



TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health

DATE: 2018 July 5

2018 BUDGET FUNDING INCREASES – RECOMMENDED EXPENDITURES

Recommendation

It is recommended that the Finance & Facilities Committee recommend that the Board of Health:

- 1) *Receive Report No. 031-18FFC re: 2018 Budget Funding Increases – Recommended Expenditures;*
- 2) *Approve [Appendix A](#); and*
- 3) *Recommend to the Board of Health to approve the judicious over-hiring of permanent staff in limited circumstances.*

Key Points

- On May 7th, the Health Unit received the provincial grant approvals for 2018 which included an increase to base funding totaling \$484,000 as outlined in Board of Health [Report 027-18](#).
- There are several pressing public health needs that this funding can support. Appropriate expenditures have been identified as set out in [Appendix A](#).
- Due to challenges related to turnover of staff, it is recommended that MLHU strategically over-hire a small number of full-time public health nurses in order to generate an appropriately skilled and qualified candidate pool.

Financial Highlights

The Health Unit has reviewed unfunded Program Budget Marginal Analysis (PBMA) investment proposals from the 2018 budget process, and has identified additional pressing public health issues which merit assessment. These proposals have been scored using the 2018 PBMA criteria; all achieved a score of greater than 200, with the exception of smaller expenditures, which are generally expected to score lower. The expenditures, amounting to \$433,450 are set out in the attached [Appendix A](#). Although the initiatives currently identified amount to less than the additional funds available, further costs such as architectural consulting have been identified though not yet fully costed for Board approval.

In 2017, Human Resources filled 47 PHN positions. In 2018 there has been a significant increase in the number of leaves (e.g. parental and medical), as well as retirements. To date in 2018, 27 PHN positions have been filled, which is trending as a 13% increase over 2017. All full-time vacancies have been filled internally with many temporary leave replacements requiring external hiring. Historically, temporary hiring does not always attract appropriately skilled and qualified applicants. Experienced candidates from other health units, hospitals or other organizations are unwilling to leave a permanent role for a temporary one.

Additionally, temporary candidates are not considered internal applicants for full-time permanent MLHU positions. Based on the time it takes to recruit and onboard new hires, there is continual wage gapping and persistently open roles to fill across the Health Unit at any given time. Therefore, it is recommended that the Board of Health support judicious over-hiring of up to five full-time PHNs at any one time, in order to create a qualified internal candidate pool to quickly fill vacancies and reduce the “domino effect” created by internal transfers.

Next Steps

The Health Unit is commencing the 2019 PBMA process, a criteria-based budgeting process that facilitates reallocation of resources based on maximizing services. This will inform further expenditure recommendations.

This report was prepared by the Finance and Human Resources Teams, Healthy Organization Division.

A handwritten signature in black ink, appearing to read 'C. Mackie'.

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