



MIDDLESEX-LONDON HEALTH UNIT

REPORT NO. 007-17FFC

TO: Chair and Members of the Finance & Facilities Committee

FROM: Laura Di Cesare, Acting Chief Executive Officer

DATE: 2017 February 2

2017 PROPOSED BUDGET

Recommendation

It is recommended that the Finance & Facilities Committee make recommendation to the Board of Health to:

- 1) Approve the 2017 Operating Budget in the gross amount of \$35,405,626 as appended to Report No. 007-17FFC re: 2017 Proposed Budget; and further*
- 2) Forward Report No. 007-17 to the City of London and the County of Middlesex for information; and,*
- 3) Direct staff to submit the 2017 Operating Budget in the various formats required by the different funding agencies.*

Key Points

- The proposed 2017 Budget and Planning & Budgeting Templates, or “PBTs,” were developed with an estimated 1.5% increase in mandatory program funding from the MOHLTC, and a 0% change from the City of London and the County of Middlesex. The budget also includes other known or potential funding sources, including the Public Health Agency of Canada (PHAC), the Ministry of Health and Long-Term Care (MOHLTC, 100%), the Ministry of Children and Youth Services (MCYS, 100%), and other revenues.
- The overall 2017 Proposed Budget, as presented in [Appendix B](#), is increasing by \$347,676, or 1.0%.

Background

The 2017 Proposed Budget was developed using an integrated approach, wherein program planning and budgeting activities are aligned to mitigate risk of unplanned expenditures and to support optimal allocation of resources to key initiatives. This approach uses a combination of Program Budgeting and Marginal Analysis (PBMA) and PBTs to bring together both planning and program information.

Program Budget Marginal Analysis

This process transparently applies pre-defined criteria (see [Report No. 23-16FFC](#) for 2017 criteria) to prioritize where proposed disinvestments or investments can be made, in order to facilitate “reallocation of resources based on maximizing the value of services across the four principles of the Ontario Public Health Standards [OPHS] (Need, Impact, Capacity, and Partnerships/Collaboration).” The recommended 2017 PBMA proposals are attached as [Appendix A](#). The proposals were reviewed by the Finance & Facilities Committee at its December 1, 2016 meeting ([Report No. 46-16FFC](#)) and have been incorporated into the proposed 2017 PBTs for approval.

Planning & Budgeting Templates

The PBTs provide both planning and budgeting information, and are meant to provide additional program information to help the Board make informed resource allocation decisions. During a full-day meeting on January 26, 2017, the Finance & Facilities Committee reviewed the PBTs for the Corporate Services Division, the Foundational Standard Division, the Healthy Living Division, the Office of the Medical Officer of Health, the Environmental Health & Infectious Disease Division, the Healthy Start Division, the Office of the Chief Nursing Office and General Expenses and Revenues.

2017 Proposed Board of Health Budget

At its October 1, 2016 meeting, the Finance & Facilities Committee considered [Report No. 39-16FFC](#) re: 2017 Revised Budget Parameters.

The Committee recommended that staff prepare a draft 2017 budget with a 0% municipal increase and a 1.5% increase in provincial funding for Mandatory Programs. A 1.5% provincial increase would provide \$241,968 in additional resources. The proposed budget also includes other known or potential funding sources, including the Public Health Agency of Canada (PHAC), MOHLTC (100%), MCYS (100%), and other revenues.

The 2017 Proposed Budget Summary, which provides gross expenditures for the various programs together with a summary of revenue sources, given the planned changes in funding sources, is attached as [Appendix B](#).

Conclusion

The 2017 Proposed Budget is \$35,405,626, which represents an increase of \$347,676, or 1.0%, from the revised 2016 budget. Details of the program budgets are incorporated in the PBTs, attached as [Appendix B](#). A request for 0% or no change in funding was provided to the County of Middlesex, and a request was submitted to the City of London with an estimated impact of 0% for the 2016–19 period, assuming continued implementation of the provincial funding formula.

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



Laura Di Cesare, CHRE
Acting Chief Executive Officer