

**Report to:** Finance + Audit Committee, Board of Health  
**Submitted by:** Dr. Nicola Mercer, Medical Officer of Health & CEO  
**Subject:** 2020 FIRST QUARTER FINANCIALS

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**RECOMMENDATION(S)**

- (a) That the Finance + Audit Committee makes recommendation to the Board of Health to receive the 2020 First Quarter Financials, as presented, for information.

**BACKGROUND**

Wellington-Dufferin-Guelph Public Health’s (WDGPH) annual budget consists of several sub-budgets that are based on the way funding is provided to the Agency. These sub-budgets have been numbered in the report that follows, and the numbering sequence is used consistently throughout.

The Agency’s main budget consists of the sub-budgets numbered (1) through (6) 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 (7) through (13) below.

The Agency’s cost-shared budget comprises approximately 85% of the overall budget. This funding is provided on a 60-40 split basis between the Ministry of Health (Ministry) and the three Municipalities that WDGPH exists to serve. *Appendix 1* provides details of the financial activities that relate to these budgets for BOH review.

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

1	Cost-shared Mandatory Programs	Ministry of Health (Ministry); City of Guelph; County of Wellington; County of Dufferin	December 31
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**100% Funded Sub-budgets**

2	100% Ministry of Health Funded Programs <ul style="list-style-type: none"> <li>• MOH/AMOH Compensation Initiative</li> </ul>	Ministry of Health (Ministry)	December 31
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	<ul style="list-style-type: none"> <li>Ontario Seniors Dental Care Program</li> </ul>		
3	Healthy Babies Healthy Children	Ministry of Children, Community and Social Services (MCCSS)	March 31
4	Preschool Speech and Language	MCCSS	March 31
5	Inclusion Support Services	County of Wellington	December 31
6	Canadian Prenatal Nutrition Program (CPNP)	Public Health Agency of Canada (PHAC)	March 31

### External Projects

7	Poverty Elimination Task Force (PETF)	City of Guelph, County of Wellington, United Way Wellington-Dufferin-Guelph	December 31
8	Children's Report Card	County of Wellington	December 31
9	Evidence Informed Planning Project	Dufferin Coalition for Kids	March 31, 2020
10	Preventing Cannabis Harms Through A Youth Driven Campaign	Gambling Research Exchange Ontario	March 28, 2020
11	Mental Health and Addictive Disorders Prevention Program for Grade 7 Students	Gambling Research Exchange Ontario	March 29, 2020
12	ElderTALK	Gambling Research Exchange Ontario	December 31, 2020
13	Climate Change	Health Canada	March 31, 2020

### One-Time Grants

14	One-Time Grants	Ministry of Health (Ministry)	March 31
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The 2020 budget which was approved by the Board of Health on November 6, 2019 included sub-budgets (1) and (2) above. These sub-budgets, along with the One-Time Grant requests (14) were submitted to the Ministry via the Annual Service Plan and Budget Submission on February 3, 2020.

The provincial funding approval from the Ministry has not yet been received.

### **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 Ministry 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 Accountability Framework, according to local needs and priorities.*

## **Current Net Position:**

*Appendix 1* represents the statement of revenue and expenditures for the quarter ended March 31, 2020 for the Cost-Shared Mandatory programs.

As reported on the attached Statement of Revenue and Expenditures (Appendix 1), there was a positive variance of \$65,000 representing approximately 1.0% of the quarterly budgeted spending for the first quarter. The reason for this variance is primarily due to the timing of expenses vs. revenues in the first quarter and underspending that has occurred due to program suspensions because of the Agency's COVID-19 pandemic response.

**While the Agency has incurred significant costs related to the COVID-19 response (i.e., additional HR and supply expenses), the impact of these expenses was not meaningfully felt by the Agency until Q2. These costs are reported on a separate line in Appendix 1.**

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

**Information and IT Equipment** expenses were \$120,325 more than budgeted for the quarter, mainly due to the payment of the annual ERP system licensing fees of approximately \$150,000 in the first quarter rather than the second quarter, as originally estimated.

## **Appendix 2: All Other Programs (2 – 14)**

*Appendix 2 presents the funding received and expenditures made for the period for all other ongoing programs/initiatives at WDGPH. For these programs funding is recorded as it is received (on a cash basis) throughout the year. Accruals and deferrals are made as required only at year-end. The timing of receipt of funding may not correspond to the planned expenditures for that funding.*

Funds received for all programs/initiatives are expected to be fully spent in 2020.

A description of each of the programs on *Appendix 2* follows:

### **Ministry of Health - 100% Funded Related Programs**

**Ontario Seniors Dental Care Program (OSDCP)** – This new program was announced by the government in the April 2019 Ontario Budget to provide low-income Seniors (over 65 years of age) with a no-cost (or very low cost) alternative for dental care in Ontario

**MOH/AMOH Compensation Initiative** – Funding is provided by the Province to subsidize the salary/benefits/stipends for the Medical Officer of Health and Associate 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.<sup>1</sup>

## **MCCSS Funded Programs**

**Healthy Babies Healthy Children (HBHC)** – The MCCSS 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.<sup>2</sup> This funding has a fiscal year of April 1 to March 31.

**Pre-school Speech and Language (PSL)** – 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 1 to March 31.

**County of Wellington Weetalk** - This funding is provided by the County of Wellington for a program called Weetalk. Weetalk funds Speech Language Pathologists (SLPs) in licensed childcares to provide support to staff to integrate children with language challenges fully into their programs.

**Canadian Prenatal Nutrition Program (CPNP)** - 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.<sup>3</sup>

**Other Community Grants** - Various other community grants are provided by the municipalities served by WDGPH and other community partners, including: United Way Wellington-Dufferin-Guelph, Dufferin Coalition for Kids, and Gambling Research Exchange Ontario. The work undertaken with this funding aligns with the mandate of WDGPH under the OPHS.

## **Appendix 3 – One-time Grants**

*Appendix 3* presents the one-time grants approved as part of the 2019 Provincial Funding Approval which were deferred to the first quarter of 2020 in accordance with the funding approval provided by the Ministry, as well as the approved 2019 one-time grants. The 2019 one-time grants were approved for use between April 1, 2019 and March 31, 2020.

## **APPENDICES:**

*Appendix 1* – Statement of Revenue & Expenditures for the quarter ended March 31, 2020 – Cost-Shared Mandatory Programs

*Appendix 2* – Q1 Financial Report 2020: All Other Programs

*Appendix 3* – Q1 Financial Report 2020: 100% Ministry of Health 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, Community and Social 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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*Original Signed Document on File*  
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# Wellington-Dufferin-Guelph Public Health

Appendix 1

Statement of Revenue and Expenditures  
Total Cost-Shared Mandatory Programs  
For the First Quarter ended March 31, 2020

	Annual Budget 2020	YTD Budget 2020	YTD Actual 2020	YTD Variance Variance*	YTD Variance %	Variance Explanation (> \$100,000)
	\$	\$	\$	\$	%	
<b>Municipal and provincial government funding</b>						
Ministry of Health - Base funding	14,108,150	3,527,038	3,527,037	0	0.0%	
City of Guelph	4,025,278	1,006,320	1,006,320	0	0.0%	
County of Wellington	2,778,587	694,647	694,647	0	0.0%	
County of Dufferin	1,880,360	470,090	470,090	0	0.0%	
	22,792,375	5,698,094	5,698,094	0	0.0%	
<b>Other revenue</b>						
Interest	27,000	6,750	13,796	7,046	104.4%	
Transfers from reserve	22,333	5,583	0	(5,583)	-100.0%	
	49,333	12,333	13,796	1,463	11.9%	
<b>Total revenue</b>	<b>22,841,708</b>	<b>5,710,427</b>	<b>5,711,890</b>	<b>1,463</b>	<b>0.0%</b>	
<b>Expenses</b>						
Employee salaries, wages and benefits	17,211,485	4,302,871	4,232,922	69,949	1.6%	
Staff training	179,056	44,764	9,029	35,735	79.8%	
Board/volunteer training and recognition	34,650	8,663	2,878	5,785	66.8%	
Travel	265,483	66,371	36,261	30,110	45.4%	
Building occupancy	2,218,715	554,679	623,019	(68,340)	-12.3%	
Office expenses, printing, postage	159,193	39,798	34,311	5,487	13.8%	
Professional and purchased services	848,275	212,069	213,557	(1,488)	-0.7%	
Program materials and supplies	663,101	165,775	122,501	43,274	26.1%	
Office equipment	7,868	1,967	(1,213)	3,180	161.7%	
Information and IT equipment	749,474	187,369	307,694	(120,325)	-64.2%	Year 2 annual ERP licensing costs (\$150k) paid in Q1 but budgeted for in Q2.
Communication costs	162,882	40,721	30,532	10,189	25.0%	
One-time strategic investments - Operating	346,000	0	0	0	0.0%	
Transfers to Reserve Funds	388,574	388,574	388,574	0	0.0%	
Total net operating costs	23,234,756	6,013,620	6,000,064	13,556	0.2%	
Less: Unplanned COVID-19 costs to be reimbursed by Ministry	0	0	(78,504)	78,504	100.0%	
Total net operating costs after Covid-10	23,234,756	6,013,620	5,921,559	92,060	1.5%	
Expenditure recoveries	(393,048)	(98,262)	(70,345)	(27,917)	28.4%	
Total net expenditures after expenditure recoveries	22,841,708	5,915,358	5,851,214	64,143	1.1%	
<b>Excess of revenue over expenditures</b>	<b>0</b>	<b>(204,931)</b>	<b>(139,324)</b>	<b>65,606</b>		

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

Program/Initiative Name	Provincial/ Municipal Split	Fiscal Year-end	Provincial Funding Requested	Municipal Funding Approved	"Other" Funding Approved	Total Program/ Initiative Budget	Funding Received to Date	Expenditures Incurred to Date	Excess (Deficiency) of Funding over Expenditures	Expected Surplus (Deficit) at Year-End
AMOH/MOH Compensation (3)	100% Provincial	December 31st	138,118			138,118	20,926	21,115	(189)	0
Ontario Seniors' Dental Care Program (3)	100% Provincial	December 31st	869,100			869,100	142,275	104,110	38,165	0
Healthy Babies Healthy Children (4)	100% Provincial	<b>March 31st</b>	1,959,990			1,959,990	1,960,933	1,945,755	15,178	0
Preschool Speech and Language (5)	100% Provincial	<b>March 31st</b>	1,013,216		61,283	1,074,499	1,076,288	1,076,288	0	0
County of Wellington Weetalk (6)	100% Municipal	December 31st		367,921		367,921	91,980	71,640	20,340	0
Canadian Prenatal Nutrition Program (7)	100% PHAC	<b>March 31st</b>			63,410	63,410	0	58,580	(58,580)	0
External Projects* (8, 9, 10, 11, 12,13,14)	Various funders*	March 31st / December 31st		181,038	271,000	452,038	123,954	92,901	31,053	0

Name of Grant	Budget Year of Request	Fiscal Period for Eligible Expenditures	Approved 2018 Provincial One-Time Funding deferred for use up to March 31, 2019	Approved 2019 Provincial One-Time Funding deferred for use up to March 31, 2020	Total Expenditures 2019	Balance Re-payable to Ministry
Enterprise Resource Planning Software Procurement	2018	April 1, 2018 to March 31, 2019	19,390		19,390	-
Adverse Childhood Experiences Survey	2018	April 1, 2018 to March 31, 2019	406		-	406
Preconception Health Risk Assessment	2018	April 1, 2018 to March 31, 2019	9,744		9,744	
Vision Screening	2018	April 1, 2018 to March 31, 2019	72,199		72,199	
Public Health Inspector Practicum Program	2019	April 1, 2019 to March 31, 2020		10,000	10,000	
New Purpose-Built Vaccine Refrigerators	2019	April 1, 2019 to March 31, 2020		11,000	10,363	637
<b>Total</b>			<b>101,739</b>	<b>21,000</b>	<b>121,696</b>	<b>1,043</b>