Appendix "3" – Q2 Financial Report 2017: 100% MOHLTC Funded One-Time Grants

REFERENCES:

1. Ontario. Ministry of Health and Long-Term Care. Financial Planning, Accountability and User Guide for Program-Based Grants for Mandatory and Related Public Health Programs and Services; 2015.
2. Ministry of Children and Youth Services [homepage on the Internet]. Available from: <http://www.children.gov.on.ca/htdocs/English/topics/earlychildhood/health/index.aspx>.
3. Canada. Public Health Agency of Canada. Canada Prenatal Nutrition Program Contribution Agreement; October 2013.

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Wellington-Dufferin-Guelph Public Health

APPENDIX "1"

Statement of Revenue and Expenditures
Total Cost-Shared Mandatory Programs
For the Six Months Ended June 30, 2017

	Annual Budget	YTD Budget	YTD Actual	Variance	Variance % of Total
	2017	2017	2017	Variance*	Annual Budget
	\$	\$	\$	\$	%
Municipal and provincial funding					
MOHLTC - Base funding	11,986,100	5,993,050	5,993,051	1	0.0%
City of Guelph	3,723,655	1,861,827	1,861,827	0	0.0%
County of Wellington	2,652,798	1,326,399	1,326,399	0	0.0%
County of Dufferin	1,736,088	868,044	868,044	0	0.0%
	20,098,641	10,049,320	10,049,321	1	0.0%
Other revenue					
Interest	20,000	10,000	8,546	(1,454)	0.0%
Total revenue	20,118,641	10,059,320	10,057,867	(1,453)	(0)
Expenses					
Employee salaries, wages and benefits	14,779,640	7,540,446	7,216,690	323,756	1.6%
Staff training	175,689	78,011	54,569	23,442	0.1%
Board/volunteer training and recognition	47,450	24,100	12,784	11,316	0.1%
Travel	304,207	150,010	104,206	45,804	0.2%
Building occupancy	2,464,609	1,228,200	1,298,954	(70,754)	-0.4%
Office expenses, printing, postage	187,746	92,519	81,431	11,088	0.1%
Professional and purchased services	955,066	528,158	420,067	108,091	0.5%
Program materials and supplies	487,132	238,013	167,985	70,028	0.3%
Office equipment	14,935	7,813	1,335	6,478	0.0%
Information and IT equipment	683,032	447,880	335,308	112,572	0.6%
Communication costs	156,700	78,350	81,861	(3,511)	0.0%
Transfers to Reserve Funds	377,147	377,147	377,147	0	0.0%
Total net operating costs	20,633,353	10,790,647	10,152,337	638,310	3.2%
Expenditure recoveries	(514,712)	(243,306)	(246,729)	3,423	0.0%
Total net expenditures after expenditure recoveries	20,118,641	10,547,341	9,905,608	641,733	3.2%
Excess of revenue over expenditures	0	(488,021)	152,259	640,280	

* Variances greater than \$100,000 are explained in the body of the accompanying report.

Program	Provincial/ Municipal Split	Fiscal Year-end	Provincial Funding Requested	Municipal Funding Approved	"Other" Funding Approved	Total Program Budget	YTD Funding Received	YTD Expenditures	Excess (Deficiency) of YTD Funding over Expenditures	Projected Surplus (Deficit) End of Year
Vector-Borne Diseases (2)	Cost-Shared	December 31st	150,700	56,632	0	207,332	103,665	49,652	54,013	0
Small Drinking Water Systems (2)	Cost-Shared	December 31st	40,600	14,456	0	55,056	27,530	28,122	(592)	0
Needle Exchange (3)	100% Provincial	December 31st	60,000	0	0	60,000	24,998	25,610	(612)	0
Enhanced Food Safety (3)	100% Provincial	December 31st	40,300	0	0	40,300	20,149	19,249	900	0
Healthy Smiles Ontario (3)	100% Provincial	December 31st	767,400	0	0	767,400	383,700	369,782	13,918	0
Infection Control (3)	100% Provincial	December 31st	333,400	0	0	333,400	166,702	170,655	(3,953)	0
Smoke Free Ontario (3)	100% Provincial	December 31st	409,500	0	0	409,500	204,747	206,777	(2,030)	0
Electronic Cigarettes Act (3)	100% Provincial	December 31st	19,200	0	0	19,200	9,600	3,303	6,297	0
Enhanced Safe Water (3)	100% Provincial	December 31st	21,600	0	0	21,600	10,800	8,157	2,643	0
Chief Nursing Officer (3)	100% Provincial	December 31st	121,500	0	0	121,500	60,753	62,109	(1,356)	0
Infection Prevention and Control Nurse (3)	100% Provincial	December 31st	90,100	0	0	90,100	45,049	46,023	(974)	0
Social Determinants of Health Nurses (3)	100% Provincial	December 31st	180,500	0	0	180,500	90,251	92,199	(1,948)	0
MOH Compensation (3)	100% Provincial	December 31st	83,905	0	0	83,905	41,663	42,599	(936)	0
Healthy Babies Healthy Children (4)	100% Provincial	December 31st	1,567,992	0	0	1,567,992	784,117	789,811	(5,694)	0
Preschool Speech and Language (5)	100% Provincial	March 31st	903,848	0	0	903,848	276,733	239,265	37,468	219
County of Wellington Weetalk (6)	100% Municipal	December 31st	367,921	0	0	367,921	183,961	166,538	17,423	0
Canadian Prenatal Nutrition Program (7)	PHAC	March 31st	63,410	0	0	63,410	0	20,006	(20,006)	0
External Projects* (8, 9, 10, 11, 12)	Various funders**	December 31st	0	175,449	187,253	362,702	297,004	139,839	157,165	0

***External projects include:**
 Poverty Elimination Task Force
 Children's Report Card
 Nurturing Neighbourhoods
 My Health eSnapshot
 System of Care

****Various Funders are:**
 City of Guelph
 County of Wellington
 Dufferin Coalition for Kids (DuCK)
 United Way Wellington-Dufferin-Guelph
 Family and Children's Services Guelph Wellington
 Women's College Hospital
 Dufferin Child and Family Services (DCAF)
 KidsAbility
 CMHA Waterloo-Wellington

Name of Grant	Budget Year of Request	Fiscal Period for Eligible Expenditures	Approved 2016 Provincial One-Time Funding deferred for use up to March 31, 2017	2017 Provincial One-Time Funding Requested*	Total Expenditures Q1 & Q2 2017	Balance Remaining (Overspent)
HSO Clinical Dental Equipment	2016	April 1, 2016 to March 31, 2017	34,300		34,283	17
Dental Practice Management Software	2016	April 1, 2016 to March 31, 2017	25,000		25,000	-
Panorama	2016	April 1, 2016 to March 31, 2017	93,178		93,178	-
Creating a Comprehensive Baseline of the Built Environment in the WDG Region	2017	Not yet approved		75,000	-	75,000
Purpose Built Vaccine Refrigerator	2017	Not yet approved		12,000	-	12,000
Guelph Clinic Dental Equipment	2017	Not yet approved		20,000	-	20,000
HSO Project Manager	2017	Not yet approved		75,000	-	75,000
Public Health Inspector Practicum Program	2017	Not yet approved		10,000	7,582	2,418
Reprocessing Room in a Box	2017	Not yet approved		14,250	-	14,250
Hedgehog Classic Replacement Project	2017	Not yet approved		51,000	-	51,000
Cloud-based Exchange/SharePoint Implementation (Office 365)	2017	Not yet approved		100,000	-	100,000
Data Breach Minimization	2017	Not yet approved		20,000	-	20,000
Data Dashboard Development to Aid in Evidence Informed Decision Making	2017	Not yet approved		110,000	-	110,000
Electronic Health Records Database Customizations	2017	Not yet approved		90,000	-	90,000
High Availability and Business Continuity Upgrade	2017	Not yet approved		15,000	-	15,000
Optimization of Databases and Systems	2017	Not yet approved		60,000	-	60,000
Population Health Planning to Support the Efforts of LHINs in Aligning and Integrating Health Services	2017	Not yet approved		110,000	-	110,000
Telephony System Upgrade	2017	Not yet approved		17,000	-	17,000
Total			152,478	779,250	160,043	771,685

*Pending approval.