

AGENDA
MIDDLESEX-LONDON BOARD OF HEALTH
Finance and Facilities Committee

50 King Street, London
Middlesex-London Health Unit – Room 3A
Thursday, November 3, 2016 9:00 a.m.

1. DISCLOSURE OF CONFLICTS OF INTEREST

2. APPROVAL OF AGENDA

3. APPROVAL OF MINUTES – October 6, 2016

4. NEW BUSINESS

4.1 Proposed Resource Reallocation for the 2017 Budget (Report No. 041-16FFC)

4.2 Third Quarter Variance Report (Report No. 042-16FFC)

5. CONFIDENTIAL

The Board of Health will move in camera to discuss items regarding a proposed or pending acquisition of land by the Middlesex-London Board of Health.

6. OTHER BUSINESS

Next meeting Thursday, December 1, 2016 at 9:00 a.m. in Room 3A

7. ADJOURNMENT



PUBLIC MINUTES
Finance and Facilities Committee
50 King Street, Room 3A
MIDDLESEX-LONDON BOARD OF HEALTH
2016 October 6, 9:00 a.m.

COMMITTEE

MEMBERS PRESENT: Ms. Trish Fulton (Committee Chair)
Mr. Ian Peer
Mr. Jesse Helmer
Ms. Joanne Vanderheyden

Regrets: Mr. Marcel Meyer

OTHERS PRESENT: Ms. Maureen Cassidy, Board of Health member
Dr. Christopher Mackie, Medical Officer of Health & CEO
Ms. Elizabeth Milne, Executive Assistant to the Board of Health & Communications (Recorder)
Ms. Laura Di Cesare, Director, Corporate Services
Mr. John Millson, Associate Director, Finance
Ms. Jessica Jeremchuk, Frank Cowan Insurance Company

At 9:02 a.m., Chair Fulton called the meeting to order.

1. DISCLOSURES OF CONFLICT(S) OF INTEREST

Chair Fulton inquired if there were any disclosures of conflict of interest to be declared. None were declared.

2. APPROVAL OF AGENDA

Chair Fulton requested that item 4.5 Health Unit Insurance Policy Review - [Report No. 040-16FFC](#) be heard as the first item on the Agenda to accommodate Ms. Jessica Jaremchuk's presentation (Frank Cowan Insurance Company).

It was moved by Mr. Peer seconded by Ms. Vanderheyden *that the [AGENDA](#) for the October 6, 2016 Finance and Facilities Committee meeting be approved as amended.*

Carried

3. APPROVAL OF MINUTES

It was moved by Ms. Vanderheyden, seconded by Mr. Peer *that the [MINUTES](#) from the September 15, 2016 Finance and Facilities Committee meeting be approved.*

Carried

4. NEW BUSINESS

4.1 Health Unit Insurance Policy Review ([Report No. 040-16FFC](#))

Mr. John Millson introduced this report and Ms. Jessica Jaremchuk, Frank Cowan Insurance Company, who provided a high level overview of the Health Unit's insurance policy and Appendix A to Report No. 040-16FFC.

Ms. Maureen Cassidy arrived at 9:18 a.m.
Discussion ensued about the following items:

- Ensuring there is no duplication of coverage for Council members who might already have coverage through the City or County, in order to provide cost savings.
- Clarification of several terms in the policy including: coverage for laptops when away from the premises, equipment breakdown, advertiser's liability, medical liability malpractice insurance and coverage under errors and omissions.
- How the possibility of relocation might affect the Health Unit's insurance and if any additional costs might be associated with potentially moving to another building.

Dr. Mackie advised that there are two items that staff will review further in the policy which relate to matters regarding identifiable individuals. These items will be further discussed in-camera.

It was moved by Mr. Helmer, seconded by Mr. Peer, *that the Finance & Facilities Committee receive Report No. 040-16FFC, re: "Health Unit Insurance Policy Review" for information.*

Carried

4.2 2016 Budget – MOHLTC Approved Grants ([Report No. 036-16FFC](#))

Discussion ensued about the following items:

- The language around 0% increases and the process for receiving additional funding from the Province.
- The process for receiving one time funding requests, how they are used and how they differ from funding for mandatory programs.
- Clarification of the changes that occurred with the Healthy Smiles Ontario program and its budget.

It was moved by Ms. Vanderheyden, seconded by Mr. Peer *that the Finance & Facilities Committee receive and make recommendation to the Board of Health to approve the Board Chair to sign the Amending Agreement No. 5 to the Public Health Funding Accountability Agreement as appended to Report No. 036-16FFC.*

Carried

4.3 2016 PBMA Process Update Report ([Report No. 037-16FFC](#))

Dr. Mackie provided an overview and history of the Program Budget Marginal Analysis (PBMA) process, describing the role Price Waterhouse Coopers played in assisting with the review to initiate the PBMA process, how it functions to enhance budget processes and allows for greater Board oversight of the Health Unit's budget to enhance transparency and accountability.

Discussion ensued about the following items:

- Clarification of costs associated with replacement of mobile phone devices, and changes to cell phone service, including monthly operating fee, one-time spending to provide cost-saving on devices over the next three years and the current status of device replacement.
- Healthy Babies Healthy Child screening and the challenges faced in bringing this work together and the actions completed on this item so far.
- Clarification of eliminating dental claims administration and if all savings from this item will be realized in the calendar year.

It was moved by Mr. Helmer, seconded by Ms. Vanderheyden *that the Finance and Facilities Committee receive Report No. 037-16FFC, re: "2016 PBMA Process – Update Report" for information.*

Carried

4.4 2016 Public Health Financial & Accountability Agreement Indicators ([Report No. 038-16FFC](#))

Dr. Mackie reviewed some of the accountability and performance indicators in this report and how the Health Unit has been monitoring these activities. Discussion ensued about some of the items being actively monitored in this report and the scale at which performance targets are set to meet obligations.

It was moved by Mr. Helmer, seconded by Mr. Peer *that the Finance & Facilities Committee receive Report No. 038-16FFC 2016 Public Health Financial & Accountability Agreement Indicators for information.*

Carried

4.5 2017 Revised Budget Parameters ([Report No. 039-16FFC](#))

Dr. Mackie introduced this report and clarified some of the provincial funding increases outlined in this report.

It was moved by Mr. Helmer, seconded by Ms. Vanderheyden *that the Finance & Facilities Committee make recommendation to the Board of Health to revise the previously approved 2017 budget parameters for provincial funding for Mandatory Programs to 1.5%.*

Carried

CONFIDENTIAL

At 10:28 a.m. Chair Fulton invited a motion to move in camera to discuss items regarding identifiable individuals.

It was moved by Mr. Peer, seconded by Ms. Vanderheyden *that the Finance and Facilities Committee move in camera to discuss items regarding identifiable individuals.*

Carried

At 10:50 a.m. it was moved by Mr. Helmer, seconded by Ms. Vanderheyden *that the Finance and Facilities Committee rise and return to public session.*

Carried

At 10:50 a.m. the Finance and Facilities Committee returned to public session.

5. OTHER BUSINESS

Next meeting: Thursday November 3, 2016 at 9:00 a.m.

6. ADJOURNMENT

At 10:51 a.m. Chair Fulton *adjourned the meeting.*

TRISH FULTON
Committee Chair

DR. CHRISTOPHER MACKIE
Secretary-Treasurer



TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health

DATE: 2016 November 3

PROPOSED RESOURCE REALLOCATION FOR THE 2017 BUDGET

Recommendation

It is recommended that the Finance and Facilities Committee receive Report No. 041-16FFC re: Proposed Resource Reallocation for the 2017 Budget for information

Key Points

- Program Budgeting Marginal Analysis (PBMA) is an integral part of the health unit's budget process and allows us to identify opportunities for reallocation of resources from areas of lower impact to areas of higher impact.
- This report outlines the process used to identify the proposals and provides a summary of the proposed investments and disinvestments for consideration in the 2017 budget.
- Of 30 proposals that were submitted, SLT approved 15 disinvestments totaling \$474,112 and 7 investment proposals totaling \$479,655 to move forward.
- This is a preliminary report. Final recommendations will be brought to the Finance and Facilities Committee in December.

Background

Program Budgeting Marginal Analysis (PBMA) is a criteria-based budgeting process that facilitates reallocation of resources based on maximizing impact. This is done through the transparent application of pre-defined criteria and decision-making processes to prioritize where investments and disinvestments are made. The health unit has made PBMA an integral part of the annual budget process and it has been in used since 2013.

Proposal Selection Process

The 2017 PBMA process consisted of:

- a) Validation of the assessment criteria and weighting at the July 7, 2016 Finance and Facilities Committee meeting;
- b) Proposal development to identify those disinvestments that will have the least negative impact;
- c) Proposal development to identify those investment that will have the greatest positive impact;
- d) Review of proposals by internal advisory committees; and
- e) Open proposal review sessions, an appeals process and recommendations by the Senior Leadership Team (SLT).

Additional information will continue to be gathered to ensure that negative impacts are minimized and positives impacts will be maximized during implementation in 2017.

Tentatively Selected Disinvestment and Investment Opportunities

At the open proposal review sessions, SLT considered 18 disinvestment proposals and 12 investment proposals. Of these 30 proposals, SLT approved 15 disinvestments totaling \$474,112 and 7 investment proposals totaling \$479,655 to move forward

[Appendix A](#) provides the listing and descriptions of the disinvestment proposals and [Appendix B](#) provides the listing and descriptions of the investment proposals being moved forward.

Next Steps

The Finance and Facilities Committee now has the opportunity to review the selected proposals for investment and disinvestment and identify areas where they would like further information before final approval in December.

This report was prepared by Mr. Jordan Banninga, Manager, Strategic Projects.



Christopher Mackie, MD, MHSc, CCFP, FRCPC
Medical Officer of Health

2017 PBMA Disinvestments (Proposed)

Dept.	No.	Proposal	Value	FTE	Score
CS	#1-0020	Accounting & Administrative Assistant	-\$ 25,000.00	0.50	-68
EHID	#1-0009	Student Public Health Inspector Position	-\$ 16,000.00	0.00	-12
EHID	#1-0010	Health Hazard Investigation	-\$ 25,525.00	0.30	-131
EHID	#1-0011	Reduce Public Health Nurse in Sexual Health Clinic	-\$ 82,419.00	0.80	-35
EHID	#1-0026	Vector-Borne Disease Lab Technician	-\$ 80,000.00	1.00	-5
EHID	#1-0038	Disinvestment of Operational Resources	-\$ 5,000.00	0.00	-21
FS	#1-0004	Partial Disinvestment of Rapid Risk Factor Surveillance System	-\$ 14,999.00	0.00	-49
General Rev. / Exp.	#1-0030	Insurance Premiums	-\$ 10,000.00	0.00	0
General Rev. / Exp.	#1-0042	Cell Phone Hardware	-\$ 20,000.00	0.00	0
HL	#1-0023	Program Assistant	-\$ 62,784.00	1.00	-9
HL	#1-0024	Community Drug Strategy - Health Promoter	-\$ 38,257.00	0.50	-16
HS	#1-0013	"Let's Grow" Advertising Budget	-\$ 10,000.00	0.00	-15
HS	#1-0014	Prenatal Education Casual Public Health Nurse Support	-\$ 10,000.00	0.00	-39
HS	#1-0021	Realign Family Health Clinic	-\$ 64,128.00	0.50	-50
OMOH	#1-0002	Communications Advertising Account	-\$ 10,000.00	0.00	-145
		Total	-\$ 474,112.00	-4.60	-595

Disinvestment Descriptions

1-0020 – Accounting and Administrative Assistant

The Finance team requires less data entry from source documents due to process improvements including on-line mileage reimbursements and automated payroll timesheets and vacation / absence records. This proposal would reduce a 0.5FTE but leave approximately \$8,600 for short term help to cover the peak times in finance such as Audit, year-end, etc. (approximately 8 weeks).

1-0009 – Student Public Health Inspector Position

This proposal will eliminate one Student Public Health Inspector (PHI) position. The Middlesex-London Health Unit (MLHU) capacity to hire 2-3 students between May and September will be reduced to 1-2 students.

1-0010 – Health Hazard Investigations

There are 3 programs / initiatives that comprise this disinvestment proposal. These activities are 1) Marijuana Grow Operation (MGO) assessments, 2) Demolition Permit reviews and the 3) Cooling Tower Project. For Marijuana Grow-op assessments, PHIs will no longer review reports and consult with contractors as it relates to compliance with the MLHU established guideline. Rather, PHIs will provide the guideline to the consultants so that they are aware of best practices. Significant demolition projects would still be reviewed given the wide scale public health implications, however the majority of smaller permits will not be reviewed. In terms of the Cooling Tower Project, currently the work has not progressed past that of being solely a registration project. There is an ongoing component to the registration program which can be maintained however the plans to carry the program past this phase will not be conducted.

1-0011 – Reduce Public Health Nurse in Sexual Health

A program review of Sexual Health Clinic Services was completed in 2015 with recommendations identified. One of the recommendations is to change the scope of the clinic to align more completely with our public health mandate. The Clinic and Sexual Health Promotion Team is now the Sexual Health team, PHN's are now cross-trained and as a result, there is less need for PHN support in the Sexual Health.

1-0026 – Vector-Borne Disease Lab Technician

With the current role, the VBD Laboratory Technician identifies the larvae and ticks, and trains the seasonal staff to identify larvae. The Middlesex-London Health Unit (MLHU) contracts out the larval mosquito surveillance, control, and mosquito identification and viral testing services. The contracted companies offer larval identification free of charge and are able to train seasonal staff at a reasonable cost, if the need arises.

1-0038 – Disinvestment of Operational Resources

Discontinue the immunization inserts (ads) in two parent resource guides and an additional decrease in the travel and program supply and medical budgets.

1-0004 – Partial Disinvestment of Rapid Risk Factor Surveillance System

This proposal would downsize the survey package which MLHU purchases each year. Decreasing the average interview length from 16 minutes down to 10 minutes

1-0030 – Insurance Premiums

With the renewal of the insurance policy with Cowan insurance the MLHU can realize an additional \$10,000 in savings. This is based on the 2016 contract cost.

1-0042 – Cell Phone Hardware

As a result of a total hardware refresh in 2016 and favourable pricing through negotiations of the new Rogers contract for cell phones, \$20,000 can be released for 2017 and 2018.

1-0023 – Program Assistant for Child and Youth Team

Over the past years the responsibilities of the Program Assistant for both teams has changed and we anticipate future programming changes that will also reduce the workload of the Program Assistants. Much of this change is due to increased use of electronic resources.

1-0024 – Community Drug Strategic – Health Promoter

A decision has been made to assign the coordination of the Community Drug Strategy to one of the two Social Determinants of Health Public Health Nurse positions at MLHU. These are 100% provincially funded positions. This proposal would eliminate the 0.5 FTE Health Promoter role.

1-0013 –“Let’s Grow” Advertising Budget

Let's Grow advertising would be comprehensively integrated into the existing and ongoing multi-strategy approaches implemented by the Early Years Team, ensuring links to the “Let's Grow” section of the MLHU website. This integration of advertising would thereby eliminate the need for a specific “Let's Grow” advertising budget.

1-0014 – Prenatal Education Casual Public Health Nurse Support

In 2016, a planning process resulted in changes being made to the delivery of the Reproductive Health Teams prenatal education program, resulting in less casual/contract Public Health Nurse requirements to run the program. In addition, it is anticipated that there will be reduced PHN orientation requirements in 2017.

1-0021 – Realign Family Health Clinic

A review of the FHC program in August 2016 raised questions about the need for continuing to provide services at the clinic within its current structure. At present, this proposal maintains FHC services for targeted clients, and also recognizes that there are primary care providers in our community who can provide ongoing services. Based on the review of the FHC, this proposal supports a disinvestment of the NP position for the FHC from 1.0 FTE to 0.5 FTE.

1-0002 – Communications Advertising Budget

This proposal is to reduce the "We're Here for You" awareness campaign by 30% for 2017. By using a modified advertising strategy, which relies more heavily on increased use of social media advertising over traditional display advertising (billboards, transit, etc.), the number of impressions should remain high.

2017 PBMA Investments (Proposed)

Dept.	No.	Proposal	Value	FTE	Score
EHID	#1-0018	Public Health Nurse for Tuberculosis	\$ 31,158.00	0.30	241
EHID	#1-0025	HIV Prevention and Control	\$ 275,000.00	3.00	293
EHID	#1-0029	Vulnerable Occupancy Inspection Work	\$ 25,425.00	0.30	224
FS	#1-0006	Increase Program Evaluation Capacity	\$ 14,467.00	0.25	265
HL	#1-0027	Public Health Dietitian	\$ 82,093.00	1.00	231
HS	#1-0035	Healthy Babies Healthy Children Public Health Nurse	\$ 51,512.00	0.50	287
OMOH	#1-0003	Increase Marketing Coordinator Capacity	\$ -	0.50	136
		Total	\$ 479,655.00	5.85	1677

Investment Descriptions

1-0018 – Public Health Nurse for Tuberculosis

Due to the tuberculosis program and clinic planning and evaluation process, the volume and number of clients screened and seen in clinics will decrease dramatically; however, MLHU is committed to seeing existing clients until the end of their latent tuberculosis infection treatment. Therefore, current clinic volumes will not subside for at least 9-12 months. This proposal seeks to maintain 2016 Public Health Nurse Capacity.

1-0025 – HIV Prevention and Control

Hospital-based HIV care has not been effective in retaining hard-to-reach persons who inject drugs (PWID) in care. Instead, comprehensive outreach models have been proven to be more effective in reaching the most vulnerable populations such as PWID. This proposal seeks to create an outreach team consisting of a nurse, an outreach worker, and a social worker that focus on connecting with care. This means they are meeting clients wherever they are: in their homes; in parks; in streets and alleys; hotels; clinics; and community centres. Ongoing funding is needed to continue to maintain the HIV strategy.

1-0029 – Vulnerable Occupancy Inspection Work

This initiative will provide time (0.3 FTE) for a Public Health Inspectors to work more closely with group home operators and other vulnerable occupancies that would not fall under the new bylaw, to assess risks, provide meaningful intervention and consult with operators in an effort to address unsafe / unhealthy living environments.

1-0006 – Increase Program Evaluation Capacity

Current Program Evaluator complement of 4.75 FTE is not sufficient to support program planning and evaluation needs. By expanding the existing Program Evaluator complement to 5.0 FTE, support needs

within MLHU will be better met, enhancing organizational capacity to address strategic objectives and priorities, as well as legislated requirements detailed in the Foundational Standard.

1-0027 – Public Health Dietician

The proposed change is the addition of a 1.0 FTE dietician to the Healthy Living division, to support Healthy Living and Healthy Start. Both divisions agree there is a need for additional dietician resources to support the increased demand for programs and services relating to healthy eating. Overall this investment will enhance MLHU's work relating to food literacy, food skills and the food environment, and to support the creation of a healthy and sustainable food system in Middlesex-London.

1-0035 – Healthy Babies Healthy Children Public Health Nurse

Increased numbers of referrals for families screened with risk were received by the MLHU HBHC home visiting program. This PBMA proposal supports the addition of a 0.5 FTE PHN to support the increase in the number of vulnerable families, including Syrian newcomer families, who are accessing the HBHC home visiting program.

1-0003 – Increase Marketing Coordinator Capacity

Increasing the role of the Marketing Coordinator, and by extension reducing the need for the services of external design firms, would also increase the capacity of the Communications Team and would ensure consistency of design, resulting in a strengthened MLHU brand. In addition, a much needed review of the MLHU Graphic Standards, in place since 2004, is a project that could be undertaken in-house if this investment proposal is approved, eliminating the need to hire an external contractor to do the work. Funds will be reallocated from existing print and design budgets throughout the Health Unit to cover the approximately \$39,000 required, reflecting the reported \$0 value.



TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health

DATE: 2016 November 3

Q3 FINANCIAL UPDATE & FACTUAL CERTIFICATE

Recommendation

It is recommended that the Finance & Facilities Committee review and recommend to the Board of Health to receive Report No. 042-16FFC re: “Q3 Financial Update & Factual Certificate” and appendices for information.

Key Points

- The Ministry of Health and Long-Term Care (MOHLTC) approved the Mandatory & Related Program grants September 23, 2016
- Mandatory Programs will receive an increase of 1.57% for 2016. Taking into account the HSO integration of dental programs, this is \$9,087 more than the assumption used the 2016 budget.
- The MOHLTC’s in-year one-time funding process has not been identified, and the Health Unit has two (2) proposals that warrant additional funding by the MOHLTC.
- The Health Unit is expecting to end the operating year in a break-even or modest surplus position.

Background

The 2016 operating budget was approved by the Board of Health on February 19, 2016 ([Report No. 008-16](#)).

On September 23, 2016 the Health Unit received details of the MOHLTC grants ([Report No. 036-16FFC](#)). Mandatory Programs will receive an increase of 1.57% for 2016. Taking into account the HSO integration of dental programs, this is \$9,087 more than the assumption used in the 2016 budget. In addition, the MOHLTC approved \$225,100 in one-time funding for four initiatives; two relate to the implementation of the Electronic Cigarettes Act, one for purchase of additional Nicotine Replacement Therapy products, and one is for the continued implementation of Panorama.

Q3 Financial Highlights

Attached as [Appendix A](#) is the Budget Variance Summary which provides actual and budgeted net expenditures for the nine months ending September 30, and provides management’s projections to the end of the operating year.

Table 1 below provides a comparison by division of the updated year end variance forecasts. The estimates have increased as expected due to additional favourable variances across divisions.

Table 1 – Anticipated Quarterly Variances by Division

Division	Quarter 1	Quarter 2	Quarter 3	Change
Environmental Health & Infectious Disease	\$ 60,743	\$ 114,045	\$ 177,672	\$ 63,627
Healthy Living	117,295	102,498	255,196	152,698
Healthy Start	73,748	127,411	285,451	158,040
Office of the Medical Officer of Health	-	-	-	-
Corporate Services	25,984	68,644	96,644	28,000
Foundational Standards	35,300	35,300	34,800	500
General Expenses & Revenues	(49,800)	(89,800)	(34,913)	54,887

Total anticipated variances before agency gapping budget	\$ 263,270	\$ 358,098	\$ 814,850	\$ 456,782
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The \$456,782 increase in the variance over the second quarter is mainly due to the following:

\$ 372,849	1) Additional position vacancies across all programs.
21,000	2) Reduced cost of contraceptives
39,500	3) Needle Exchange contract savings due to late implementation of PBMA investment
8,000	4) Living wage – contracts renegotiated and costs for 2016 are now known
9,087	5) Additional MOHLTC grant – over what was planned
15,000	6) Board Expenses – due to vacancies
53,008	7) Other program costs across all divisions (Program supplies and travel related)
85,000	8) Employer Paid Benefits (ASO) based on cost of claims to date.
6,738	9) Lower than anticipated deficit in the Dental Clinic
(30,000)	10) Multi-drug resistant TB Outbreak in a healthcare worker
(19,000)	11) Immunization related to Syrian Newcomers
(8,000)	12) Health Promotion Campaign – focused on soft drinks
(39,400)	13) Various training initiatives (Indigenous Cultural Competency training, and Crucial Conversations)
(57,000)	14) Occupancy costs – Utilities, Maintenance, etc. including \$10,200 repairs for Strathroy Office, and \$1,800 for repairs in the Dental Clinic
\$ 456,782	Total net increase from Q2 reported variance

Overall, the net favourable variance has increased to \$814,850 from \$358,098 as reported in the Q2 financial update and will more than satisfy the annual expected gapping budget of \$789,938. Taking the above into account it is expected that the Health Unit will end the 2016 operating year in a break-even or modest surplus position. This projection may increase if the Health Unit is able to make in-year one-time funding requests to the MOHLTC.

MOHLTC In-year One-time Funding Requests

Typically as part of the third quarter financial update provided to the MOHLTC, there is a process to request in-year one-time funding for extraordinary costs which may have occurred during the year after the grant submissions have been made. This year the Health Unit would like to make two such requests. The first is for approximately \$19,000 in additional costs associated with immunizing Syrian Newcomers. The second request is for approximately \$30,000 relating to the outbreak management of a multi drug resistant TB case in a local healthcare worker. If these two requests are funded this will increase the forecasted surplus by \$49,000.

Factual Certificate

Attached as [Appendix B](#) is a signed factual certificate. This certificate is signed by senior administrators of the Health Unit responsible for ensuring certain key financial and risk management functions are being performed to the best of their knowledge. The certificate is revised as appropriate on a quarterly basis and submitted with each financial update.

This report was prepared by Mr. John Millson, Associate Director, Finance.



Christopher Mackie, MD, MHSc, CCFP, FRCPC
Medical Officer of Health

**MIDDLESEX-LONDON HEALTH UNIT
BUDGET VARIANCE SUMMARY**

As at September 30, 2016

APPENDIX A to Report No. 042-16FFC

	2016 YTD ACTUAL (NET)	2016 YTD BUDGET (NET)	VARIANCE (OVER) / UNDER	% VARIANCE	DECEMBER FORECAST	2016 ANNUAL NET BUDGET	DECEMBER SURPLUS / (DEFICIT)	% VARIANCE	Comment / Explanation
<i>Environmental Health & Infectious Disease Division</i>									
Office of the Director	\$ 184,584	\$ 176,255	\$ (8,329)	-4.7%	\$ 236,414	\$ 240,614	\$ 4,200	1.7%	Difference between salaries of directors + benefits for MLOA manager
Emergency Management	129,438	124,170	(5,268)	-4.2%	169,302	169,302	-	0.0%	No anticipated variance by the end of the operating year.
Food Safety & Healthy Environments	1,241,346	1,246,026	4,680	0.4%	1,686,177	1,701,489	15,312	0.9%	\$14,312 anticipated favorable variance for additional food handler training/assessment, less \$3,000 for additional program supplies.
Safe Water & Vector-Borne Disease	1,098,264	1,130,424	32,160	2.8%	1,480,530	1,542,090	61,560	4.0%	\$44,265 savings in service contract for the Vector Borne Disease Program as a result of renewal in 2016.
Infectious Disease	1,141,972	1,108,993	(32,979)	-3.0%	1,563,293	1,523,293	(40,000)	-2.6%	\$8,000 favourable variance in position vacancy, more than offset by costs associated with the management of TB cases (\$48,000) (translation, client travel, and supplies).
Vaccine Preventable Disease	898,185	940,971	42,786	4.5%	1,405,677	1,386,677	(19,000)	-1.4%	(\$19,000) unfavourable variance due to the immunization of Syrian Newcomers.
Travel Clinic	35,463	37,821	2,358	6.2%	51,342	51,342	-	0.0%	No anticipated variance by the end of the operating year.
Sexual Health	1,528,550	1,677,998	149,448	8.9%	2,100,697	2,256,297	155,600	6.9%	Favourable variance due to \$70,000 in LOA in PHN, \$84,000 in program supplies primarily in purchase of contraceptives, \$39,500 less to RHAC, \$191,600 in revenue from OHIP billings and STI physician fee; offset by lower contraceptive sales (\$63,000), and (\$166,500) in Family Planning Physician fees.
<i>Total Environmental Health & Infectious Disease Division</i>	\$ 6,257,802	\$ 6,442,658	\$ 184,856	2.9%	\$ 8,693,432	\$ 8,871,104	\$ 177,672	2.0%	
<i>Healthy Living Division</i>									
Office of the Director	\$ 163,251	\$ 172,405	\$ 9,154	5.3%	\$ 227,476	\$ 235,076	\$ 7,600	3.2%	Favourable variance in travel, program resources, and equipment due to participation in corporate training and other centralized initiatives.
Child Health	1,105,140	1,255,217	150,077	12.0%	1,597,920	1,712,598	114,678	6.7%	LOA and partial vacant PHN position for 6 months.
Chronic Disease and Tobacco Control	959,377	1,013,861	54,484	5.4%	1,377,184	1,372,941	(4,243)	-0.3%	\$17,757 vacant PHN position for 9 weeks, offset by (\$14,000) in additional purchases of Nicotine Replacement Therapy, and (\$8,000) for a soft drink campaign.
Healthy Communities and Injury Prevention	800,251	889,489	89,238	10.0%	1,121,673	1,213,799	92,126	7.6%	\$82,126 anticipated variance due to vacant manager, PHN, and Health Promoter, and PHN assigned to SDOH initiative, \$2,000 in associated travel, \$8,000 in Materials & Supplies
Oral Health	930,708	1,004,288	73,580	7.3%	1,316,890	1,339,050	22,160	1.7%	\$48,182 favourable variance due to position vacancies, (\$26,022) for projected Dental Treatment deficit.
Southwest Tobacco Control Area Network	200,607	323,105	122,498	37.9%	436,197	436,197	-	0.0%	No anticipated variance by the end of the operating year.
Young Adult Health	778,174	828,775	50,601	6.1%	1,108,170	1,131,045	22,875	2.0%	\$19,875 anticipated variance due to a maternity leave and replacement of a PHN position at a lower salary, \$3,000 in travel expenses.
<i>Total Healthy Living Division</i>	\$ 4,937,508	\$ 5,487,140	\$ 549,632	10.0%	\$ 7,185,510	\$ 7,440,706	\$ 255,196	3.4%	
<i>Healthy Start Division</i>									
Office of the Director	\$ 166,440	\$ 178,070	\$ 11,630	6.5%	\$ 229,951	\$ 242,759	\$ 12,808	5.3%	Favourable variances in \$4,204 travel and training costs, \$6,704 in program supplies, and \$1,900 in other program costs.
Office of the Chief Nursing Officer & Social Determinants of Health	238,522	296,870	58,348	19.7%	384,189	404,889	20,700	5.1%	\$10,900 due health promoter vacancy, \$4,200 in travel expenses, \$5,600 in Nursing Practice Council costs.
Nurse Family Partnership	-	20,002	20,002	100.0%	35,000	35,000	-	0.0%	No anticipated variance by the end of the operating year.

	2016 YTD ACTUAL (NET)	2016 YTD BUDGET (NET)	VARIANCE (OVER) / UNDER	% VARIANCE	DECEMBER FORECAST	2016 ANNUAL NET BUDGET	DECEMBER SURPLUS / (DEFICIT)	% VARIANCE	Comment / Explanation
Best Beginnings	2,225,468	2,309,899	84,431	3.7%	2,980,189	3,154,798	174,609	5.5%	\$178,478 in salary- FHV (LOA), 2 PHNs, and a manager position, \$9,676 in associate travel costs and training costs, partially offset (\$13,545) in translation costs.
Early Years Health	1,110,875	1,136,265	25,390	2.2%	1,517,610	1,550,490	32,880	2.1%	\$31,880 in PHN wages due to vacancy, and \$1,000 in associated travel costs.
Reproductive Health	939,169	1,012,124	72,955	7.2%	1,336,605	1,381,059	44,454	3.2%	\$44,454 favourable variance due to maternity leaves and vacant positions
Screening Assessment and Intervention (SAI)	1,240,563	1,427,548	186,985	13.1%	2,855,096	2,855,096	-	0.0%	No anticipated variance by the end of the operating year.
Total Healthy Start Division	\$ 5,921,037	\$ 6,380,778	\$ 459,741	7.2%	\$ 9,338,640	\$ 9,624,091	\$ 285,451	3.0%	
Office of the Medical Officer of Health									
Office of the Medical Officer of Health	\$ 304,513	\$ 303,842	\$ (671)	-0.2%	\$ 416,083	\$ 416,083	\$ -	0.0%	No anticipated variance by the end of the operating year.
Communications	356,807	366,325	9,518	2.6%	498,961	498,961	-	0.0%	No anticipated variance by the end of the operating year.
Total Office of the Medical Officer of Health	\$ 661,320	\$ 670,167	\$ 8,847	1.3%	\$ 915,044	\$ 915,044	\$ -	0.0%	
Corporate Services Division									
Office of the Director	\$ 246,112	\$ 299,336	\$ 53,224	17.8%	\$ 405,050	\$ 405,050	\$ -	0.0%	No anticipated variance by the end of the operating year.
Finance	371,250	396,989	25,739	6.5%	506,363	542,263	35,900	6.6%	\$32,500 vacant Program Assistant position, and recoveries from Screening Assessment & Intervention program. \$3,400 in travel relating to local training and conference, and fewer cheque stock being purchased in 2016.
Human Resources & Labour Relations	363,146	339,169	(23,977)	-7.1%	486,416	457,400	(29,016)	-6.3%	Paid leave of absence and relocation expense.
Information Technology	620,336	737,732	117,396	15.9%	927,458	990,518	63,060	6.4%	\$57,450 vacant Business Analyst and Program Assistant position for part of the year, and \$5,610 for the sale of used computer equipment.
Privacy & Occupational Health & Safety	91,135	124,138	33,003	26.6%	142,464	169,164	26,700	15.8%	\$25,500 Unpaid leave of absence until the beginning of Q2, and \$1,200 in travel related expenses.
Procurement & Operations	192,865	194,977	2,112	1.1%	254,199	254,199	-	0.0%	No anticipated variance by the end of the operating year.
Strategic Projects	93,689	94,332	643	0.7%	128,604	128,604	-	0.0%	No anticipated variance by the end of the operating year.
Total Corporate Services Division	\$ 1,978,533	\$ 2,186,673	\$ 208,140	9.5%	\$ 2,850,554	\$ 2,947,198	\$ 96,644	3.3%	
Foundational Standard Division									
Office of the Director	\$ 249,655	\$ 236,908	\$ (12,747)	-5.4%	\$ 333,671	\$ 323,671	\$ (10,000)	-3.1%	(\$10,000) in lecture revenue that will not be realized.
Program Planning & Evaluation	836,220	875,327	39,107	4.5%	1,156,609	1,192,209	35,600	3.0%	\$38,000 favourable variance due to position vacancies and new staff at lower salaries, partially offset by (\$2,400) in additional staff development.
Library & Resource Lending	84,881	98,185	13,304	13.5%	231,928	241,128	9,200	3.8%	\$9,200 favourable variance expected due to vacant program assistant position in Q1.
Total Foundational Standard Division	\$ 1,170,756	\$ 1,210,420	\$ 39,664	3.3%	\$ 1,722,208	\$ 1,757,008	\$ 34,800	2.0%	
General Expenses & Revenues	\$ 1,970,723	\$ 1,947,643	\$ (23,080)	-1.2%	\$ 2,620,957	\$ 2,586,044	\$ (34,913)	-1.4%	\$10,000 favourable for insurance, \$85,000 in ASO benefits, \$30,000 for one-time renovations for OSL recommendations completed in 2015, \$23,000 for delay of living wage implementation, \$12,000 New Nurse Grad, \$10,000 in material & supplies, \$15,000 Board expenses, \$9,087 additional 2016 MOHLTC grant; offset by (\$40,000) in Employment Insurance top-up for maternity / parental leaves; (\$60,000) for extraordinary legal costs; (\$25,000) for cell phone hardware purchases; an (\$10,000) for office chairs, (\$57,000) in occupancy costs, and corporate training initiatives for Indigenous Cultural training (\$20,000) and Crucial Conversations training (\$17,000).
Total Board of Health net Expenditures Before Expected Gaping	\$ 22,897,679	\$ 24,325,479	\$ 1,427,800	5.9%	\$ 33,326,345	\$ 34,141,195	\$ 814,850	2.4%	

	2016 YTD ACTUAL (NET)	2016 YTD BUDGET (NET)	VARIANCE (OVER) / UNDER	% VARIANCE	DECEMBER FORECAST	2016 ANNUAL NET BUDGET	DECEMBER SURPLUS / (DEFICIT)	% VARIANCE	Comment / Explanation
Less: Expected Agency Gapping Budget	-	592,454	(592,454)		-	(789,938)	(789,938)		
TOTAL BOARD OF HEALTH NET EXPENDITURES	\$ 22,897,679	\$ 23,733,025	\$ 835,346	3.5%	\$ 33,326,345	\$ 33,351,257	\$ 24,912	0.1%	

Middlesex-London Health Unit
FACTUAL CERTIFICATE

To: Members of the Board of Health, Middlesex-London Health Unit

The undersigned hereby certify that, to the best of their knowledge, information and belief after due inquiry, as at September 30, 2016:

1. The Middlesex-London Health Unit is in compliance, as required by law, with all statutes and regulations relating to the withholding and/or payment of governmental remittances, including, without limiting the generality of the foregoing, the following:
 - All payroll deductions at source, including Employment Insurance, Canada Pension Plan and Income Tax;
 - Ontario Employer Health Tax;
 - Federal Harmonized Sales Tax (HST)And, they believe that all necessary policies and procedures are in place to ensure that all future payments of such amounts will be made in a timely manner.
2. The Middlesex-London Health Unit has remitted to the Ontario Municipal Employees Retirement System (OMERS) all funds deducted from employees along with all employer contributions for these purposes.
3. The Middlesex-London Health Unit is in compliance with all applicable Health and Safety legislation.
4. The Middlesex-London Health Unit is in compliance with applicable Pay Equity legislation.
5. The Middlesex-London Health Unit has not changed its accounting policies or principles since January 1, 2015.
6. The Middlesex-London Health Unit reconciles its bank accounts regularly and no unexpected activity has been found.
7. The Middlesex-London Health Unit has filed all information requests within appropriate deadlines.
8. The Middlesex-London Health Unit is in compliance with the requirements of the Charities Act, and the return for 2015 has been filled. (Due by June 30th each year).
9. The Middlesex-London Health Unit has been named in a complaint to the Human Rights Tribunal of Ontario by a former student. The hearing has been completed and a decision is pending.
10. The Western Fair has issued a Third Party claim including the Health Unit involving an alleged infection with Q-fever bacteria while at Western Fair in 2011. The claim is being defended by City Legal Services as they were the insurer at the time. City Legal Services has indicated that there is no exposure to a financial claim for the Health Unit.
11. The Middlesex-London Health Unit is fulfilling its obligations by providing services in accordance with our funding agreements, the Health Protection & Promotion Act, the Ontario Public Health Standards, the Ontario Public Health Organizational Standards and as reported to the Board of Health through reports including but not limited to:

- Quarterly Financial Updates
- Annual Audited Financial Statements
- Annual Reporting on the Accountability Indicators
- Annual Planning and Budget Templates
- Information and Information Summary Reports

Dated at London, Ontario this 3rd day of November, 2016

Dr. Christopher Mackie
Medical Officer of Health & CEO

John Millson
Associate Director, Finance

Laura Di Cesare
Director, Corporate Services