

**Report to:** Finance + Facilities Committee, Board of Health  
**Submitted by:** Dr. Nicola Mercer, Medical Officer of Health and CEO  
**Subject:** 2018 THIRD QUARTER FINANCIALS

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**RECOMMENDATION(S)**

- (a) That the Finance + Facilities Committee makes recommendation to the Board of Health to receive the 2018 Third Quarter Financials, as presented, for information.

**BACKGROUND**

Wellington-Dufferin-Guelph Public Health’s (WDGPH) annual budget consists of several sub-budgets based on the way funding is provided. 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 <sup>st</sup>
2	Cost-shared Related Programs	MOHLTC; City of Guelph; County of Wellington; County of Dufferin	December 31 <sup>st</sup>

**100% Funded Sub-budgets**

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

## External Projects

8	Poverty Elimination Task Force (PETF)	City of Guelph, County of Wellington, United Way Wellington-Dufferin-Guelph	December 31 <sup>st</sup>
9	Children's Report Card	County of Wellington	December 31 <sup>st</sup>
10	Evidence Informed Planning Project	Dufferin Coalition for Kids	March 31 <sup>st</sup> , 2019
11	Preventing Cannabis Harms Through A Youth Driven Campaign	Gambling Research Exchange Ontario	March 28 <sup>th</sup> , 2019
12	Mental Health and Addictive Disorders Prevention Program for Grade 7 Students	Gambling Research Exchange Ontario	March 29 <sup>th</sup> , 2019
13	Energize Guelph	City of Guelph	December 31 <sup>st</sup> , 2018

## One-Time Grants

14	One-Time Grants	MOHLTC	March 31 <sup>st</sup>
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The 2018 budget which was approved by the Board of Health on February 7, 2018 included sub-budgets (1), (2), and (3) above. These sub-budgets, along with the One-Time Grant requests (14) were submitted to the MOHLTC via the Annual Service Plan and Budget Submission on March 5, 2018.

The provincial funding approval from the MOHLTC was received on May 7, 2018. Details of approved funding can be found in the Finance + Facilities Committee Report – BH.04.JUN1418.R11 – 2018 MOHLTC Funding Approval.

## PUBLIC HEALTH AND/OR FINANCIAL IMPLICATIONS:

### Appendix "A": 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 Accountability Framework, according to local needs and priorities.*

### **Current Net Position:**

A number of significant events and factors over the course of the year have impacted the Agency's current net position. These include:

- receipt of approx. \$360,000 in unexpected additional provincial funding
- receipt of approx. \$50,000 for a onetime grant earmarked in the budget for the Enterprise resource Planning (ERP) software project planning and tendering
- receipt of approx. \$97,000k for the new vision screening program

- savings of approx. \$45,000 in exit-related costs for the Shelldale and Mount Forest facilities
- an additional lump sum payment for the building loan

Taken together, these factors have helped contribute to both a positive operating variance for the first nine months of the Agency's fiscal year, and a forecasted annual surplus of approximately \$100,000 - \$200,000.

**Appendix "A"** represents the statement of revenue and expenditures for the nine months ended September 30, 2018, for the Cost-Shared Mandatory programs. Budget to actual variances of greater than \$100,000 are explained below:

**Salary and benefits** expenses were \$805,913 less than budgeted due to vacant positions and leaves of absence (medical and parental leaves). A significant contributor to this variance is the AMOH role, which was added with the increased provincial funding received in the 2018 MOHLTC funding approval and which was vacant until September 6, 2018 (gapping to September 6<sup>th</sup> was \$135,007). Over and above the AMOH position, an additional \$97,000 in increased provincial funds were received and is also contributing to the salary variance. Salary and benefits variances (funds from leaves and vacant positions) are commonly referred to as "gapping dollars." There is an internal process in place for ensuring effective utilization of these variances within the organization to ensure that WDG is able to maintain effective service levels.

**Program materials and supplies** expenses were \$103,643 less than budgeted for period. Major contributors to this variance are lower than budgeted data costs (recoveries from partners have already been received for the purchase of shared data but the expense has not yet been processed, contraceptives purchases (now covered by OHIP + for those under 25), condoms, and non-publicly funded vaccines.

**Information and IT equipment** expenses were \$264,030 less than budgeted for the period, mainly due to funds budgeted in Q1 and Q2 for the IT equipment replacement cycle and IT projects which are underway, but which expenditures will not be incurred for until the fourth quarter. These projects include the procurement of Enterprise Resource Planning software, security for mobile device management, and Microsoft Office 365 licensing as well as computer hardware evergreen cycle costs.

### **Appendix "B": All Other Programs (2 – 12)**

*Appendix "B" 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 (for example, in the case of the Vector-Borne Diseases program, funding is flowed evenly throughout the year, but a large portion of that funding is spent over the summer months for mosquito larvaciding).*

Funds received for all programs/initiatives are expected to be fully spent in 2018.

A description of each of the programs on *Appendix “B”* follows:

#### 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.<sup>1</sup>

**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.<sup>1</sup>

#### 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.<sup>1</sup>

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

**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.<sup>1</sup>

**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.<sup>1</sup>

**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.<sup>1</sup>

**Electronic Cigarettes Act** – This funding was provided for the implementation and enforcement of the *Electronic Cigarettes Act (ECA)*.

**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.<sup>1</sup>

**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.<sup>1</sup>

**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.<sup>1</sup>

**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.<sup>1</sup>

**MOH/AMOH 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.<sup>1</sup>

#### 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.<sup>2</sup>

**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 Inclusion Support Services - This funding is provided by the County of Wellington for a program called Inclusion Support Services (ISS). ISS 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 - 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 “C” – One-time Grants**

*Appendix “C”* presents the one-time grants approved as part of the 2017 Provincial Funding Approval which were deferred to the first quarter of 2018 in accordance with the funding approval provided by the MOHLTC, as well as the approved 2018 one-time grants. The 2018 one-time grants were approved for use between April 1, 2018 and March 31, 2019.

### **APPENDICES:**

*Appendix “A”* – Statement of Revenue & Expenditures for the nine months ended September 30, 2018 – Cost-Shared Mandatory Programs

*Appendix “B”* – Q3 Financial Report 2018: All Other Programs

*Appendix “C”* – Q3 Financial Report 2018: 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 "A"

Statement of Revenue and Expenditures  
Total Cost-Shared Mandatory Programs  
For the Nine-Months Ended September 30, 2018

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	YTD Variance % of Annual Budget
	2018	2018	2018	Variance*	
	\$	\$	\$	\$	%
<b>Municipal and provincial funding</b>					
MOHLTC - Base funding	12,345,700	9,259,275	9,259,273	(2)	0.0%
City of Guelph	3,835,365	2,876,523	2,876,524	1	0.0%
County of Wellington	2,647,492	1,985,619	1,985,619	0	0.0%
County of Dufferin	1,791,643	1,343,732	1,343,732	0	0.0%
<i>Total municipal and provincial funding</i>	20,620,200	15,465,149	15,465,148	(1)	0.0%
<b>Other revenue</b>					
Interest	20,000	15,000	30,727	15,727	104.8%
Transfers from reserves	22,333	16,750	0	(16,750)	-100.0%
<i>Total other revenue</i>	42,333	31,750	30,727	(1,023)	4.8%
<b>Total revenue</b>	<b>20,662,533</b>	<b>15,496,899</b>	<b>15,495,875</b>	<b>(1,024)</b>	<b>0.0%</b>
<b>Expenses</b>					
Employee salaries, wages and benefits	15,113,758	11,206,262	10,400,349	805,913	7.2%
Staff training	172,505	113,540	60,785	52,755	46.5%
Board/volunteer training and recognition	38,500	24,425	15,128	9,297	38.1%
Travel	274,236	206,282	147,076	59,206	28.7%
Building occupancy	2,523,775	1,887,199	1,804,888	82,311	4.4%
Office expenses, printing, postage	172,108	134,372	95,394	38,978	29.0%
Professional and purchased services	939,168	694,352	595,787	98,565	14.2%
Program materials and supplies	511,922	364,375	260,732	103,643	28.4%
Office equipment	8,204	6,261	5,670	591	9.4%
Information and IT equipment	776,233	658,223	394,193	264,030	40.1%
Telecommunications	169,325	128,130	118,212	9,918	7.7%
Transfers to Reserve Funds	380,918	380,918	380,918	0	0.0%
<i>Total net operating costs</i>	<i>21,080,652</i>	<i>15,804,339</i>	<i>14,279,132</i>	<i>1,525,207</i>	<i>9.7%</i>
<i>Expenditure recoveries</i>	<i>(418,119)</i>	<i>(299,425)</i>	<i>(286,753)</i>	<i>(12,672)</i>	<i>4.2%</i>
<i>Total net expenditures after expenditure recoveries</i>	<i>20,662,533</i>	<i>15,504,914</i>	<i>13,992,379</i>	<i>1,512,535</i>	<i>9.8%</i>
<b>Excess of revenue over expenditures</b>	<b>0</b>	<b>(8,015)</b>	<b>1,503,496</b>	<b>1,511,511</b>	

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

Program/Initiative Name	Provincial/ Municipal Split	Fiscal Year-end	Provincial Funding Approved	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
Vector-Borne Diseases (2)	Cost-Shared	December 31st	150,700	57,762	0	208,462	156,345	175,689	(19,344)	0
Small Drinking Water Systems (2)	Cost-Shared	December 31st	40,600	14,745	0	55,345	41,512	40,847	665	0
Needle Exchange (3)	100% Provincial	December 31st	61,000	0	0	61,000	45,742	25,079	20,663	0
Enhanced Food Safety (3)	100% Provincial	December 31st	40,300	0	0	40,300	30,223	30,303	(80)	0
Healthy Smiles Ontario (3)	100% Provincial	December 31st	817,400	0	0	817,400	613,046	569,678	43,368	0
Infection Control (3)	100% Provincial	December 31st	333,400	0	0	333,400	250,054	245,677	4,377	0
Smoke Free Ontario (3)	100% Provincial	December 31st	409,500	0	0	409,500	307,119	296,318	10,801	0
Electronic Cigarettes Act (3)	100% Provincial	December 31st	19,200	0	0	19,200	14,400	6,952	7,448	0
Harm Reduction Program Enhancement (3)	100% Provincial	December 31st	150,000	0	0	150,000	112,500	96,333	16,167	0
Enhanced Safe Water (3)	100% Provincial	December 31st	21,600	0	0	21,600	16,200	17,589	(1,389)	0
Chief Nursing Officer (3)	100% Provincial	December 31st	121,500	0	0	121,500	91,131	89,429	1,702	0
Infection Prevention and Control Nurse (3)	100% Provincial	December 31st	90,100	0	0	90,100	67,573	66,497	1,076	0
Social Determinants of Health Nurses (3)	100% Provincial	December 31st	180,500	0	0	180,500	135,375	133,217	2,158	0
MOH/AMOH Compensation (3)	100% Provincial	December 31st	83,710	0	0	83,710	62,640	61,257	1,383	0
Healthy Babies Healthy Children (4)	100% Provincial	December 31st	1,567,992	0	0	1,567,992	1,176,497	1,119,803	56,694	0
Preschool Speech and Language (5)	100% Provincial	<b>March 31st</b>	1,013,216	0	60,376	1,073,592	567,322	550,565	16,757	0
County of Wellington Special Needs Resourcing (6)	100% Municipal	December 31st	0	375,936	0	375,936	283,956	274,120	9,836	0
Canadian Prenatal Nutrition Program (7)	100% PHAC	<b>March 31st</b>	0	0	63,410	63,410	15,853	22,440	(6,587)	0
External Projects* (8, 9, 10, 11, 12, 13)	Various funders	December 31st	0	221,892	158,727	380,619	359,546	185,809	173,737	0



Name of Grant	Budget Year of Grant Approval	Fiscal Period for Eligible Expenditures	Approved 2017 Provincial One-Time Funding deferred for use up to March 31, 2018	Approved 2018 Provincial One-Time Funding	Total Expenditures Q1 2018	Total Expenditures Q2 & Q3 2018	Balance Re-payable to MOHLTC	Balance Remaining (Overspent)
Panorama	2017	April 1, 2017 to March 31, 2018	97,200		92,269		4,931	0
Purpose Built Vaccine Refrigerator	2017	April 1, 2017 to March 31, 2018	2,167		0		2,167	0
Guelph Clinic Dental Equipment	2017	April 1, 2017 to March 31, 2018	20,000		20,000		0	0
HSO Project Manager	2017	April 1, 2017 to March 31, 2018	75,000		50,266		24,734	0
Reprocessing Room in a Box	2017	April 1, 2017 to March 31, 2018	7,362		6,681		681	0
Needle Exchange Program Initiative	2017	April 1, 2017 to March 31, 2018	38,402		38,402		0	0
Enterprise Resource Planning Software Procurement	2018	April 1, 2018 to March 31, 2019		50,000	0	19,015	0	30,985
Adverse Childhood Experiences Survey	2018	April 1, 2018 to March 31, 2019		10,000	0	0	0	10,000
Preconception Health Risk Assessment	2018	April 1, 2018 to March 31, 2019		30,000	0	10,035	0	19,965
Vision Screening	2018	April 1, 2018 to March 31, 2019		97,000	0	4,669	0	92,331
Flu Response	2018	April 1, 2018 to March 31, 2019		75,000	0	65,249	0	9,751
Public Health Inspector Practicum Program	2018	April 1, 2018 to March 31, 2019		10,000	0	10,000	0	0
<b>Total</b>			<b>240,131</b>	<b>272,000</b>	<b>207,618</b>	<b>108,968</b>	<b>32,513</b>	<b>163,032</b>