AGENDA
MIDDLESEX-LONDON BOARD OF HEALTH
Finance & Facilities Committee

50 King Street, London
Middlesex-London Health Unit – Room 3A
Thursday, June 6, 2019 9:00 a.m.

1. DISCLOSURE OF CONFLICTS OF INTEREST

2. APPROVAL OF AGENDA

3. APPROVAL OF MINUTES – May 2, 2019

4. NEW BUSINESS

4.1 2018 Audited Financial Statements for Middlesex-London Health Unit (Report No. 019-19FFC)
4.2 2018 Revised Budget – Ministry of Health and Long-Term Care (MOHLTC) Approved Grants (Report No. 020-19FFC)
4.3 By-Law and Policy Review (Report No. 021-19FFC)
4.4 Contract Award – Medical Supplies (Report No. 022-19FFC)
4.5 Contract Award – Oral Contraceptives (Report No. 023-19FFC)
4.6 Contract Award – Oral Health Supplies (Report No. 024-19FFC)

5. OTHER BUSINESS

5.1 Next meeting Thursday, July 4, 2019 at 9:00 a.m. Room 3A

6. CONFIDENTIAL

The Finance and Facilities Committee will move in-camera to approve confidential minutes from its May 2, 2019 meeting.

7. ADJOURNMENT

PUBLIC MINUTES
FINANCE & FACILITIES COMMITTEE
50 King Street, London
Middlesex-London Health Unit
Thursday, May 2, 2019 9:00 a.m.

MEMBERS PRESENT:	Ms. Maureen Cassidy Ms**.** Tino Kasi Mr. Matt Reid (Chair)
REGRETS:	Ms. Kelly Elliott Ms. Trish Fulton
OTHERS PRESENT:	Dr. Christopher Mackie, Secretary-Treasurer Ms. Lynn Guy, Executive Assistant to the Medical Officer of Health (Recorder) Ms. Laura Di Cesare, Director, Healthy Organization Mr. Brian Glasspoole, Manager, Finance
MEDIA:	Mr. Gerry Dewan, Reporter, CTV News London

At 9:09 a.m., Chair Reid called the meeting to order.

DISCLOSURE OF CONFLICT OF INTEREST

Chair Reid inquired if there were any disclosures of conflicts of interest. None were declared.

APPROVAL OF AGENDA

It was moved by Ms. Cassidy, seconded by Ms. Kasi, *that the **AGENDA** for the May 2, 2019 Finance & Facilities Committee meeting be approved.*

Carried

APPROVAL OF MINUTES

It was moved by Ms. Kasi, seconded by Ms. Cassidy, *that the **MINUTES** of the March 7, 2019 Finance & Facilities Committee meeting be approved.*

Carried

NEW BUSINESS

4.1 Q1 Financial and Factual Certificate Update (Report No. 015-19FFC)

Mr. Glasspoole provided the details for this report. He noted that at this time, significant progress has been made toward the gapping target required to avoid a deficit, and further progress is expected over the year.

Dr. Mackie advised that even though the provincial government announced its budget last month, he could not say for certain what the financial impact would be for MLHU. The latest estimate is a $2.5M reduction, but this could range from $1M to $3.5M.

The Ministry announced that there will be a change in funding ratios, moving to a 70/30 split. The Health Unit currently works with an approximate ratio of 75/25, obtaining 75 percent of its funding from the Ministry and 25 percent from municipalities. Dr. Mackie noted that the Province has advised that there may be opportunities for some one-time funding to offset some of the loss of funds. It was noted that MLHU's

municipalities have not been asked for additional funds since 2005. It is not known at this time how much additional funding the municipalities will be asked to provide.

Dr. Mackie noted that there will be a phone call tomorrow morning with Ministry staff and he is hopeful that more questions will be answered at that time.

Dr. Mackie added that the boundaries for the ten new health unit entities are currently being developed and it is anticipated that they will be announced in the fall of this year.

It was moved by Ms. Cassidy, seconded by Ms. Kasi, *that the Finance & Facilities Committee review and recommend to the Board of Health to approve Report No. 015-19FFC re: "Q1 Financial Update and Factual Certificate."*

Carried

4.2 Financial Controls Checklist (Report No. 016-19FFC)

Mr. Glasspoole explained that this checklist provides financial accountability for the Health Unit and is a critical part of the organization's internal controls system. He advised that the Ministry of Health and Long-Term Care is currently revising the checklist and it is anticipated it will be completed for review within the month. The Health Unit is in compliance with all financial controls requirements of the Ministry.

It was moved by Ms. Cassidy, seconded by Ms. Kasi, *that the Finance & Facilities Committee receive Report No 016-19FFC re: "Financial Controls Checklist" for information.*

Carried

4.3 Q2 Physical Assets and Facilities Update (Report No. 017-19FFC)

Ms. Di Cesare noted that termination-of-lease letters have been given to the landlords for both of MLHU's London-based offices. There was discussion regarding the lease for 50 Front Street in Strathroy. Noted was the importance of continuing to have an office in the County to provide services to the residents who live there. However, in these uncertain times, staff will strive to negotiate a fair rate on a relatively short-term lease.

There was discussion about the many uncertainties that MLHU is currently facing.

It was moved by Ms. Kasi, seconded by Ms. Cassidy, *that the Finance & Facilities Committee review and recommend that the Board of Health:*

1) *Receive Report No. 017-19FFC re: "Q2 Physical Assets and Facilities Update" for information; and*
2) *Direct staff to begin negotiations with Canba Investments Limited regarding the Strathroy Office at 51 Front Street.*

Carried

OTHER BUSINESS

Next meeting: June 6, 2019.

CONFIDENTIAL

At 9:25 a.m., it was moved by Ms. Kasi, seconded by Ms. Cassidy, *that the Finance & Facilities Committee move in-camera to consider matters regarding identifiable individuals and information (e.g., a trade secret or scientific, technical, commercial, or financial) that belongs to the Middlesex-London Health Unit and has monetary value.*

Carried

At 9:38 a.m., it was moved by Ms. Kasi, seconded by Ms. Cassidy, *that the Finance & Facilities Committee return to public session.*

Carried

At 9:38 a.m., the Finance & Facilities Committee returned to public session.

ADJOURNMENT

At 9:39 a.m., it was moved by Ms. Cassidy, seconded by Ms. Kasi, *that the meeting be adjourned.*

Carried

At 9:39 a.m., Chair Reid *adjourned the meeting*.

MATT REID
Chair

CHRISTOPHER MACKIE
Secretary-Treasurer

MIDDLESEX-LONDON HEALTH UNIT

REPORT NO. 019-19FFC

TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health / CEO

DATE: 2019 June 6

2018 AUDITED FINANCIAL STATEMENTS FOR MIDDLESEX-LONDON HEALTH UNIT

Recommendation

It is recommended that the Finance & Facilities Committee recommend that the Board of Health approve the audited financial statements for the Middlesex-London Health Unit as of December 31, 2018, as appended to Report No. 019-19FFC re: "2018 Audited Financial Statements for Middlesex-London Health Unit."

Key Points

- The draft financial statements for the Middlesex-London Health Unit relating to the operating period January 1–December 31, 2018, are attached as Appendix A.
- Preparation of the financial statements is the responsibility of MHLU management. The statements were prepared in compliance with legislation and in accordance with Canadian public sector accounting standards.
- A summary of significant accounting policies is provided in note 1 to the financial statements.

Financial Overview

This report provides an overview of the financial information found in both the Statement of Financial Position and the Statement of Operations and Accumulated Surplus. The Statement of Financial Position can be found on page 3 of the draft financial statements (Appendix A). The Middlesex-London Health Unit has approximately $5.4 million in cash and near-cash financial assets to offset its $3.3 million in short-term financial liabilities and $2.5 million in long-term liabilities. As of December 31, 2018, these financial liabilities include:

Short-term liabilities (often paid during the next operating year):

1) $0.8 million in amounts owing to the Province of Ontario, the Government of Canada, the Corporation of the City of London, and the Corporation of the County of Middlesex
2) $1.6 million in unpaid accounts payable and accrued liabilities
3) $0.9 million in accrued wages and benefits

Long-term liabilities (often extending past the next operating year):

4) $2.5 million in post-employment benefits

With regard to the $2.5 million in post-employment benefits liability, this is the estimated amount required to fund all future costs associated with providing post-retirement benefits. This liability is currently unfunded; however, each year an estimated amount required for the current year is appropriated.

The non-financial assets, which total $1.3 million, include the net book value of the MLHU's tangible capital assets, such as leasehold improvements, computer systems, and prepaid expenses.

The last amount listed on the Statement of Financial Position is MLHU's accumulated surplus. This represents the net financial and physical resources available to provide future services. The details of what items make up this balance can be found in the draft financial statements, page 15, note 7.

The Statement of Operations and Accumulated Surplus, which details MLHU's revenues and expenditures for 2018, is found on page 4 of the financial statements. The great majority of the total revenue of $36.0 million is comprised of a) $35.1 million (97.5%) in grant revenue from four sources: the Province of Ontario ($27.8 million, or 79.2% of grant revenue), the Government of Canada ($0.4 million, or 1.1%), the Corporation of the City of London ($5.8 million, or 16.5%), and the Corporation of the County of Middlesex ($1.1 million, or 3.2%); and b) $0.9 million (2.5% of total revenue) from program revenue, interest, and other offset revenues.

The revenues provide for expenditures of $36.1 million, which include a $0.6 million (1.8% of total expenditures) charge for amortization expenses (the decreasing value of the tangible capital assets for 2018). Beginning on page 13, note 4 provides a schedule of changes to the tangible capital assets. The majority of the expenditures are salaries and benefits, which total $26.3 million (72.9%). The remaining $9.2 million (25.3%) consists of professional services (12.8%), rent and maintenance (4.7%), materials and supplies (3.3%), travel (0.8%), and other expenses (3.7%).

Audit Findings Report

KPMG's Audit Findings Report is attached as Appendix B. A common practice in presenting the report is for the auditor to meet in private with FFC members, excluding the Chief Executive Officer, the Finance Manager, and members of staff.

Ms. Katie denBok, Partner, and Ms. Deanna Baldwin, Manager, KPMG LLP, will be available to address any questions regarding KPMG's report.

This report was prepared by the Finance Team, Healthy Organization Division.

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

Appendix A to Report No. 019-019FFC

Financial Statements of

MIDDLESEX-LONDON HEALTH UNIT

Year ended December 31, 2018

MIDDLESEX-LONDON HEALTH UNIT

Financial Statements
Year ended December 31, 2018

Financial Statements

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MIDDLESEX-LONDON HEALTH UNIT

Financial Statements
Year ended December 31, 2018

Management's Responsibility for the Financial Statements

The accompanying financial statements of the Middlesex-London Health Unit ("Health Unit") are the responsibility of the Health Unit's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies is described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Health Unit's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

The Finance & Facilities Committee meets with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by KPMG LLP, independent external auditors appointed by The Corporation of the City of London. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Health Unit's financial statements.

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

Brian Glasspoole, CPA, CA
Manager, Finance

Patricia Fulton, Chair
Board of Health

INDEPENDENT AUDITORS' REPORT

To the Chair and Members, Middlesex-London Board of Health

Opinion

We have audited the financial statements of Middlesex-London Health Unit (the "Health Unit"), which comprise:

- the statement of financial position as at December 31, 2018
- the statement of operations and accumulated surplus for the year then ended
- the statement of change in net debt for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Health Unit as at December 31, 2018, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Health Unit in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Health Unit's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Health Unit or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Health Unit's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Health Unit's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Health Unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Health Unit's to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

"Draft"

Chartered Professional Accountants, Licensed Public Accountants

June 2019

London, Canada

MIDDLESEX-LONDON HEALTH UNIT

Statement of Financial Position
December 31, 2018, with comparative information for 2017

		2018		2017
Financial Assets				
Cash	$	4,481,129	$	4,916,671
Accounts receivable		566,108		420,057
Grants receivable		341,452		198,750
		5,388,689		5,535,478
Financial Liabilities				
Accounts payable and accrued liabilities		1,621,987		1,917,268
Due to Province of Ontario		384,867		229,506
Due to Government of Canada		17,849		11,510
Due to The Corporation of the City of London		283,977		494,391
Due to The Corporation of the County of Middlesex		54,088		94,167
Accrued wages and benefits		899,844		838,160
Post-employment benefits liability (note 2(b))		2,554,700		2,372,400
		5,817,312		5,957,402
Net Debt		(428,623)		(421,924)
Non-Financial Assets				
Tangible capital assets (note 4)		980,177		1,173,526
Prepaid expenses		277,535		207,725
		1,257,712		1,381,251
Commitments (note 5)				
Contingencies (note 6)				
Accumulated surplus (note 7)	$	829,089	$	959,327

The accompanying notes are an integral part of these financial statements.

MIDDLESEX-LONDON HEALTH UNIT

Statement of Operations and Accumulated Surplus
Year ended December 31, 2018, with comparative information for 2017

	2018 Budget	2018	2017
Revenue:			
Grants:			
Ministry of Health and Long-Term Care	$ 21,093,691	$ 22,025,400	$ 21,368,809
The Corporation of the City of London	6,095,059	5,811,082	5,600,668
Ministry of Children and Youth Services	5,632,766	5,758,404	5,567.899
The Corporation of the County of Middlesex	1,160,961	1,106,873	1,066,794
Government of Canada	428,261	396,054	384,914
	34,410,738	35,097,813	33,989,084
Other:			
Property search fees	3,750	2,550	3,100
Family planning	285,000	155,242	222,240
Dental service fees	-	-	177,494
Investment income	20,000	57,354	16,377
Prenatal class income	8,140	11,550	11,990
Other income (note 8)	657,078	690,961	1,115,742
	973,968	917,657	1,546,943
Total Revenue	35,384,706	36,015,470	35,536,027
Expenditures:			
Salaries:			
Public Health Nurses	9,644,071	9,146,443	9,274,226
Other salaries	3,283,798	4,224,038	4,254,821
Administrative staff	3,596,686	3,340,108	3,529,999
Public Health Inspectors	2,446,450	2,468,496	2,385,304
Dental staff	868,701	848,183	859,102
Medical Officers of Health	552,627	474,467	511,349
	20,392,333	20,501,735	20,810,801
Other Operating:			
Benefits	5,951,588	5,847,732	5,914,269
Professional services	4,043,842	4,624,029	3,573,595
Rent and maintenance	1,663,200	1,698,491	1,705,699
Other expenses (note 9)	1,442,643	1,346,306	1,451,027
Materials and supplies	1,093,466	1,204,966	1,275,140
Amortization expense	422,385	631,272	660,835
Travel	375,249	291,177	332,104
	14,992,373	15,643,973	14,912,669
Total Expenditures	35,384,706	36,145,708	35,723,470
Annual deficit	-	(130,238)	(187,443)
Accumulated surplus, beginning of year	959,327	959,327	1,146,770
Accumulated surplus, end of year	$ 959,327	$ 829,089	$ 959,327

The accompanying notes are an integral part of these financial statements.

MIDDLESEX-LONDON HEALTH UNIT

Statement of Change in Net Debt
Year ended December 31, 2018, with comparative information for 2017

	2018 Budget	2018	2017
Annual deficit	$ -	$ (130,238)	$ (187,443)
Acquisition of tangible capital assets, net	-	(437,923)	(412,953)
Amortization of tangible capital assets	-	631,272	660,835
	-	63,111	60,439
Acquisition of prepaid expenses	-	(277,535)	(207,725)
Use of prepaid expenses	-	207,725	218,051
	-	(69,810)	10,326
Change in net debt	-	(6,699)	70,765
Net debt, beginning of year	(421,924)	(421,924)	(492,689)
Net debt, end of year	$ (421,924)	$ (428,623)	$ (421,924)

The accompanying notes are an integral part of these financial statements.

MIDDLESEX-LONDON HEALTH UNIT

Statement of Cash Flows
December 31, 2018, with comparative information for 2017

	2018	2017
Cash provided by (used in):		
Operating activities:		
Annual deficit	$ (130,238)	$ (187,443)
Items not involving cash:		
Amortization expense	631,272	660,835
Change in post-employment benefits liability	182,300	136,991
Changes in non-cash assets and liabilities:		
Accounts receivable	(146,051)	(37,370)
Grants receivable	(142,702)	97,290
Prepaid expenses	(69,810)	10,326
Due to Province of Ontario	155,361	(194,686)
Due to Government of Canada	6,339	(51,489)
Due to The Corporation of the City of London	(210,414)	329,283
Due to The Corporation of the County of Middlesex	(40,079)	62,720
Accounts payable and accrued liabilities	(295,282)	480,075
Accrued wages and benefits	61,685	(41,814)
Net change in cash from operating activities	2,381	1,264,718
Capital activities:		
Cash used to acquire tangible capital assets	(437,923)	(412,953)
Net change in cash from capital activities	(437,923)	(412,953)
Net change in cash	(435,542)	851,765
Cash and cash equivalents, beginning of year	4,916,671	4,064,906
Cash and cash equivalents, end of year	$ 4,481,129	$ 4,916,671

The accompanying notes are an integral part of these financial statements.

The Middlesex-London Health Unit (the "Health Unit") is a joint local board of the municipalities of The Corporation of the City of London and The Corporation of the County of Middlesex that was created on January 1, 1972. The Middlesex-London Health Unit provides programs which promote healthy and active living throughout the participating municipalities.

1. Significant accounting policies:

The financial statements of the Middlesex-London Health Unit are prepared by management in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. Significant accounting policies adopted by the Middlesex-London Health Unit are as follows:

(a) Basis of presentation:

The financial statements reflect the assets, liabilities, revenue and expenditures of the reporting entity. The reporting entity is comprised of all programs funded by the Government of Canada, the Province of Ontario, The Corporation of the City of London, and The Corporation of the County of Middlesex. It also includes other programs that the Board of Health may offer from time to time with special grants and/or donations from other sources.

Inter-departmental transactions and balances have been eliminated.

(b) Basis of accounting:

Sources of financing and expenditures are reported on the accrual basis of accounting with the exception of donations, which are included in the statement of operations as received.

The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of services and the creation of a legal obligation to pay.

The operations of the Middlesex-London Health Unit are funded by government transfers from the Government of Canada, Province of Ontario, The Corporation of the City of London and The Corporation of the County of Middlesex. Government transfers are recognized in the financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made. Government transfers not received at year end are recorded as grants receivable due from the related funding organization in the statement of financial position.

Funding amounts in excess of actual expenditures incurred during the year are either contributed to reserves or reserve funds, when permitted, or are repayable and are reflected as liabilities due to the related funding organization in the statement of financial position.

1. Significant accounting policies (continued):

(c) Employee future benefits:

(i) The Middlesex-London Health Unit provides certain employee benefits which will require funding in future periods. These benefits include sick leave, life insurance, extended health and dental benefits for early retirees.

The cost of sick leave, life insurance, extended health and dental benefits are actuarially determined using management's best estimate of salary escalation, accumulated sick days at retirement, insurance and health care cost trends, long term inflation rates and discount rates.

(ii) The cost of multi-employer defined benefit pension plan, namely the Ontario Municipal Employees Retirement System (OMERS) pensions, are the employer's contributions due to the plan in the period. As this is a multi-employer plan, no liability is recorded on the Middlesex-London Health Unit's general ledger.

(d) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives that extend beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets

Tangible capital assets are recorded at cost which includes amounts that are directly attributed to acquisition, construction, development or betterment of the asset. The cost, less residual value of the tangible capital assets, are amortized on a straight-line basis over the estimated useful lives as follows:

Asset	Useful Life - Years
Leasehold Improvements	5 - 15
Computer Systems	4
Motor Vehicles	5
Furniture & Equipment	7

Assets under construction are not amortized until the asset is available for productive use.

1. Significant accounting policies (continued):

(d) Non-financial assets (continued):

(ii) Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair market value at the date of receipt and are recorded as revenue.

(iii) Leased tangible capital assets

Leases which transfer substantially all the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payment are charged to expense as incurred.

(e) Use of estimates:

The preparation of the Middlesex-London Health Unit's financial statements requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant estimates include assumptions used in estimating provisions for accrued liabilities, and in performing actuarial valuations of post-employment benefits.

In addition, the Middlesex-London Health Unit's implementation of the Public Sector Accounting Handbook PS3150 has required management to make estimates of the useful lives of tangible capital assets.

Actual results could differ from these estimates.

(f) Adoption of new accounting policies:

(i) Related Party Disclosures:

The Health Unit adopted Public Sector Accounting Board Standard PS 2200 Related Party Transactions effective for fiscal periods beginning on or after April 1, 2017. The standard defines related party and provides disclosure requirements. Disclosure is only required when the transactions or events between related parties occur at a value different from what would have been recorded if they were not related and the transactions could have a material financial impact on the financial statements. The standard also requires disclosure of related party transactions that have occurred where no amounts have been recognized. The Health Unit adopted this standard on a prospective basis and there were no adjustments as a result of the adoption of this standard.

1. Significant accounting policies (continued):

(f) Adoption of new accounting policies (continued):

(ii) Inter-Entity Transactions:

The Health Unit adopted Public Sector Accounting Board Standard PS 3420 Inter-entity Transactions effective for fiscal periods beginning on or after April 1, 2017. The standard specifies how to account for transactions between public sector entities within the government reporting entity.

Transactions undertaken on similar terms and conditions to those adopted if the entities were dealing at arm's length are recorded at the exchange amount. Transfers of an asset or liability at nominal or no consideration is recorded by the provider at the carrying amount and the recipient has the choice of using either the carrying amount or fair value. Cost allocations are reported using the exchange amount and revenues and expenses are reported on a gross basis. Unallocated costs for the provision of goods or services may be recorded by the recipient at the carrying amount or fair value unless otherwise dictated by policy, accountability structure or budget practice.

All other transactions are measured at the carrying amount.

The Health Unit adopted this standard on a prospective basis and there were no adjustments as a result of the adoption of this standard.

2. Employee future benefits:

The Middlesex-London Health Unit provides certain employee benefits which will require funding in future periods, as follows:

(a) Vested sick leave liability:

Under the sick leave benefit plan, unused sick leave can accumulate, and employees may become entitled to a cash payment when they leave the Middlesex-London Health Unit's employment. This plan applies to employees hired prior to January 1, 1982.

The liability for these accumulated days, to the extent that they have vested and could be taken in cash by an employee on termination, amounted to $nil (2017 - $nil) at the end of the year.

A residual reserve of $29,462 remains after all commitments for this liability have been met.

(b) Post-retirement benefits liability:

The Middlesex-London Health Unit pays certain life insurance benefits on behalf of the retired employees as well as extended health and dental benefits for early retirees to age sixty-five. The Middlesex-London Health Unit recognizes these post-retirement costs in the period in which the employees render services. The most recent actuarial valuation was performed as at December 31, 2017.

	2018	2017
Accrued employee future benefit obligations	$ 3,042,000	$ 2,846,600
Unamortized net actuarial loss	(487,300)	(474,200)
Employee future benefits liability as of December 31	$ 2,554,700	$ 2,372,400

Retirement and other employee future benefit expenses included in the benefits in the statement of operations consist of the following:

	2018	2017
Current year benefit cost	$ 180,700	$ 180,500
Interest on accrued benefit obligation	96,100	89,800
Amortization of net actuarial loss	48,800	44,600
Total benefit cost	$ 325,600	$ 314,900

Benefits paid during the year were $143,300 (2017 - $125,700).

2. Employee future benefits (continued):

(b) Post-retirement benefits liability (continued):

The main actuarial assumptions employed for the valuation are as follows:

(i) Discount rate:

The obligation as at December 31, 2018, of the present value of future liabilities and the expense for the year ended December 31, 2018, are determined using a discount rate of 3.25% (2017 – 3.25%).

(ii) Medical costs:

Prescription drug costs are assumed to increase at the rate of 7% per year (2017 - 7%) declining to 4% per year over 20 years. Other Medical and Vision costs are assumed to increase at a rate of 4% per year, and 0% per year respectively.

(iii) Dental costs:

Dental costs are assumed to increase at the rate of 4% per year (2017 - 4%).

3. Pension agreement:

The Middlesex-London Health Unit contributes to the OMERS which is a multi-employer plan, on behalf of 314 members. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

During 2018, the plan required employers to contribute 9.0% of employee earnings up to the year's maximum pensionable earnings and 14.6% thereafter. The Middlesex-London Health Unit contributed $1,932,916 (2017 - $1,960,653) to the OMERS pension plan on behalf of its employees during the year ended December 31, 2018.

4. Tangible Capital Assets:

Cost	Balance at December 31, 2017	Additions	Disposals / Transfers	Balance at December 31, 2018
Leasehold Improvements – 15 years	$ 2,700,140	$ -	$ -	$ 2,700,140
Leasehold Improvements – 5 years	21,780	-	-	21,780
Computer Systems	1,242,387	162,576	(269,383)	1,135,581
Motor Vehicle	5,385	-	-	5,385
Furniture & Equipment	1,564,407	275,347	(347,542)	1,492,212
Total	$ 5,534,099	$ 437,923	$ (616,925)	$ 5,355,098

Accumulated amortization	Balance at December 31, 2017	Amortization expense	Disposals / Transfers	Balance at December 31, 2018
Leasehold Improvements – 15 years	$ 2,517,094	$ 183,045	$ -	$ 2,700,140
Leasehold Improvements – 5 years	13,235	8,545	-	21,780
Computer Systems	844,593	230,202	(269,383)	805,412
Motor Vehicle	3,365	1,346	-	4,711
Furniture & Equipment	982,286	208,134	(347,542)	842,878
Total	$ 4,360,573	$ 631,272	$ (616,925)	$ 4,374,921

	Net book value December 31, 2017	Net book value December 31, 2018
Leasehold Improvements – 15 years	$ 183,045	$ -
Leasehold Improvements – 5 years	8,545	-
Computer Systems	397,795	330,169
Motor Vehicle	2,020	674
Furniture & Equipment	582,121	649,334
Total	$ 1,173,526	$ 980,177

During the year, the Middlesex-London Health Unit deemed to have disposed of fully amortized assets with a cost basis of $616,925 (2017 - $397,723).

4. Tangible Capital Assets (continued):

Cost	Balance at December 31, 2016	Additions	Disposals / Transfers	Balance at December 31, 2017
Leasehold Improvements – 15 years	$ 2,660,874	$ 39,266	$ -	$ 2,700,140
Leasehold Improvements – 5 years	33,850	9,382	(21,452)	21,780
Computer Systems	1,309,479	77,030	(144,122)	1,242,387
Motor Vehicle	5,385	-	-	5,385
Furniture & Equipment	1,509,281	287,275	(232,149)	1,564,407
Total	$ 5,518,869	$ 412,953	$ (397,723)	$ 5,534,099

Accumulated amortization	Balance at December 31, 2016	Amortization expense	Disposals / Transfers	Balance at December 31, 2017
Leasehold Improvements – 15 years	$ 2,334,049	$ 183,045	$ -	$ 2,517,094
Leasehold Improvements – 5 years	26,142	8,545	(21,452)	13,235
Computer Systems	721,420	267,295	(144,122)	844,593
Motor Vehicle	2,019	1,346	-	3,365
Furniture & Equipment	1,013,831	200,604	(232,149)	982,286
Total	$ 4,097,461	$ 660,835	$ (397,723)	$ 4,360,573

	Net book value December 31, 2016	Net book value December 31, 2017
Leasehold Improvements – 15 years	$ 326,825	$ 183,046
Leasehold Improvements – 5 years	7,708	8,545
Computer Systems	588,059	397,794
Motor Vehicle	3,366	2,020
Furniture & Equipment	495,450	582,121
Total	$ 1,421,408	$ 1,173,526

5. Commitments:

The Middlesex-London Health Unit is committed under operating leases for office equipment and rental property.

Future minimum payments to expiry are as follows:

2019	$ 846,097
2020	675,291
2021	654,835
2022	654,835
2023	654,835
Thereafter	9,986,234

6. Contingencies:

From time to time, the Middlesex-London Health Unit is subject to claims and other lawsuits that arise in the ordinary course of business, some of which may seek damages in substantial amounts. These claims may be covered by the Middlesex-London Health Unit's insurance. Liability for these claims and lawsuits are recorded to the extent that the probability of a loss is likely, and it is estimable.

7. Accumulated Surplus:

Accumulated surplus consists of individual fund surplus and reserves as follows:

	2018	2017
Surpluses:		
Invested in tangible capital assets	$ 980,177	$ 1,173,526
Unfunded:		
Post-employment benefits	(2,554,700)	(2,372,400)
Total deficit	(1,574,523)	(1,198,874)
Reserves set aside by the Board:		
Accumulated sick leave	29,462	29,462
Funding stabilization	818,258	818,258
Employment costs	176,077	176,077
Technology and infrastructure	1,250,000	1,000,000
Environmental – septic tank	6,044	6,044
Dental treatment	123,771	128,360
Total reserves	2,403,612	2,158,201
Accumulated surplus	$ 829,089	$ 959,327

8. Other income:

The following revenues are presented as other income in the statement of operations:

	2018 Budget	2018 Actual	2017 Actual
Collaborative project	$ 70,000	$ 277,328	$ 353,393
Food handler training	20,000	26,706	25,250
Public Fit-testing	-	1,695	10,621
Miscellaneous	205,878	124,312	338,813
OHIP	244,000	197,710	230,488
Vaccines	117,200	63,210	155,370
Workshops	-	-	1,807
	$ 657,078	$ 690,961	$ 1,115,742

9. Other expenses:

The following expenditures are presented as other expenses in the statement of operations:

	2018 Budget	2018 Actual	2017 Actual
Communications	$ 192,104	$ 236,473	$ 158,498
Health promotion/advertising	349,282	302,338	405,425
Miscellaneous	483,606	387,029	420,034
Postage and courier	67,280	57,173	62,127
Printing	147,548	163,818	138,635
Staff development	202,823	199,475	266,308
	$ 1,442,643	$ 1,346,306	$ 1,451,027

Middlesex-London Health Unit

Audit Findings Report
for the year ended December 31, 2018

KPMG LLP

May 23, 2019

kpmg.ca/audit

KPMG

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The contacts at KPMG in connection with this report are:

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Executive summary

Purpose of this report*

The purpose of this Audit Findings Report is to assist you, as a member of the Finance and Facilities Committee, in your review of the results of our audit of the financial statements as at and for the year ended December 31, 2018.

Finalizing the Audit

As of May 15, 2019, we have completed the audit of the financial statements, with the exception of certain remaining procedures, which include:

- obtaining the signed management representation letter;
- completing our discussions with the Finance and Facilities Committee; and
- obtaining evidence of the Board's approval of the financial statements.

We will update the Finance and Facilities Committee, and not solely the Chair (as required by professional standards), on significant matters, if any, arising from the completion of the audit, including the completion of the above procedures. Our auditors' report will be dated upon the completion of any remaining procedures.

*This Audit Findings Report should not be used for any other purpose or by anyone other than the Finance and Facilities Committee. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this Audit Findings Report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.

Executive summary (continued)

Audit risks and results

We identified at the start of the audit a significant financial reporting risk relating to the presumed fraud risk over management override of controls. This risk has been addressed in our audit.

We have also identified other areas of audit focus to discuss with you.

See pages 4-6.

Critical accounting estimates

Overall, we are satisfied with the reasonability of accounting estimates.

- Management identified all accounting estimates and establishes processes for making accounting estimates.
- Disclosure of estimation uncertainty in the financial statements is included in Note 1(e) *Use of estimates*. This note provides information on areas in the financial statements that include estimates.
- Management evaluates estimates on a regular basis to ensure that they are appropriate.

Significant accounting policies and practices

In F2018, MLHU adopted PS2200 – related party transactions and PS3240 – Inter-entity transactions. Adoption of these accounting standards is disclosed in the notes to the financial statements.

Executive summary (continued)

Adjustments and differences

We did not identify differences that remain uncorrected.

We did not identify adjustments that were communicated to management and subsequently corrected in the financial statements.

See page 9.

Control and other observations

We did not identify any control deficiencies that we determined to be significant deficiencies in internal control over financial reporting. However, we have identified a process improvement observation to bring to your attention.

See page 10.

Independence

We are independent of MLHU in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada.

Audit risks and results

We highlight our findings in respect of significant financial reporting risks below:

Significant financial reporting risks	Why is it significant?
Fraud risk from revenue recognition	This is a presumed risk. There are generally pressures or incentives on management to commit fraudulent financial reporting through inappropriate revenue recognition when performance is measured in terms of year-over-year revenue growth or profit.
Fraud risk from management override of controls	This is a presumed risk. We have not identified any specific additional risks of management override relating to this audit.

Our response and significant findings

Fraud risk from revenue recognition:

We have rebutted this fraud risk as it is not applicable to MLHU where performance is not measured based on earnings.

Fraud risk from management override of controls:

As this risk is not rebuttable, our audit methodology incorporates the required procedures in professional standards to address this risk. These procedures include testing of journal entries and other adjustments, performing a retrospective review of estimates and evaluating the business rationale for significant unusual transactions.

Audit findings:

- No significant findings noted.

Audit risks and results (continued)

Significant findings from the audit regarding other areas of focus are as follows:

Other area of focus	Why are we focusing here?
Grants and other revenue	MLHU receives funding from various levels of government. The dollar value of grants and other revenue make these significant financial reporting captions.
Salaries and benefits	The dollar value of salaries and benefits make these significant financial reporting captions.

Our response and significant findings

Grants and other revenue:

Audit approach:

- Performed substantive analytical procedures over grants and other revenues.
- Agreed significant grants from all levels of government to underlying funding agreements or other supporting documentation.
- Obtained supporting documentation for significant deferred revenue balances at year-end.

Audit findings:

- No significant issues noted.

Salaries and benefits:

Audit approach:

- Performed substantive analytical procedures over salaries and benefits, including vouching new hires and terminations to supporting documentation.

Audit findings:

- No significant issues noted.

Audit risks and results (continued)

Other area of focus	Why are we focusing here?
Post-employment benefits liability	The dollar value of the post-employment benefits liability makes this a significant financial reporting caption. The liability also represents a significant estimate.

Our response and significant findings

Post-employment benefits liability:

Audit approach:

- Obtained a copy of the actuarial report directly from the actuary and agreed the liability per the report to the post-employment benefits liability per the statement of financial position.
- Obtained corroborative evidence to support the reasonableness of assumptions provided by management to the actuaries that are used in developing the valuation and calculating the liability.
- In a prior year, KPMG performed testing over the employee attributes provided to the actuary to perform the valuation.
- Reviewed financial statement disclosures to gain assurance over compliance with Canadian public sector accounting standards.

Audit findings:

- No significant issues noted.

Materiality

Materiality determination	Comments	Amount
Materiality	Determined to plan and perform the audit and to evaluate the effects of identified misstatements on the audit and of any uncorrected misstatements on the financial statements. The corresponding amount for the prior year's audit was $1,064,000.	$1,080,000
Benchmark	Based on total expenses for the year. This benchmark is consistent with the prior year.	$36,145,708
% of Benchmark	The corresponding percentage for the prior year's audit was 3%.	3%
Audit Misstatement Posting Threshold (AMPT)	Threshold used to accumulate misstatements identified during the audit. The corresponding amount for the previous year's audit was $53,200	$54,000

Materiality is used to scope the audit, identify risks of material misstatements and evaluate the level at which we think misstatements will reasonably influence users of the financial statements. It considers both quantitative and qualitative factors.

To respond to aggregation risk, we design our procedures to detect misstatements at a lower level of materiality.

We will report to the Finance and Facilities Committee:

Corrected audit misstatements

Uncorrected audit misstatements

Financial statement presentation and disclosure

The presentation and disclosure of the financial statements are, in all material respects, in accordance with the MLHU's relevant financial reporting framework. Misstatements, including omissions, if any, related to disclosure or presentation items are in the management representation letter.

We also highlight the following:

Form, arrangement, and content of the financial statements	Adequate.
Application of accounting pronouncements issued but not yet effective	No concerns at this time regarding future implementation.

Adjustments and differences

Adjustments and differences identified during the audit have been categorized as “Corrected adjustments” or “Uncorrected differences”. These include disclosure adjustments and differences.

Corrected adjustments

We did not identify any adjustments that were communicated to management and subsequently corrected in the financial statements.

Uncorrected differences

We did not identify differences that remain uncorrected.

Other observations

Item	Observation
Financial reporting process	KPMG was unable to obtain final draft financial statements from management until after the completion of our fieldwork. This resulted in delays in the completion of our audit procedures and additional effort required to reconcile the preliminary account balances provided during fieldwork to the final draft financial statements. It is our understanding that a review is currently being performed to consider ways in which the financial reporting process can be streamlined. On a go-forward basis, KPMG recommends that final draft financial statements should be prepared in advance of our scheduled fieldwork to ensure an efficient and effective audit.

Appendices

- **Appendix 1: Required communications**
- **Appendix 2: Management representation letter**
- **Appendix 3: Audit Quality and Risk Management**
- **Appendix 4: Cyber in the External Audit**

Appendix 1: Required communications

In accordance with professional standards, there are a number of communications that are required during the course of and upon completion of our audit.

These include:

Auditors' Report

The conclusion of our audit is set out in our draft auditors' report attached to the draft financial statements. The auditors' report has changed in 2018. Please refer to the draft financial statements to see the changes.

Required inquiries

Professional standards require that we obtain your views on risk of fraud and other matters. We make similar inquiries of management as part of our planning process.

- What are your views about fraud risks at the entity?
- How do those charged with governance exercise effective oversight of management's processes for identifying and responding to the risk of fraud in the entity and internal controls management has established to mitigate these fraud risks?
- Are you aware of or have you identified any instances of actual, suspected, or alleged fraud, including misconduct or unethical behavior related to financial reporting or misappropriation of assets? If so, have the instances been appropriately addressed and how have they been addressed?
- Has the entity entered into any significant unusual transactions?

Management representation letter

In accordance with professional standards, copies of the management representation letter are provided to the Finance and Facilities Committee. The management representation letter is attached. See Appendix 2.

Appendix 2: Management representation letter

(Letterhead)

KPMG LLP
1400-140 Fullarton Street
London, Ontario N6A 5P2
Canada

Date

Ladies and Gentlemen:

We are writing at your request to confirm our understanding that your audit was for the purpose of expressing an opinion on the financial statements (hereinafter referred to as “financial statements”) of Middlesex-London Health Unit (“the Entity”) as at and for the period ended December 31, 2018**.**

General:

We confirm that the representations we make in this letter are in accordance with the definitions as set out in **Attachment I** to this letter.

We also confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Responsibilities:

1) We have fulfilled our responsibilities, as set out in the terms of the engagement letter dated September 15, 2016, including for:

   a) the preparation and fair presentation of the financial statements and believe that these financial statements have been prepared and present fairly in accordance with the relevant financial reporting framework.

   b) providing you with all information of which we are aware that is relevant to the preparation of the financial statements, such as all financial records and documentation and other matters, including:

      (i) the names of all related parties and information regarding all relationships and transactions with related parties; and

      (ii) the complete minutes of meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of shareholders, board of directors and committees of the board of directors that may affect the financial statements. All significant actions are included in such summaries.

   c) providing you with unrestricted access to such relevant information.

   d) providing you with complete responses to all enquiries made by you during the engagement.

   e) providing you with additional information that you may request from us for the purpose of the engagement.

f) providing you with unrestricted access to persons within the Entity from whom you determined it necessary to obtain audit evidence.

g) such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We also acknowledge and understand that we are responsible for the design, implementation and maintenance of internal control to prevent and detect fraud.

h) ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements.

i) ensuring that internal auditors providing direct assistance to you, if any, were instructed to follow your instructions and that management, and others within the entity, did not intervene in the work the internal auditors performed for you.

Internal control over financial reporting:

2) We have communicated to you all deficiencies in the design and implementation or maintenance of internal control over financial reporting of which we are aware.

Fraud & non-compliance with laws and regulations:

3) We have disclosed to you:

a) the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

b) all information in relation to fraud or suspected fraud that we are aware of that involves:

— management;

— employees who have significant roles in internal control over financial reporting; or

— others

where such fraud or suspected fraud could have a material effect on the financial statements.

c) all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements, communicated by employees, former employees, analysts, regulators, or others.

d) all known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements, whose effects should be considered when preparing financial statements.

e) all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Subsequent events:

4) All events subsequent to the date of the financial statements and for which the relevant financial reporting framework requires adjustment or disclosure in the financial statements have been adjusted or disclosed.

Related parties:

5) We have disclosed to you the identity of the Entity's related parties.

6) We have disclosed to you all the related party relationships and transactions/balances of which we are aware.

7) All related party relationships and transactions/balances have been appropriately accounted for and disclosed in accordance with the relevant financial reporting framework.

Estimates:

8) Measurement methods and significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Going concern:

9) We have provided you with all information relevant to the use of the going concern assumption in the financial statements.

10) We confirm that we are not aware of material uncertainties related to events or conditions that may cast significant doubt upon the Entity's ability to continue as a going concern.

Non-SEC registrants or non-reporting issuers:

11) We confirm that the Entity is not a Canadian reporting issuer (as defined under any applicable Canadian securities act) and is not a United States Securities and Exchange Commission ("SEC") Issuer (as defined by the Sarbanes-Oxley Act of 2002). We also confirm that the financial statements of the Entity will not be included in the consolidated financial statements of a Canadian reporting issuer audited by KPMG or an SEC Issuer audited by any member of the KPMG organization.

Yours very truly,

_____
Brian Glasspoole, Director, Finance and Operations

_____
Dr. Christopher Mackie, MD, Medical Officer of Health and Chief Executive Officer

cc: Finance and Facilities Committee

Attachment I – Definitions

Materiality

Certain representations in this letter are described as being limited to matters that are material. Misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. Judgments about materiality are made in light of surrounding circumstances, and are affected by the size or nature of a misstatement, or a combination of both.

Fraud & error

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorization.

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.

Related parties

In accordance with Canadian public sector accounting standards *related party* is defined as:

- When one party has the ability to exercise control or shared control over the other. Two or more parties are related when they are subject to common control or shared control. Related parties also include key management personnel and close family members.

In accordance with Canadian public sector accounting standards a *related party transaction* is defined as:

- A transfer of economic resources or obligations between related parties, or the provision of services by one party to a related party. These transfers are related party transactions whether or not there is an exchange of considerations or transactions have been given accounting recognition. The parties to the transaction are related prior to the transaction. When the relationship arises as a result of the transaction, the transaction is not one between related parties.

Appendix 3: Audit Quality and Risk Management

KPMG maintains a system of quality control designed to reflect our drive and determination to deliver independent, unbiased advice and opinions, and also meet the requirements of Canadian professional standards.

Quality control is fundamental to our business and is the responsibility of every partner and employee. The following diagram summarizes the six key elements of our quality control system.

Visit our Audit Quality Resources page for more information including access to our Audit Quality Report.

Other controls include:

- Before the firm issues its audit report, the Engagement Quality Control Reviewer reviews the appropriateness of key elements of publicly listed client audits
- Technical department and specialist resources provide real-time support to audit teams in the field

We conduct regular reviews of engagements and partners. Review teams are independent and the work of every audit partner is reviewed at least once every three years.

We have policies and guidance to ensure that work performed by engagement personnel meets applicable professional standards, regulatory requirements and the firm's standards of quality.

- All KPMG partners and staff are required to act with integrity and objectivity and comply with applicable laws, regulations and professional standards at all times.

We do not offer services that would impair our independence.

The processes we employ to help retain and develop people include:

- Assignment based on skills and experience
- Rotation of partners
- Performance evaluation
- Development and training
- Appropriate supervision and coaching

We have policies and procedures for deciding whether to accept or continue a client relationship or to perform a specific engagement for that client.

Existing audit relationships are reviewed annually and evaluated to identify instances where we should discontinue our professional association with the client.

Appendix 4: Cyber in the External Audit

Cyber Security

Services for External Audit

2019

As your External Auditors, we are able to leverage our insight and knowledge of your business, to provide you with access to a selection of our award winning Cyber Security Services.

What Forrester Research says about KPMG's Cyber Security services?

> *"KPMG has the clearest, most direct vision. KPMG asserts its desire to help CISOs and boards of directors come together on information security as a business issue, not an IT issue. The company's go-to-market approach leads with vertical expertise, while it is also applying investments across global member firms in areas like data analytics to cyber security engagements."*

In these days of incidents and breaches regularly making news headlines, Cyber Security, and the steps you take to protect your data and systems, can have a huge impact on your organization. How you then respond, if or when you do have an incident, is also key. How prepared do you think your organization is?

What's on your mind?

Our discussions with our external audit clients tell us some of the most common questions they ask in relation to Cyber Security are:

- **Are we doing enough** to protect ourselves and reduce our Cyber risk to an acceptable level?
- **Are our systems secure enough?**
- **How do we compare** to the rest of our industry, in terms of our investment in Cyber Security and our level of protection?
- **How can we demonstrate to our customers,** clients, and other stakeholders that we take security seriously?
- **We have a limited budget**, how we can be sure we are investing in the right areas to reduce our risks?
- **How would we respond** if we had a serious incident that impacted our ability to do business or serve our customers?

How we can help turn risk to advantage?

Our permissible[1] Cyber Security services for External Audit clients can help you to answer the concerns listed above. These include:

Independent Cyber Security Reviews and Certification Audits

A formal certification is a key way to demonstrate to your customers or clients that you are taking security seriously. Going through the process can also drive improvements in security across your organization, by embedding processes and policies, and raising overall awareness.

We are able to perform formal Certification Audits to international standards such as the Information Security Management System standard (ISO27001) and Business Continuity Management (ISO22301). We can also perform Privacy by Design assessments which enable you to show that privacy is embedded into your organization and processes.

[1] The scope of our services may be subject to certain limitations in order to maintain our independence as your external auditors; as such, permissibility shall be ultimately evaluated based on the relevant facts and circumstances on a case-by-case basis.

Cyber Maturity Assessment (CMA)

Our CMA service helps you to understand your key cyber risks and your cyber security position relative to industry standards, providing observations for how you can improve.

Potential benefits to you:

- Greater visibility into your Cyber risk landscape and organizational Cyber capabilities.
- A comparison of your relative position compared to your industry competitors, whether you are behind, ahead or within 'the pack'.

Source: KPMG in Canada

Business Resilience Reviews

If you need to test or demonstrate resilience in the face of Cyber attacks, data breaches, unplanned IT or telecom outages, loss of talent/skills, adverse environmental conditions, and other challenges. KPMG can deliver tabletop scenario tests of DR, crisis response and Business Continuity to audit clients.

This will help to increase your understanding of what matters most to the business and how prepared you are to protect it.

It will identify resiliency risks and recommended actions to become more resilient.

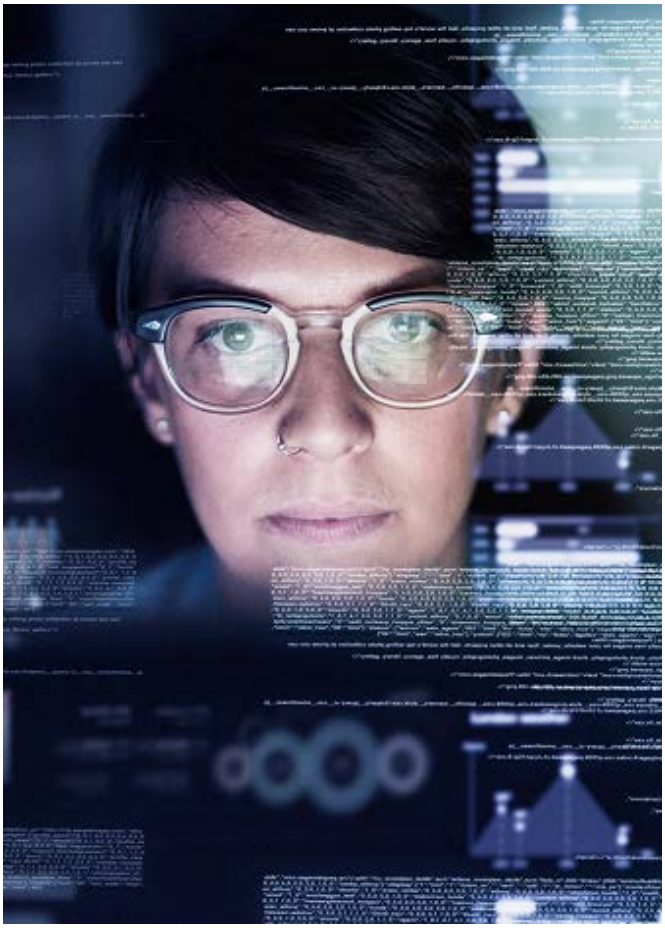
RedTeaming and Ethical Hacking Services

This service provides the opportunity to 'simulate an attack' on your systems. We are then able to identify potential weaknesses so you can better understand the effectiveness of your monitoring and detection capabilities, and then take steps to improve your defences.

Incident Response Assessments and Simulations

If you have concerns over your ability to react to an incident, which could impact how you are able to recover data, or investigate potential breaches and deal with negative publicity. We can provide an in-depth review of your readiness against a cyber-attack and the potential consequences.

We can also help with Cyber incident response tabletop exercises, to validate how you are able to execute your response plans.



Contact us

If any of these potential issues and our services resonate with you, don't hesitate to contact your KPMG External Audit contact or our Regions East Cyber Security leaders below:

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kpmg.ca/audit

MIDDLESEX-LONDON HEALTH UNIT

REPORT NO. 020-19FFC

TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health / CEO

DATE: 2019 June 6

2018 REVISED BUDGET – MINISTRY OF HEALTH AND LONG-TERM CARE (MOHLTC) APPROVED GRANTS

Recommendation

It is recommended that the Board of Health receive Report No. 020-19FFC re: "2018 Revised Budget – MOHLTC-Approved Grants" for information.

Key Points

- On May 7, 2018, the Health Unit received the provincial grant approvals for 2018, which included a 3% increase to base funding totaling $484,000, and approval for two one-time funding grants totaling $40,000. This was outlined in Report No. 027-18FFC.
- The Health Unit was subsequently invited to apply for one-time funds, along with submission of the Q3 2018 Standards Activity Reports (SAR).
- The Health Unit was advised on May 8, 2019, that an additional $97,700 of one-time funds will be provided to support cannabis enforcement and vision screening requirements.

Background

A letter from Christine Elliott, Deputy Premier and Minister of Health and Long-Term Care, is attached as Appendix A. This letter confirms that the Ministry of Health and Long-Term Care (MOHLTC) will provide the Board of Health with up to $97,700 in one-time funding for the 2018–19 funding year. The new schedules to the Public Health Funding and Accountability Agreement are set out as Appendix B. Maximum total funding available under the Agreement is $21,419,500 as set out in the following table:

Table 1 - Summary of Board of Health Approved Budget

	2018 Budget
Base funds - cost shared	$ 16,615,200
Base funds - 100%	4,180,700
Base funds - related programs - cost shared	485,900
One-time funds - previously approved	40,000
One-time funds - funding increase	97,700
Revised Base Funds	**$ 21,419,500**

One-Time Funding

Approval was previously received for two grants totaling $40,000, including $10,000 for Public Health Inspector Practicum Program Funding and $30,000 for Healthy Menu Choice Act Enforcement.

As part of the Q3 2018 Standards Activity Reports, the Health Unit took advantage of an opportunity to apply for one-time funds. Funding for these requests, including $24,400 for vision screening tools and $73,300 for cannabis enforcement, was approved on March 29, 2019. The Health Unit was advised of the approved funding on May 8, 2019. The funding was intended for the period April 1, 2018, to March 31, 2019.

Spending for cannabis enforcement in the first quarter of 2019 was sufficient to fully offset the $73,300 of funds granted. However, as the Middlesex-London Health Unit was uncertain as to whether funding for vision screening tools would be granted, no spending occurred prior to March 31, 2019 due to lack of funds available. The Ministry has confirmed that if the funds were not expended prior to March 31, 2019, they must be returned to the Ministry of Finance which will be dealt with through the 2018 settlement process.

This report was prepared by the Finance Team, Healthy Organization Division.

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

Ministry of Health and Long-Term Care

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MAR 2 9 2019

Ms. Joanne Vanderheyden
Chair, Board of Health
Middlesex-London Health Unit
52 Frank Street
Strathroy ON N7G 2R4

Dear Ms. Vanderheyden:

I am pleased to advise you that the Ministry of Health and Long-Term Care will provide the Board of Health for the Middlesex-London Health Unit up to $97,700 in additional one-time funding for the 2018-19 funding year to support cannabis enforcement and vision screening requirements.

Dr. David Williams, Chief Medical Officer of Health, will write to the Middlesex-London Health Unit shortly concerning the terms and conditions governing this funding.

Thank you for your dedication and commitment to public health in this province.

Sincerely,

Christine Elliott

Christine Elliott
Deputy Premier and Minister of Health and Long-Term Care

c: Dr. Christopher Mackie, Medical Officer of Health, Middlesex-London Health Unit

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Ministry of Health and Long-Term Care

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MAR 2 9 2019

Dr. Christopher Mackie
Medical Officer of Health
Middlesex-London Health Unit
50 King Street
London ON N6A 5L7

Dear Dr. Mackie:

Re: Ministry of Health and Long-Term Care Public Health Funding and Accountability Agreement with the Board of Health for the Middlesex-London Health Unit (the "Board of Health") dated January 1, 2014, as amended (the "Agreement")

This letter is further to the recent letter from the Honourable Christine Elliott, Deputy Premier and Minister of Health and Long-Term Care, in which she informed your organization that the Ministry of Health and Long-Term Care (the "ministry") will provide the Board of Health up to $97,700 in additional one-time funding for the 2018-19 funding year to support cannabis enforcement and vision screening requirements. This will bring the total maximum funding available under the Agreement for the 2018-19 Funding Year up to $21,419,500.

I am, therefore, pleased to provide you with a new Schedule "A" (Grants and Budget) and Schedule "B" (Related Program Policies and Guidelines) that, pursuant to section 3.4 of the Agreement, shall replace the existing Schedule "A" (Grants and Budget) and Schedule "B" (Related Program Policies and Guidelines). All terms and conditions contained in the Agreement remain in full force and effect.

We appreciate your cooperation with the ministry in managing your funding as effectively as possible. You are expected to adhere to our reporting requirements, particularly for in-year service and financial reporting, which is expected to be timely and accurate. Based on our monitoring and assessment of your in-year service and financial reporting, your cash flow may be adjusted appropriately to match actual services provided.

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Dr. Christopher Mackie

It is also essential that you manage costs within your approved budget.

Please review the new schedules carefully. Should you require any further information or clarification, please contact Elizabeth Walker, Director, Accountability and Liaison Branch, Office of Chief Medical Officer of Health, Public Health, at 416-212-6359 or by e-mail at Elizabeth.Walker@ontario.ca.

Yours truly,

David C. Williams, MD, MHSc, FRCPC
Chief Medical Officer of Health

Enclosure

c: Laura Di Cesare, Director of Corporate Services, Middlesex-London Health Unit
Brian Glasspoole, Manager, Finance, Middlesex-London Health Unit
Jim Yuill, Director, Financial Management Branch, MOHLTC
Teresa Buchanan, Director (A), Fiscal Oversight & Performance Branch, MOHLTC

New Schedules to the Public Health Funding and Accountability Agreement

BETWEEN THE PROVINCE AND THE BOARD OF HEALTH

(BOARD OF HEALTH FOR THE MIDDLESEX-LONDON HEALTH UNIT)

EFFECTIVE AS OF THE 1ST DAY OF JANUARY, 2018

SCHEDULE "A"
GRANTS AND BUDGET

Board of Health for the Middlesex-London Health Unit

GRANTS		
Funding Type	**Amount ($)**	**Funding Period**
Maximum Base Funds - Mandatory Programs (Cost-Shared)[1]	16,615,200	For each Board of Health Funding Year from the Effective Date until the Maximum Base Funds change, or the Agreement is terminated.
Maximum Base Funds - Related Programs (100%)[1]	4,180,700	For each Board of Health Funding Year from the Effective Date until the Maximum Base Funds change, or the Agreement is terminated.
Maximum Base Funds - Related Programs (Cost-Shared)[1]	485,900	For each Board of Health Funding Year from the Effective Date until the Maximum Base Funds change, or the Agreement is terminated.
Maximum One-Time Funds (100%)	137,700	For the Ministry Funding Year from April 1, 2018 to March 31, 2019, unless otherwise noted.
Maximum Total Funds for the Board of Health and Ministry Funding Years[2]	**21,419,500**	

NOTES:

(1) The Board of Health may be permitted to carry over maximum base funds from the end of the Board of Health funding year to the end of the Ministry funding year, upon written request from the Board of Health and subsequent written consent from the Province.

(2) Maximum base and one-time funding is flowed on a mid and end of month basis. Cash flow will be adjusted when the Province provides a new Schedule "A".

DETAILED BUDGET - MAXIMUM BASE FUNDS (FOR THE PERIOD OF JANUARY 1, 2018 TO DECEMBER 31, 2018, UNLESS OTHERWISE NOTED)					
Programs/Sources of Funding[1]			**2017 Approved Allocation ($)**	**Increase / (Decrease) ($)**	**2018 Approved Allocation ($)**
Mandatory Programs (Cost-Shared)			16,131,200	484,000	16,615,200
Chief Nursing Officer Initiative (100%)	# of FTEs	1.00	121,500	-	121,500
Electronic Cigarettes Act : Protection and Enforcement (100%)			39,500	-	39,500
Enhanced Food Safety - Haines Initiative (100%)			80,000	-	80,000
Enhanced Safe Water Initiative (100%)			35,700	-	35,700
Harm Reduction Program Enhancement (100%)			250,000	-	250,000
Healthy Smiles Ontario Program (100%)			692,700	-	692,700
Infection Prevention and Control Nurses Initiative (100%)	# of FTEs	1.00	90,100	-	90,100
Infectious Diseases Control Initiative (100%)	# of FTEs	10.50	1,166,800	-	1,166,800
MOH / AMOH Compensation Initiative (100%)[2]			114,000	-	114,000
Needle Exchange Program Initiative (100%)			400,600	-	400,600
Small Drinking Water Systems Program (Cost-Shared)			23,900	-	23,900
Smoke-Free Ontario Strategy: Prosecution (100%)			25,300	-	25,300
Smoke-Free Ontario Strategy: Protection and Enforcement (100%)			367,500	-	367,500
Smoke-Free Ontario Strategy: Tobacco Control Area Network - Coordination (100%)			285,800	-	285,800
Smoke-Free Ontario Strategy: Tobacco Control Area Network - Prevention (100%)			150,700	-	150,700
Smoke-Free Ontario Strategy: Tobacco Control Coordination (100%)			100,000	-	100,000
Smoke-Free Ontario Strategy: Youth Tobacco Use Prevention (100%)			80,000	-	80,000
Social Determinants of Health Nurses Initiative (100%)	# of FTEs	2.00	180,500	-	180,500
Vector-Borne Diseases Program (Cost-Shared)			462,000	-	462,000
Total Maximum Base Funds			**20,797,800**	**484,000**	**21,281,800**

SCHEDULE "A"
GRANTS AND BUDGET

Board of Health for the Middlesex-London Health Unit

DETAILED BUDGET - MAXIMUM ONE-TIME FUNDS (FOR THE PERIOD OF APRIL 1, 2018 TO MARCH 31, 2019, UNLESS OTHERWISE NOTED)	
Projects / Initiatives	**2018-19 Approved Allocation ($)**
Healthy Growth/School Health: Vision Screening Tools (100%)	24,400
Healthy Menu Choices Act, 2015 - Enforcement (100%)	30,000
Public Health Inspector Practicum Program (100%)	10,000
Smoke-Free Ontario Strategy: Cannabis Enforcement (100%)	73,300
Total Maximum One-Time Funds	**137,700**

(1) The Board of Health may be permitted to move approved funding from one funding source to another, upon written consent from the Province.
(2) Cash flow will be adjusted to reflect the actual status of current MOH and AMOH positions.

SCHEDULE "B"

RELATED PROGRAM POLICIES AND GUIDELINES

Type of Funding	***Base***
Source	***Public Health***

Chief Nursing Officer Initiative (100%)

Under the Organizational Requirements of the Ontario Public Health Standards, the Board of Health is required to designate a Chief Nursing Officer. The Chief Nursing Officer role must be implemented at a management level within the Board of Health reporting directly to the Medical Officer of Health (MOH) or Chief Executive Officer, preferably at a senior management level, and in that context will contribute to organizational effectiveness. Should the role not be implemented at the senior management level as per the recommendations of the 'Public Health Chief Nursing Officer Report (2011)', the Chief Nursing Officer should nonetheless participate in senior management meetings in the Chief Nursing Officer role as per the intent of the recommendation.

The presence of a Chief Nursing Officer in the Board of Health will 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.

Furthermore, the Chief Nursing Officer articulates, models, and promotes a vision of excellence in public health nursing practice, which facilitates evidence-based services and quality health outcomes in the public health context.

The following qualifications are required for designation as a Chief Nursing Officer:

- Registered Nurse in good standing with the College of Nurses of Ontario;
- Baccalaureate degree in nursing;
- Graduate degree in nursing, community health, public health, health promotion, health administration or other relevant equivalent OR be committed to obtaining such qualification within three (3) years of designation;
- Minimum of 10 years nursing experience with progressive leadership responsibilities, including a significant level of experience in public health; and,
- Member of appropriate professional organizations (e.g., Registered Nurses' Association of Ontario, Association of Nursing Directors and Supervisors in Official Health Agencies in Ontario-Public Health Nursing Management, etc.).

Type of Funding	***Base***
Source	***Public Health***

Base funding for this initiative must be used for Chief Nursing Officer related activities (described above) of up to or greater than 1.0 Full-Time Equivalent (FTE). These activities may be undertaken by the designated Chief Nursing Officer and/or a nursing practice lead. Base funding is for nursing salaries and benefits only and cannot be used to support operating or education costs.

Electronic Cigarettes Act – Protection and Enforcement (100%)

The government has a plan, Patients First: Ontario's Action Plan for Health Care (February 2015), for Ontario that supports people and patients – providing the education, information and transparency they need to make the right decisions about their health. The plan encourages the people of Ontario to take charge and improve their health by making healthier choices, and living a healthy lifestyle by preventing chronic diseases and reducing tobacco use. Part of this plan includes taking a precautionary approach to protect children and youth by regulating electronic cigarettes (e-cigarettes) through the *Electronic Cigarettes Act, 2015*.

Base funding for this initiative must be used for implementation of the *Electronic Cigarettes Act, 2015* and enforcement activities, including prosecution. Any prosecution costs must be identified through the reporting templates provided by the ministry.

The Board of Health must comply and adhere to the *Electronic Cigarettes Act*: Public Health Unit Guidelines and Directives: Enforcement of the *Electronic Cigarettes Ac*t.

<u>Communications and Issues Management Protocol</u>

1. The Board of Health shall:
   a. Act as the media focus for the Project;
   b. Respond to public inquiries, complaints and concerns with respect to the Project;
   c. Report any potential or foreseeable issues to the CMD of the Ministry of Health and Long-Term Care;
   d. Prior to issuing any news release or other planned communications, notify the CMD as follows:
      i. News Releases – identify five (5) business days prior to release and provide materials 2 business days prior to release;
      ii. Web Designs – 10 business days prior to launch;
      iii. New Marketing Communications Materials (including, but not limited to, print materials such as pamphlets and posters) – 10 business days prior to production and 20 business days prior to release;
      iv. Public Relations Plan for Project – 15 business days prior to launch;

Type of Funding	***Base***
Source	***Public Health***

v. Digital Marketing Strategy – 10 business days prior to launch;
vi. Final advertising creative – 10 business days to final production; and,
vii. Recommended media buying plan – 15 business days prior to launch and any media expenditures have been undertaken.

e. Advise the CMD prior to embarking on planned public communication strategies, major provider outreach activities and the release of any publications related to the Project;
f. Ensure that any new products, and where possible, existing products related to the Project use the Ontario Logo or other Ontario identifier in compliance with the Visual Identity Directive, September 2006; and,
g. Despite the time frames set out above for specific types of communications, all public announcements and media communications related to urgent and/or emerging Project issues shall require the Board of Health to provide the CMD with notice of such announcement or communication as soon as possible prior to release.

2. Despite the Notice provision in Article 16 of the Agreement, the Board of Health shall provide any Notice required to be given under this Schedule to the following address:

Ministry of Health & Long-Term Care
Communications & Marketing Division
Strategic Planning and Integrated Marketing Branch
10th Floor, Hepburn Block, Toronto, ON M7A 1R3
Email: healthcommunications@ontario.ca

Enhanced Food Safety – Haines Initiative (100%)

The Enhanced Food Safety – Haines Initiative was established to augment the Board of Health's capacity to deliver the Food Safety Program as a result of the provincial government's response to Justice Haines' recommendations in his report "Farm to Fork: A Strategy for Meat Safety in Ontario".

Base funding for this initiative must be used for the sole purpose of implementing the Food Safety Program Standard under the Ontario Public Health Standards. Eligible expenses include such activities as: hiring staff, delivering additional food-handler training courses, providing public education materials, and program evaluation.

Funded projects/activities must be over and above the level of activities underway or planned based on existing mandatory programs base funding.

Type of Funding	***Base***
Source	***Public Health***

Enhanced Safe Water Initiative (100%)

Base funding for this initiative must be used for the sole purpose of increasing the Board of Health's capacity to meet the requirements of the Safe Water Program Standard under the Ontario Public Health Standards.

Funded projects/activities must be over and above the level of activities underway or planned based on existing mandatory programs base funding.

Harm Reduction Program Enhancement (100%)

The scope of work for the Harm Reduction Program Enhancement is divided into three components:

1. Local Opioid Response;
2. Naloxone Distribution and Training; and,
3. Opioid Overdose Early Warning and Surveillance.

<u>Local Opioid Response:</u>

Base funding for this program is intended to support the Board of Health in building sustainable community outreach and response capacity to address drug and opioid-related challenges in their communities. This includes working with a broad base of partners to ensure any local opioid response is coordinated, integrated, and that systems and structures are in place to adapt/enhance service models to meet evolving needs.

Local response plans, which can include harm reduction and education/prevention, initiatives, should contribute to increased access to programs and services, and improved health outcomes (i.e. decrease overdose and overdose deaths, emergency room visits, hospitalizations). With these goals in mind, the Board of Health is expected to:

- Conduct a population health/situational assessment
  - Identification of opioid-related community challenges and issues, which are informed by local data, community engagement, early warning systems, etc.
- Lead/support the development, implementation, and evaluation of a local overdose response plan (or drug strategy)
  - Any plan or initiative should be based on the needs identified (and/or gaps) in your local assessment.
  - This may include building community outreach and response capacity, enhanced harm reduction services and/or education/prevention programs and services.

Type of Funding	***Base***
Source	***Public Health***

- Engage stakeholders
  - Identify and leverage community partners to support the population health/situational assessment and implementation of local overdose response plans or initiatives. This should include First Nations, Métis and Inuit communities where appropriate.
- Adopt and ensure timely data entry into the Ontario Harm Reduction Database
  - Transition to the Ontario Harm Reduction Database and ensure timely collection and entry of minimum data set as per ministry direction (to be provided).

<u>Naloxone Kit Distribution and Training:</u>

Base funding for this program will establish the Board of Health (or their Designate) as a naloxone distribution lead/hub for eligible community organizations, as specified by the ministry, which will increase dissemination of kits to those most at risk of opioid overdose.
To achieve this, the Board of Health is expected to:

- Order naloxone
  - Ordering of naloxone kits as outlined by the ministry; this includes naloxone required by eligible community organizations distributing naloxone.
- Coordinate and supervise naloxone inventory
  - Includes managing supply, storage, maintaining inventory records, and distribution of naloxone to eligible community organizations.
  - Ensure community organizations distribute naloxone in accordance with eligibility criteria established by the ministry.
- With the exception of entities (organizations, individuals, etc.) as specified by the ministry:
  - Train community organization staff on naloxone administration
    - Includes the provision of training on how to administer naloxone in cases of opioid overdose, recognizing the signs of overdose and ways to reduce the risk of overdose. Board of Health staff would also instruct agency staff on how to provide training to end-users (people who use drugs, their friends and family).
  - Train community organization staff on naloxone eligibility criteria
    - Includes providing advice to agency staff on who is eligible to receive naloxone and the recommended quantity to dispense.
  - Support policy development at community organizations
    - Provide consultation on naloxone-related policy and procedures that are being developed or amended within the eligible community organizations.
  - Promote naloxone availability and engage in community organization outreach
    - Encourage eligible community organizations to acquire naloxone kits for distribution to their clients.

SCHEDULE "B"

RELATED PROGRAM POLICIES AND GUIDELINES

Type of Funding	***Base***
Source	***Public Health***

Use of NARCAN® Nasalspray

The Board of Health will be required to submit orders for Narcan to the ministry in order to implement the Harm Reduction Program Enhancement. By receiving Narcan, the Board of Health acknowledges and agrees that:

- Its use of the Narcan is entirely at its own risk. There is no representation, warranty, condition or other promise of any kind, express, implied, statutory or otherwise, given by her Majesty the Queen in Right of Ontario as represented by the Ministry of Health and Long-Term Care, including Ontario Government Pharmaceutical and Medical Supply Service (OGPMSS) in connection with the Narcan.
- The ministry takes no responsibility for any unauthorized use of the Narcan by the Board of Health or by its clients.
- The Board of Health also agrees:
  - To not assign or subcontract the distribution, supply or obligation to comply with any of these terms and conditions to any other person or organization without the prior written consent of the ministry.
  - To comply with the terms and conditions as it relates to the use and administration of Narcan as specified in all applicable federal and provincial laws.
  - To provide training to persons who will be administering Narcan. The training shall consist of the following:
    - Opioid overdose prevention;
    - Signs and symptoms of an opioid overdose; and
    - The necessary steps to respond to an opioid overdose, including the proper and effective administration of Narcan.
  - To follow all ministry written instructions relating to the proper use, administration, training and/or distribution of Narcan.
  - To immediately return any Narcan in its custody or control at the written request of the ministry at the Board of Health's own cost or expense.
  - That the ministry does not guarantee supply of Narcan, nor that Narcan will be provided to the Board of Health in a timely manner.

<u>Opioid Overdose Early Warning and Surveillance:</u>

Base funding for this program will support Boards of Health to take a leadership role in establishing systems to identify and track the risks posed by illicit synthetic opioids in their jurisdictions, including the sudden availability of illicit synthetic opioids and resulting opioid

Type of Funding	***Base***
Source	***Public Health***

overdoses. Risk based information about illicit synthetic opioids should be shared in an ongoing manner with community partners to inform their situational awareness and service planning. This includes:

- Surveillance systems should include a set of "real-time" qualitative and quantitative indicators and complementary information on local illicit synthetic opioid risk. Partners should include, but are not limited to: emergency departments, first responders (police, fire and ambulance) and harm reduction services.
- Early warning systems should include the communication mechanisms and structures required to share information in a timely manner among health system and community partners, including people who use drugs, about changes in the acute, local risk level, to inform action. They should also include reporting to the province through a mechanism currently under development.

Healthy Smiles Ontario Program (100%)

The Healthy Smiles Ontario (HSO) Program provides preventive, routine, and emergency and essential dental treatment for children and youth, from low-income families, who are 17 years of age or under.

HSO builds upon and links with existing public health dental infrastructure to provide access to dental services for eligible children and youth.

The HSO Program has the following three (3) streams (age of ≤ 17 years of age and Ontario residency are common eligibility requirements for all streams):

1. **Preventive Services Only Stream (HSO-PSO):**
   - Eligibility comprised of clinical need and attestation of financial hardship.
   - Eligibility assessment and enrolment undertaken by boards of health.
   - Clinical preventive service delivery in publicly-funded dental clinics and through fee-for-service providers in areas where publicly-funded dental clinics do not exist.

2. **Core Stream (HSO-Core):**
   - Eligibility correlates to the level at which a family/youth's Adjusted Net Family Income (AFNI) is at, or below, the level at which they are/would be eligible for 90% of the Ontario Child Benefit (OCB), OR family/youth is in receipt of benefits through Ontario Works, Ontario Disability Support Program, or Assistance for Children with Severe Disabilities Program.

Type of Funding	***Base***
Source	***Public Health***

- Eligibility assessment undertaken by the Ministry of Finance and Ministry of Community and Social Services; enrolment undertaken by the program administrator, with client support provided by boards of health as needed.
- Clinical service delivery takes place in publicly-funded dental clinics and through fee-for-service providers.

3. Emergency and Essential Services Stream (HSO-EESS):

- Eligibility comprised of clinical need and attestation of financial hardship.
- Eligibility assessment undertaken by boards of health and fee-for-service providers, with enrolment undertaken by the program administrator.
- Clinical service delivery takes place in publicly-funded dental clinics and through fee-for-service providers.

Base funding for this program must be used for the ongoing, day-to-day requirements associated with delivering services under the HSO Program to eligible children and youth in low-income families. It is within the purview of the Board of Health to allocate funding from the overall base funding amount across the program expense categories.

HSO Program expense categories include:

- Clinical service delivery costs, which are comprised of:
  - Salaries, wages, and benefits of full-time, part-time, or contracted staff that provide clinical dental services for HSO;
  - Salaries, wages, and benefits of full-time, part-time, or contracted staff that undertake the following ancillary/support activities for HSO: management of the clinic(s); financial and programmatic reporting for the clinic(s); and, general administration (i.e., receptionist) at the clinic(s); and,
  - Overhead costs associated with HSO clinical service delivery services such as: clinical materials and supplies; building occupancy costs; maintenance of clinic infrastructure; staff travel associated with portable and mobile clinics; staff training and professional development associated with clinical staff and ancillary/support staff, if applicable; office equipment, communication, and I & IT.
- Oral health navigation costs, which are comprised of:
  - Salaries, wages, and benefits of full-time, part-time, or contracted staff that are engaged in:
    - Client enrolment for all streams of the program;

Type of Funding	***Base***
Source	***Public Health***

- Promotion of the HSO Program (i.e., local level efforts at promoting and advertising the HSO Program to the target population);
- Referral to services (i.e., referring HSO clients to fee-for-service providers for service delivery where needed);
- Case management of HSO clients; and,
- Oral health promotion and education for HSO clients.

- Salaries, wages, and benefits of full-time, part-time, or contracted staff that undertake the following ancillary/support activities related to oral health navigation: management, financial and programmatic reporting, and general administration (if applicable).
- Overhead costs associated with oral health navigation such as: materials and supplies; building occupancy costs incurred for components of oral health navigation; staff travel associated with oral health navigation, where applicable; staff training and professional development associated with oral health navigation staff and ancillary/support staff, if applicable; office equipment, communication, and I & IT costs associated with oral health navigation.

The Board of Health is responsible for ensuring promotional/marketing activities have a direct and positive impact on meeting the objectives of the HSO Program.

The Board of Health is reminded that HSO promotional/marketing materials approved by the Province and developed provincially are available for use by the Board of Health in promoting the HSO Program.

The overarching HSO brand and provincial marketing materials were developed by the Province to promote consistency of messaging, and "look and feel" across the province. When promoting the HSO Program locally, the Board of Health is requested to align local promotional products with the provincial HSO brand. When the Board of Health uses the HSO brand, it is required to liaise with the ministry's Communications and Marketing Division (CMD) to ensure use of the brand aligns with provincial standards.

Operational expenses not covered within this program include: staff recruitment incentives, billing incentives, and client transportation. Other expenses not included within this program include other oral health activities required under the Ontario Public Health Standards, including the *Oral Health Protocol, 2018*.

Other requirements of the HSO Program include:

Type of Funding	***Base***
Source	***Public Health***

- The Board of Health is required to bill back relevant programs for services provided to non-HSO clients using HSO resources. All revenues collected under the HSO Program, including revenues collected for the provision of services to non-HSO clients such as Ontario Works adults, Ontario Disability Support Program adults, municipal clients, etc., with HSO resources must be reported as income in the Standards Activity Reports, Annual Reports, and Annual Service Plan and Budget Submission. Revenues must be used to offset expenditures of the HSO Program.
- For the purposes of reporting and monitoring for the HSO Program, the Board of Health must use the following provincial approved systems or mechanisms, or other as specified by the Province.
    - Aggregate screening, enrolment, and utilization data for any given month must be submitted by the 15th of the following month to the ministry in the ministry-issued template titled Dental Clinic Services Monthly Reporting Template.
    - Client-specific clinical data must be recorded in either dental management software (e.g., ClearDent, AbelDent, etc.) or in the template titled HSO Clinic Treatment Workbook that has been issued by the ministry for the purposes of recording such data.
- The Board of Health must enter into Service Level Agreements with any partner organization (e.g., Community Health Centre, Aboriginal Health Access Centre, etc.) delivering services as part of the HSO Program. The Service Level Agreement must set out clear performance expectations, clearly state funding and reporting requirements between the Board of Health and local partner, and ensure accountability for public funds.
- Any significant change to previously approved HSO business models, including changes to plans, partnerships, or processes, must be approved by the Province before being implemented.
- Any contract or subcontract entered into by the Board of Health for the purposes of implementing the HSO Program must be conducted according to relevant municipal procurement guidelines.
- The Board of Health is responsible for ensuring value-for-money and accountability for public funds.
- The Board of Health must ensure that funds are used to meet the objectives of the HSO Program with a priority to deliver clinical dental services to HSO clients.

Infection Prevention and Control Nurses Initiative (100%)

The Infection Prevention and Control Nurses Initiative was established to support additional FTE infection prevention and control nursing services for every board of health in the province.

Type of Funding	***Base***
Source	***Public Health***

Base funding for this initiative must be used for nursing activities of up to or greater than one (1) FTE related to infection prevention and control activities. Base funding is for nursing salaries and benefits only and cannot be used to support operating or education costs.

Qualifications required for these positions are:

1. A nursing designation (Registered Nurse, Registered Practical Nurse, or Registered Nurse in the Extended Class); and,
2. Certification in Infection Control (CIC), or a commitment to obtaining CIC within three (3) years of beginning of employment.

Infectious Diseases Control Initiative (180 FTEs) (100%)

Base funding for this initiative must be used solely for the purpose of hiring infectious diseases control positions and supporting these staff (e.g., recruitment, salaries/benefits, accommodations, program management, supplies and equipment, other directly related costs) to monitor and control infectious diseases, and enhance the Board of Health's ability to handle and coordinate increased activities related to outbreak management, including providing support to other boards of health during infectious disease outbreaks. Positions eligible for base funding under this initiative include physicians, inspectors, nurses, epidemiologists, and support staff.

The Board of Health is required to remain within both the funding levels and the number of FTE positions approved by the Province.

Staff funded through this initiative are required to be available for redeployment when requested by the Province, to assist other boards of health with managing outbreaks and to increase the system's surge capacity.

MOH / AMOH Compensation Initiative (100%)

The Province committed to provide boards of health with 100% of the additional base funding required to fund eligible MOH and Associate Medical Officer of Health (AMOH) positions within salary ranges initially established as part of the 2008 Physician Services Agreement and continued under subsequent agreements.

Base funding must be used for costs associated with top-up for salaries and benefits, and for applicable stipends to eligible MOH and AMOH positions at the Board of Health and cannot be used to support other physicians or staffing costs. Base funding for this initiative continues to be separate from cost-shared base salaries and benefits.

Type of Funding	***Base***
Source	***Public Health***

The maximum base allocation approved for the Board of Health includes criteria for potential MOH and AMOH positions such as: additional salary and benefits for 1.0 FTE MOH position and 1.0 FTE or more AMOH positions where applicable, potential placement at the top of the MOH/AMOH Salary Grid, and inclusion of stipends. Some exceptions will apply to these criteria.

The maximum base allocation in Schedule A of the Agreement does not necessarily reflect the cash flow that the Board of Health will receive. Cash flow will continue to be adjusted regularly by the Province based on up-to-date application data and information provided by the Board of Health during a funding year. The Board of Health is required to notify the Province if there is any change in the eligible MOH and/or AMOH(s) base salary, benefits, FTE and/or position status as this may impact the eligibility amount for top-up.

There have been no changes to the MOH/AMOH Salary Grid under this initiative since June 1, 2015. Any future changes to the Salary Grid will be communicated to boards of health pending the status of negotiations related to a new Physician Services Agreement.

Needle Exchange Program Initiative (100%)

Base funding for this initiative must be used for the purchase of needles and syringes, and their associated disposal costs, for the Board of Health's Needle Exchange Program.

Small Drinking Water Systems Program (Cost-Shared)

Base funding for this program must be used for salaries, wages and benefits, accommodation costs, transportation and communication costs, and supplies and equipment 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 the small drinking water systems.

Smoke-Free Ontario Strategy (100%)

The government released a plan for Ontario in February 2015 that supports people and patients – providing the education, information and transparency they need to make the right decisions about their health. The plan encourages people of Ontario to take charge and improve their health by making healthier choices, and living a healthy lifestyle by preventing chronic diseases and reducing tobacco use.

SCHEDULE "B"

RELATED PROGRAM POLICIES AND GUIDELINES

Type of Funding	***Base***
Source	***Public Health***

The plan identifies the Smoke-Free Ontario Strategy as a priority for keeping Ontario healthy. It articulates Ontario's goal to have the lowest smoking rates in Canada.

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. These objectives are supported by crosscutting health promotion approaches, capacity building, collaboration, systemic monitoring and evaluation.

The Province provides funding to the Board of Health to implement tobacco control activities that are based in evidence and best practices, contributing to reductions in tobacco use rates.

Base funding for the Smoke-Free Ontario Strategy must be used in the planning and implementation of comprehensive tobacco control activities across prevention, cessation, prosecution, and protection and enforcement at the local and regional levels.

The Board of Health must comply and adhere to the Smoke-Free Ontario Strategy: Public Health Unit Tobacco Control Program Guidelines and the Directives: Enforcement of the *Smoke-Free Ontario Act*. Operational expenses not covered within this program include information and information technology equipment.

<u>Communications and Issues Management Protocol</u>

1. The Board of Health shall:
   a. Act as the media focus for the Project;
   b. Respond to public inquiries, complaints and concerns with respect to the Project;
   c. Report any potential or foreseeable issues to CMD of the Ministry of Health and Long-Term Care;
   d. Prior to issuing any news release or other planned communications, notify the CMD as follows:
      i. News Releases – identify five (5) business days prior to release and provide materials 2 business days prior to release;
      ii. Web Designs – 10 business days prior to launch;
      iii. New Marketing Communications Materials (including, but not limited to, print materials such as pamphlets and posters) – 10 business days prior to production and 20 business days prior to release;

Type of Funding	***Base***
Source	***Public Health***

iv. Public Relations Plan for Project – 15 business days prior to launch;
v. Digital Marketing Strategy – 10 business days prior to launch;
vi. Final advertising creative – 10 business days to final production; and,
vii. Recommended media buying plan – 15 business days prior to launch and any media expenditures have been undertaken.

e. Advise the CMD prior to embarking on planned public communication strategies, major provider outreach activities and the release of any publications related to the Project;
f. Ensure that any new products, and where possible, existing products related to the Project use the Ontario Logo or other Ontario identifier in compliance with the Visual Identity Directive, September 2006; and,
g. Despite the time frames set out above for specific types of communications, all public announcements and media communications related to urgent and/or emerging Project issues shall require the Board of Health to provide the CMD with notice of such announcement or communication as soon as possible prior to release.

2. Despite the Notice provision in Article 16 of the Agreement, the Board of Health shall provide any Notice required to be given under this Schedule to the following address:

Ministry of Health & Long-Term Care
Communications & Marketing Division
Strategic Planning and Integrated Marketing Branch
10th Floor, Hepburn Block, Toronto, ON M7A 1R3
Email: healthcommunications@ontario.ca

Social Determinants of Health Nurses Initiative (100%)

Base funding for this initiative must be used solely for the purpose of nursing activities of up to or greater than two (2) FTE public health nurses with specific knowledge and expertise in social determinants of health and health inequities issues, and to 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.

Base funding for this initiative is for public health nursing salaries and benefits only and cannot be used to support operating or education costs.

As these are public health nursing positions, required qualifications for these positions are:

1. To be a registered nurse; and,

Type of Funding	***Base***
Source	***Public Health***

2. To have or be committed to obtaining the qualifications of a public health nurse as specified in section 71(3) of the *Health Protection and Promotion Act* (HPPA) and section 6 of Ontario Regulation 566 under the HPPA.

Vector-Borne Diseases Program (Cost-Shared)

Base funding 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 diseases, which include, but are not limited to, West Nile virus and Lyme Disease.

Type of Funding	***One-Time***
Source	***Public Health***

Healthy Growth/School Health: Vision Screening Tools (100%)

One-time funding must be used to support extraordinary costs incurred related to the purchase of vision screening tools used in accordance with the *Child Visual Health and Vision Screening Protocol, 2018*. Eligible costs include the purchase of vision screening tools, including HOTV visual acuity chart with crowding bars, the Randot Preschool Stereotest, and Autorefractor.

Healthy Menu Choices Act, 2015 – Enforcement (100%)

Effective January 1, 2017, the *Healthy Menu Choices Act, 2015* (HMCA) and its accompanying regulation requires certain food service premises with 20 or more locations in Ontario to display calories on menus for standard food items. Specifically, the HMCA requires regulated food service premises to:

1. Display the number of calories for every standard food item that is listed or depicted on a menu, including menu boards, and display calories on labels or tags for standard food items that are put on display, and on signs for self-serve food and drink items; and,
2. Display contextual information to help educate customers about their daily caloric requirements.

Board of health inspectors designated under the HMCA are enforcing the legislation in accordance with the Menu Labelling Protocol, 2018 under the Ontario Public Health Standards.

One-time funding must be used for extraordinary costs incurred in enforcing the HMCA. Eligible costs include: salaries and wages associated with the enforcement of the HMCA, inclusive of overtime for existing staff, or hiring other employees (new temporary or casual staff); mileage costs for staff travelling within their region to conduct inspections and follow up on complaints; communication costs associated with printed educational material provided to providers/public; and, costs associated with the assumed role of Lead Boards of Health to streamline communication with head office and other boards of health.

Public Health Inspector Practicum Program (100%)

One-time funding must be used to hire the approved Public Health Inspector Practicum position(s). Eligible costs include student salaries, wages and benefits, transportation expenses associated with the practicum position, equipment, and educational expenses.

The Board of Health must comply with the requirements of the Canadian Institute of Public Health Inspectors (CIPHI) Board of Certification (BOC) for field training for a 12 week period;

Type of Funding	***One-Time***
Source	***Public Health***

and, ensure the availability of a qualified supervisor/mentor to oversee the practicum student's term.

Smoke-Free Ontario Strategy: Cannabis Enforcement (100%)

One-time funding must be used to support extraordinary costs incurred in enforcing the new cannabis requirements under the *Smoke-Free Ontario Act, 2017* that came into force on October 17, 2018. Eligible costs include: salary and wages for enforcement officers (inclusive of overtime for existing staff or hiring other employees), and/or mileage costs for travelling within their region to conduct inspections and follow-up on complaints.

Type of Funding	***Other***
Source	***Public Health***

Vaccine Programs

Funding on a per dose basis will be provided to the Board of Health for the administration of influenza, meningococcal, and human papillomavirus (HPV) vaccines.

In order to claim the vaccine administration fees, the Board of Health is required to submit, as part of the Standards Activity Reports or other reports as requested by the Province, the number of doses administered. Reimbursement by the Province will be made on a quarterly basis based on the information. The Board of Health is required to ensure that the vaccine information submitted on the Standards Activity Reports, or other reports requested by the Province, accurately reflects the vaccines administered and reported on the Vaccine Utilization database.

Influenza

The Province will continue to pay $5.00/dose for the administration of the influenza vaccine.

Meningococcal

The Province will continue to pay $8.50/dose for the administration of the meningococcal vaccine.

Human Papillomavirus (HPV)

The Province will continue to pay $8.50/dose for the administration of the HPV vaccine.

MIDDLESEX-LONDON HEALTH UNIT

REPORT NO. 021-19FFC

TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health / CEO

DATE: 2019 June 6

BY-LAW AND POLICY REVIEW

Recommendation

It is recommended that the Finance & Facilities Committee:

1) ***Receive Report No. 021-19FFC re: "By-law and Policy Review" for information; and***
2) ***Consider the governance by-laws and policies reviewed in this report, which relate to the financial operations of the Middlesex-London Health Unit, and refer them to the Governance Committee for final review prior to consideration by the Board of Health.***

Key Points

- The Board of Health is responsible for the Health Unit's governance by-laws and policies.
- MLHU policy requires that governance by-laws and policies be reviewed at least every two years; additional review and revision of governance by-laws and policies can be initiated at any time.
- The by-laws and policies brought forward to the Finance & Facilities Committee have been reviewed by staff and updated as necessary to ensure continuing compliance with applicable standards, legislation, and agreements.
- Once the Finance & Facilities Committee is satisfied with its review, the by-laws and policies will be forwarded to the Governance Committee for final review prior to consideration by the Board of Health.

Background

In 2016, the Board of Health approved a plan for developing and revising by-laws and policies based on a model that incorporates best practices from the Ontario Public Health Standards and advice obtained through legal counsel. For greater detail, refer to Report No. 018-16GC.

Policy Review

The following by-laws and policies, which have been prepared for review by the Finance & Facilities Committee in accordance with the two-year review cycle, may be found in Appendix A:

- G-410 Board Member Remuneration
- G-B20 By-law No. 2 – Banking and Finance
- G-B40 By-law No. 4 – Duties of the Auditor

G-410 Board Member Remuneration and G-420 Travel Reimbursement were consolidated into a single policy that addresses both remuneration and reimbursement of expenses. Therefore policy G-420 has been decommissioned.

G-B20 By-law No. 2 – Banking and Finance was updated to reflect changes to cash-management processes, including use of cheque imaging, electronic signatures, and updates to the Summary of Banking Resolution for changes to authorized signors.

G-B40 By-law No. 4 – Duties of the Auditor was updated to align with auditor requirements set out in the *Municipal Act*, s. 296. Where the board represents more than one municipality, only the auditor of the municipality that is responsible for the largest share of the expenses of the board in that year is required to audit the board. The current policy states that "the Auditor shall be the same Auditor as the City of London may from time to time appoint."

Next Steps

The Finance & Facilities Committee has the opportunity to review the appended revised by-laws and policies.

Once the Finance & Facilities Committee is satisfied with its review, the by-laws and policies will be forwarded to the Governance Committee for final review before being considered by the Board of Health.

This report was prepared by the Healthy Organization Division.

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

SUBJECT:	Board of Health Remuneration and Expenses	**POLICY NUMBER:**	**G-410**
SECTION:	Financial and Organizational Accountability	**PAGE:**	1 of 2

IMPLEMENTATION:	June 15, 2017	**APPROVAL:**	Board of Health
SPONSOR:	MOH / CEO	**SIGNATURE**:	
REVIEWED BY:	Finance and Facilities Committee	**DATE**:	June 15, 2017

PURPOSE

To ensure that Board of Health members receive appropriate remuneration for their activities and reimbursement of incurred expenses on behalf of the Board of Health.

POLICY

In accordance with the Health Protection and Promotion Act, s. 49, Board Members shall receive remuneration for each day on which they conduct business on behalf of the Board of Health. For the purposes of this policy, such business includes official meetings at which the member represents the Board and attendance at conferences but does not include ceremonial functions or special events. Board Members shall also be reimbursed for all reasonable expenses incurred.

PROCEDURE

1. Remuneration

1.1. Remuneration for Board of Health business is to be paid for each day on which any eligible Board Member attends a Board meeting, Board committee meeting, a meeting which the member attends on behalf of the Board of Health, or an approved convention or conference.

1.2. Rate of remuneration for Board of Health members who are eligible to receive remuneration are based on comparable rates passed by local municipalities and shall not exceed the limits established by s. 49(6) of the Health Protection and Promotion Act. The half-day per diem rate is reported and approved by the Board of Health on an annual basis.

1.3. Board Members shall receive only one fee per day, regardless of whether the member attends more than one official function in a day.

1.4. All community appointees shall receive this remuneration. Municipal appointees, other than the chair, who receive annual remuneration from their municipality shall not be eligible for additional remuneration from the Middlesex-London Health Unit (MLHU).

1.5. In circumstances in which the municipality does not provide annual remuneration to its councilors, MLHU shall provide remuneration for the municipal appointees, based on the days on which they are engaged in Board business.

1.6. Board Members eligible to receive remuneration shall complete and submit the Reimbursement for Monthly Activities form (Appendix A).

2. Expenses

2.1. Board of Health members shall complete and submit the Reimbursement for Monthly Activities form (Appendix A), with original receipts, for reimbursement of eligible expenses (see Appendix B for mileage rates and out-of-town travel).

APPENDICES

Appendix A – Reimbursement for Monthly Activities Form
Appendix B – Mileage and Out-of-Town Expenses

APPLICABLE LEGISLATION AND STANDARDS

Health Protection and Promotion Act, R.S.O. 1990, c. H.7

RELATED POLICIES

G-420 Board of Health Reimbursement and Travel

Appendix A
Policy G-410

Middlesex-London Board of Health

Reimbursement for Monthly Activities

Name of Board Member: _____

Please use a separate form for each month and include all activities for that month.
Only expenses claimed below are eligible for reimbursement.

1. REGULARLY SCHEDULED BOH MEETING

Date	Mileage (in kilometers)
	kms

Rate
0 - 5000 kms @ 51 cents
5000 kms and over @ 45 cents

2. BOARD CHAIR PREPARATION MEETING WITH MOH (*25% of regular meeting rate)

Date	Mileage (in kilometers)
	kms

3. OTHER ACTIVITIES (i.e. special meetings, summer meetings, teleconferences etc.)

Date	Name/Purpose of Meeting	Mileage (kms)	Parking	Phone	Accom'n	Other

4. FOR alPHa CONFERENCE ONLY *

	Attended		
	AM	**PM**	**Evening**
DAY 1			
DAY 2			
DAY 3			

Check if Applicable		
Additional day required for travel		
Hotel/transportation receipts attached		**$**
Mileage		kms

* Board members are remunerated for 3 rate payments per day of attendance: morning/afternoon/evening session

Financial Services Use Only

Vendor # ___ ___ ___ -- ___ ___ ___

Voucher #	Account	Amount
	70098-800-000	**$** .
	70098-800-000	**$** .
	70098-800-000	**$** .
	75098-800-000	**$** .
	78098-800-000	**$** .
	13600-800-000	**$** .
	78098-800-000	**$** .
	13600-800-000	**$** .
	Total:	**$** .

Board Member's Signature

Secretary-Treasurer's Signature

Financial Services Signature

Reimbursable Expenses

A. Mode of Transportation

The mode of transportation chosen – air, train, or car – should be that which enables the board member to attend to MLHU business with the least cost to MLHU, consistent with a minimal amount of interruption to regular business and personal schedules. Consideration should be made as to unproductive time away from the workplace.

For travel by air or train, basic economy/coach fares will be paid by MLHU. Any upgrades are the responsibility of the board member, except where upgraded travel is authorized in accordance with this policy.

Travel by Air

Board members may travel by air for trips that are beyond reasonable driving distance.

Every effort should be made to book travel well in advance to take advantage of discounted fares and to obtain the lowest fares compatible with necessary travel requirements. The cost of an additional night of accommodation may be incurred, and will be reimbursed, if it is required, in order to take advantage of a discount fare, provided that the cost of the extra accommodation is not greater than the savings realized from benefitting from the discounted fare.

Original boarding passes and ticket/e-ticket must be attached to the Reimbursement for Monthly Activities form (Appendix A) for each segment of travel.

Travel by Rail

When booking train travel, the VIA Rail promotion code (700603) shall be used in order to receive the corporate discount.

Board members will choose the most economical and direct form of transportation by train. Wherever possible, travel arrangements should be made in advance to ensure availability of economy class seats and at the best price. Business class may be authorized in exceptional circumstances if less expensive seats are not available.

Travel by Car

When a car is the most practical and economical way to travel, a personal vehicle can be used but mileage reimbursement will be the actual distance travelled or 250 km (round-trip), whichever is less, at the allowable rates. For travel distances greater than 250 km, a rental vehicle should be used. Consideration will be given to board members who require an accommodation.

Rental Vehicle

- The car rental company approved by MLHU is Enterprise and it should be used wherever possible to ensure the most favourable rates.
- Rental of compact or mid-sized vehicles is normally to be used. Consideration may be given for a car rental upgrade based on the number of passengers, weather conditions and other safety reasons. All luxury and sports car rentals are expressly prohibited.

- Rental cars must be refueled before returning to avoid extra charges, and the receipt for the gasoline purchase must be attached to the Reimbursement for Monthly Activities form (Appendix A), together with a copy of the rental agreement.

Personal Vehicle

- The owner of the vehicle must ensure that the vehicle is in safe working condition and is adequately insured.
- MLHU assumes no financial responsibility for personal vehicles being used for MLHU business other than paying the mileage rate. The mileage rate covers the cost of fuel, depreciation, maintenance, and insurance. When calculating the total kilometres of a trip that originates from the employee's home, the normal distance driven to MLHU should be excluded. A maximum of 250 km per out-of-town trip is allowed for reimbursement unless an accommodation prevents use of a rental vehicle.

B. Parking and Other Fees

Cost of parking a vehicle at a transportation terminal while on out-of-town business will be reimbursed, provided that the cost of the parking does not exceed the cost of ground transportation from departure point (home or place of business) to the transportation terminal.

Cost of parking in another city while on out-of-town business will also be reimbursed.

Highway and bridge tolls and ferry charges will be reimbursed with receipts attached.

Traffic and parking violations incurred while driving on MLHU business will not be reimbursed.

C. Hotel Accommodation

Government rates should be requested at the time of making the hotel reservation. Individuals may be reimbursed for the total cost (including taxes) of either a single or double room depending on individual circumstances. An overnight stay in association with a one-day meeting or business event out-of-town is justified only when the employee is required to leave home early to be on time for the event starting before 9:00 a.m.

While travelling on business related to MLHU, in situations where board members choose to stay overnight with friends or relatives instead of at a hotel, accommodation expenses will not be reimbursed, but appropriate meal allowances will still apply.

Hotel charges incurred because of failure to cancel a reservation on a timely basis will not be reimbursed.

D. Meals

A meal expense will be reimbursed when board members are re out-of-town over a normal meal period or have prior approval for the meal expense.

The maximum allowable amount that will be reimbursed for meals (inclusive of taxes and gratuities) is $10 for breakfast, $20 for lunch and $30 for dinner. Original receipts must be provided for all meal expenses. Expenses must be incurred during normal working hours, or on route to home. The approver is responsible for ensuring that submissions for meal allowances fall within the maximum allowable amounts.

It is understood that gratuities may be provided during meals to acknowledge good service received. The maximum allowable gratuity that MLHU will reimburse is 15% of the total after tax amount of the meal.

E. Alcohol

The cost of alcoholic beverages will not be reimbursed. In the event that alcohol is consumed during a meal or otherwise, board members are to ask the restaurant for a separate invoice/receipt for the alcohol so that there is clarity for the reimbursable food portion.

F. Combining Personal Travel

Board members are responsible for all additional and incremental expenses incurred as a result of a spouse, partner, companion, or any other person, travelling with them. Expenses should be tracked very carefully to be able to clearly distinguish between the board member portion, and that which applies to the other person.

When personal travel is combined with business travel, only the business portion of the trip will be reimbursed. Expenses should be tracked very carefully to be able to clearly distinguish between the personal portion and the business portion.

G. Other Travel-Related Expenses

Business expenses, such as computer access charges, photocopying, word processing services, facsimile transmissions, internet connections, rental and transportation of necessary office equipment will be reimbursed provided the charges incurred are reasonable and related to MLHU business.

Additionally, board members will be reimbursed for taxicab fares, airport limousines and buses (or equivalents, e.g. subway) for transportation between the individual's home/workplace and the designated transportation terminal. While out-of-town, transportation to/from the transportation terminal and the hotel, and transportation within the destination city, will also be reimbursed. Staff should use public transit when available.

Recreational items (e.g. video rentals, mini-bars, special facilities charges, entertainment not directly related to MLHU business, etc.) will not be reimbursed.

H. Non-Reimbursable Expenses

In addition to other items mentioned above, which are not reimbursable, expenses of a personal nature will not be reimbursed. Such expenses include, but are not limited to:

- Expenses resulting from unlawful conduct,
- Damage to personal vehicle as a result of a collision,
- Personal items not required to conduct MLHU business,
- Memberships to reward programs or clubs (e.g., airline clubs),
- Personal credit card fees and/or late payment charges.

MIDDLESEX-LONDON HEALTH UNIT

Board of Health: **By-law No. 2**

Pursuant to Section 56(1)(b) of the *Health Protection and Promotion Act*, R.S.O. 1990(as amended), chapter H.7, the Board of Health for the Middlesex-London Health Unit enacts By-law No. 2 to provide for **banking and finance.**

1. In this by-law:

   (a) "Act" means the *Health Protection and Promotion Act*, R.S.O. 1990, as amended, Chapter H.7;

   (b) "Board" means the Board of Health for the Middlesex-London Health Unit.

   (c) “Bank” means a financial institution including registered chartered bank, trust company or credit union.

2. The Board through the Medical Officer of Health / Chief Executive Officer will enter into an agreement with a bank which will provide the following services:

   (a) a chequing and / or savings account(s) for the Board;

   (b) provision for scanned images of cancelled cheques on demand on a monthly basis, together with a statement showing all debits and credits to facilitate timely account reconciliation;

   (c) payment of interest at a rate to be negotiated between the Board and the bank for all balances temporarily held in such account(s); and

   (d) provide advice and other banking services as required by the Board.

3. The Board will maintain a formal list of names, titles, and signatures of those individuals who have signing authority.

4. Formal procedures are in place to ensure that each issued cheque contains two electronic signatures, comprising one Board Member and the Medical Officer of Health / Chief Executive Officer. These signatures shall be kept and held in custody with the Manager, Finance.

5. Notwithstanding item 4 of this by-law, cheque signing shall be restricted to the Chair of the Board of Health, Medical Officer of Health / Chief Executive Officer, Associate Medical Officer of Health, and Manager, Finance, any two of whom may sign cheques in the absence of the Chair and/or Medical Officer of Health / Chief Executive Officer. Additional details pertaining to approval and signing authority are outlined in the current Summary of Banking Resolution maintained by the bank.

6. The Medical Officer of Health / Chief Executive Officer is hereby authorized on behalf of the Board to:

   (a) deposit to the bank (but only for the credit of the Board) all or any cheques, Electronic Fund Transfers (EFT) or wire payments;

   (b) sign the Banking Resolution maintained with the bank and ensure that it is kept current;

   (c) invest excess or surplus funds in interest-bearing accounts or short-term deposits.

7. The Secretary-Treasurer of the Board, shall prepare and control the Annual Budget under the jurisdiction of the Board for submission to the Board, and perform additional responsibilities pertaining to the Annual Budget as outlined in Policy G-030 MOH / CEO Position Description, as amended, from time to time.

8. The Board of Health is a corporation without share capital.

First Reading – June 20, 2019
Second Reading – June 20, 2019
Third Reading – June 20, 2019

This By-law is to be in force and effect and to remain in force and effect until otherwise amended by enactment by the Board.

Executed in London, in the Province of Ontario, on this June 20, 2019.

Reviewed by:	Finance and Facilities Committee	
Approved by:	Board of Health	
Date:	June 20 8, 2019	
Signature:	Ms. Trish Fulton Chair, Board of Health	Dr. Christopher Mackie Secretary-Treasurer

MIDDLESEX-LONDON HEALTH UNIT

Board of Health: **By-law No. 4**

Pursuant to Section 56(1)(d) of the Health Protection and Promotion Act, R.S.O. 1990, c. H.7, the Board of Health for the Middlesex-London Health Unit enacts By-law No. 4 to provide for the **duties of the Auditor** of the Board of Health, namely:

1. (a) The Board shall appoint an auditor who shall not be a member of the Board and shall be licensed under the Public Accounting Act, 2004, S.O. 2004, c. 8.

   (b) In accordance with the Municipal Act, s. 296, where the board represents more than one municipality, only the auditor of the municipality that is responsible for the largest share of the expenses of the board in the year is required to audit the board in that year.

2. The Auditor shall:

   (a) audit the accounts and transactions of the Board of Health;

   (b) perform such duties as are prescribed by the Ministry of Municipal Affairs and Housing, Ministry of Health and Long-Term Care, and the Ministry of Children, Community and Social Services with respect to local Boards under the Municipal Act, S.O. 2001, c. 25 and the Municipal Affairs Act, R.S.O. 1990, c. M. 46 and Health Protection and Promotion Act, R.S.O. 1990, c. H.7

   (c) perform such other duties as may be required by the Board that do not conflict with the duties prescribed by the aforementioned Ministries as set out in clause (b) of this by-law; and

   (d) have a right of access at all reasonable hours to all books, records, documents, accounts and vouchers of the Board and is entitled to require from the members of the Board and from the Officers of the Board such information and explanation as in their opinion may be necessary to enable him/her to carry out such duties as are prescribed by the Ministry of Municipal Affairs and Housing and under the Health Protection and Promotion Act.

First Reading – June 20, 2019
Second Reading – June 20, 2019
Third Reading – June 20, 2019

This By-law is to be in force and effect and to remain in force and effect until otherwise amended by enactment by the Board.

Executed in London, in the Province of Ontario, on this June 20, 2019.

Reviewed by:	Finance and Facilities Committee
Approved by:	Board of Health

Date:	June 20, 2019	
Signature:	Ms. Trish Fulton Chair, Board of Health	Dr. Christopher Mackie Secretary-Treasurer

MIDDLESEX-LONDON HEALTH UNIT

REPORT NO. 022-19FFC

TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health / CEO

DATE: 2019 June 6

CONTRACT AWARD – MEDICAL SUPPLIES

Recommendation

It is recommended that the Finance & Facilities Committee receive Report No. 022-19FFC re: "Contract Award – Medical Supplies" for information.

Key Points

- A tender for the supply and delivery of medical clinic supplies was issued on March 14, 2019, on biddingo.com.
- A total of nine bids were received, eight of which were submitted prior to the closing date.
- Contracts associated with the tender process will be for a two-year term with the option to renew in the third year, and will commence June 1, 2019.
- The contract value is estimated to be $30,000 and represents a 3.82% increase over the previous contract.

Background

The previous quote was issued in 2016 for 96 items on the clinical supplies list. The contract was awarded to Cardinal Health Canada Inc. for a two-year term, with the option to renew for a third year. The Middlesex-London Health Unit currently engages up to six different vendors for the supply and delivery of medical clinic products, with only one vendor providing firm pricing for the contract period. The additional suppliers were required to supplement the initial supplies list.

2019 Request for Quote

On March 14, 2019, MLHU issued a request for quote for supply and delivery of medical clinic supplies on biddingo.com, an online bid publishing and bid document distribution portal. Nine submissions were received. Eight completed bids were received prior to the closing date and time; one submission was non-compliant. Vendor bids were reviewed by Procurement staff to determine if the submissions were compliant with the terms and conditions of the bid document and were analyzed to calculate product cost, cost savings, and value-added services.

Product samples were requested for several items, which were evaluated by the clinical teams. These evaluations were taken into consideration for the award of specific supplies.

Conclusion

Per the results of the quote process, it is recommended that three contracts be awarded for the supply and delivery of medical clinic supplies. Based on cost and product evaluation, it is recommended that the contract be awarded to the following companies for a period of two years with an option to renew for one additional year:

1) Medical Mart Supplies (62%)
2) Cardinal Health Canada Inc. (25%)
3) The Stevens Company Ltd. (13%)

The new contract represents a cost increase of 3.82% over the last year of the previous contract, and is based on a partial products match for the vendor with most usage in 2018 (Cardinal Health Canada Inc.). More specifically, of the 52 items on the 2016 quote, 24 remain currently required. This change in product mix is related mainly to discontinuation of certain materials. A breakdown of items awarded to each vendor is attached in Appendix A.

This report was prepared by the Procurement & Operations Team, Healthy Organization Division.

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

Appendix A - Supply and Delivery of Medical Clinic Supplies	
Medical Mart Supplies (62%)	
	Tongue Depressor, Adult (500/bx)
	Alcohol Prep Pads, Medium, Webcol (200/bx)
320-NON25600	BANDAGE PLASTIC ADHESIVE STRIP 1″ X 3″ STERILE, case of 12 Boxes
Alliance 21 i-CTBM	Cotton Ball, Medpro 100% Medium, (2000/bag)
	Gauze sponges, non-sterile, 8 ply, 2” x 2” (200/pkg)
	Gauze sponges, non-sterile, 8 ply, 4” x 4” (200/pkg)
	Epi Pen auto injector junior
	Epi Pen auto injector adult
832-61048722	Betadine – 0%, 540ml
	BD Vacutainer Eclipse Blood Collection Needles - BD368607 - 21g x 1.25” (48/bx)
	BD Vacutainer Eclipse Blood Collection Needles – BD368608 - 22g x 1.25” (48/bx)
	BD Vacutainer collection kit, BD#367292 - 23g x ¾” – 7” tubing (48/bx)
	Tourniquet, blue, latex free (20 bx/ca)
	BD Vacutainer, single use, non-stackable - #BD364815 (1,000/cs)
	Facial Tissue, Kleenex, 2 ply, 100’s, 7.5” x 8”, (36 bx/cs)
	Towels, Paper, 2 ply, 84 Sheets per Roll 30 Rolls/Case
	BD Eclipse Safety, 25g x 1-1/2” BD #305767, (100/bx)
	Sharps collector – 5.1 L nestable (20/cs)
	Sharps collector – 7.6 L
	Sterilization Pouch 2.25” x 4” Box/200
	Sterilization Pouch 3.5” x 9” Box/200
	Sterilization Pouch 10.5” x 17” Box/100
320-MPP100550GS	Sterilizing pouches 5” x 15” /box of 200
	Sterilization Pouch 3.5” x 5.25” box/200
320-GEM212O	Sterilization wrap, 20” x 20” Gemini Case/500
	Vaginal Specula – Small disposable, (100/bx)
	Vaginal Specula - med disposable (24/bx)
	Glove – Nitrile Exam – XSML (100/bx)
	Gloves - Nitrile gloves powder free large
	Gloves - Nitrile gloves powder free medium
	Gloves - Nitrile gloves powder free small
	Cavi Wipes Disinfectant Towelette X-Large Container/66 Wipes

Cardinal Health Canada Inc. (25%)	
30181-022B	Drape Sheet, Large, 2 ply, 40” x 48”, white, 100/cs)
CHCS18225	Table paper, smooth, 18” x 225ft. (12/cs)
018-475	Proctology Swab-018-475
KF3860	Benadryl Elixir – 100 ml
KF3823	Benadryl Tablets – (12/pkg)
SM-S	Lubricant milk surgical, 2L concentrate rust inhibitor
MET11-1100	Disinfectant Wipes, Caviwipes, 160 wipe canister
6048722	Soap – Bactistat Antimicrobial 540 ml (12/cs)
WA-04200	Welch Allyn 35 watt halogen lamp WA04200
T40319LF	Maxitest Steam Biol Indicators 25/Bx
MM002-0396-05	Speed-Clean 16oz AClave Bt
WA-04200	Halogen Bulb, #WA-04200
EPP47DL5	Cups – 142 ml patient cups 1000EA/CA
The Stevens Company Ltd. (13%)	
001-SC-CTA-6-X	Stevens non sterile 6" cotton tip applicator 100/pkg
109-10337415	Multistix 5 (100/pkg)
517-11-1024	Disinfectant Cavicide spray bottle – 24 oz
320-72404	Distilled Water – 4 L bottles (4/cs)
372-6280	Sodium Chloride 0.9% sterile screw cap for irrigation 500ml
800-1243B	3M sterigage Steam Sterilization Integrator 100/bg
800-1322-18MM	3M Steam Indicator Tape Lead Free .75"x60yd Lead Free

MIDDLESEX-LONDON HEALTH UNIT

REPORT NO. 023-19FFC

TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health / CEO

DATE: 2019 June 6

CONTRACT AWARD – ORAL CONTRACEPTIVES INFORMATION FOR PARTICIPATING HEALTH UNITS

Recommendation

It is recommended that the Finance & Facilities Committee receive Report No. 023-19FFC re: "Contract Award – Oral Contraceptives Information for Participating Health Units" for information.

Key Points

- All public health units in Ontario were invited to join a cooperative bid for oral contraceptives.
- A joint bid was created for 17 of the 35 public health units.
- Six requests for quotation for the supply and delivery of oral contraceptives were issued on March 8, 2019, and five responses were received.
- Four requests for tender for the supply and delivery of oral contraceptives were issued on March 12, 2019, and two responses were received.
- Tender contract value is estimated to be $165,000 and represents a 1.65% increase over the previous contract. Quote contract value is estimated to be $56,000 and represents a 5.96% decrease from the previous contract.
- Contract terms of two years will be awarded, with the option to renew for the third year. The new contracts take effect on June 1, 2019.

Background

In 2016, the Middlesex-London Health Unit received one-time funding from the Ministry of Health and Long-Term Care to support a low-cost contraceptive project with the goal of taking the idea of bulk purchasing of contraceptives to the next phase. A Low-Cost Contraceptive Survey was developed and implemented by MLHU staff to understand the contraceptive needs and current purchasing practices of Ontario public health units. This led to a bid and an award of contracts in 2016, which are now set to expire.

Additional funding was not received in 2019, but MLHU's Sexual Health and Procurement staff have continued to support other health units in this initiative. A questionnaire (Appendix A), was distributed to all 35 public health units to glean information from the previous two years of purchasing practices and help inform the continuation of the bulk purchasing initiative. The goal of the procurement process was to secure a firm purchase price for contraceptive products and to look for possible savings in the next two-year term and option year.

2019 Request for Tender

An annual consumption report outlining the purchases made by 17 of the 35 health units was submitted to the MLHU Procurement Team. The remaining health units chose not to participate. Participating health units are listed in Appendix B. More than thirty different contraceptives were in use by the participating health

units. This represents a total expenditure of $516,249. Requests for quotation for the aggregate volume of each oral contraceptive were submitted to the supplier by MLHU on behalf of the participating health units. Requests for tender were published on biddingo.com, an online bid publishing and bid document distribution portal.

Evaluation Process

Vendor submissions were reviewed against the terms and conditions of the bid document. Subsequently, vendor proposals were analyzed to determine cost savings and value-added services. A total of seven submissions were received prior to the closing date in response to the request for quotation and the request for tender. The recommendations are based on the lowest bid(s) that meets all terms, conditions, and specifications as outlined in the tender.

Conclusion

Based on the results of the tender process, it is recommended that seven contracts be awarded for supply and delivery of oral contraceptives, each being two years in duration with the option to renew for one additional year, to the following companies:

1) Allergan Pharmacare Canada
2) Aspen Pharmacare Canada
3) Medisafe Distribution Inc.
4) Searchlight Pharma
5) Trimedic Supply Network Ltd.
6) Merck Canada Inc.
7) Bayer Inc.

No bids were submitted from the following suppliers:

- Pzifer
- Palladin
- Jensen

Participating health units will be required to use vendor list pricing for products from the selected vendors. In addition, participating health units will be provided with updated pricing and contact information resulting from this joint initiative.

This report was prepared by the Procurement and Operations Team, Healthy Organization Division.

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

BUREAU DE SANTÉ DE MIDDLESEX-LONDON HEALTH UNIT

Low Cost Contraception Negotiations for Public Health Units in Ontario

The purpose of the questionnaire is to obtain information from the previous 2 years of purchasing practices of contraceptives among Local Public Health Agencies to help inform the continuation of the bulk purchasing initiative. The Middlesex-London Health Unit will be entering negotiations again (most of contracts expire May 31, 2019) with the following pharmaceutical companies: Allergan Inc., Bayer Inc., Janssen Inc., Merck Canada Inc., Paladin Labs Inc. Medisafe Distribution Inc., and Pfizer Canada Inc.

The goal of the negotiations is to secure a reasonable purchase price for the contraceptive products and look for possible incentives. To move forward with this process, MLHU requires all interested public health agencies to provide confirmation for the following, by **Friday February 1st, 2019**:

Your public health agency's participation in the negotiated contract needs to be confirmed prior to MLHU starting the negotiation process. Information from the previous 2 years of purchasing practices will be used in a confidential manner to achieve the goals of the negotiation. Confirming your agency's participation will allow MLHU to inform the negotiations.

☐There will be no opportunities for public health agencies to join the negotiated contracts after the process has been completed.

My public health agency is confirming its participation in the negotiated contracts with the above listed pharmaceutical companies.

☐ My public health agency is choosing not to participate in the negotiated contracts.

- ☐ I understand that **<u>if my public health agency chooses not to participate, there will be no opportunities to join the negotiated contracts</u>** after the process has been completed.

If you have confirmed that your public health agency would like to participate in the negotiated contracts, please complete the table below. Participation is voluntary and the information provided will be kept confidential. General findings will be shared with all participating public health agencies. Agency-specific data will not be released.

In the table below, please provide the purchasing cost (per package) and the number of packages sold (per year) of each birth control product currently available at your Sexual Health Clinic.

Note: Purchasing cost refers to the cost associated with purchasing the birth control product (per package) from the pharmaceutical company

Type of Contraceptive	Name	Purchase Cost/Package	Number of Packages Sold in 2017	Number of Packages Sold In 2018
Progestin-only Pill	Micronor			
Progestin + Estrogen Pill	Alesse			
	Cyclen			
	Demulen			
	Linessa			
	Loestrin			
	Lolo			
	Marvelon			
	Ortho 1/35			
	Ortho 777			
	Synphasic			
	Tricyclen			
	Tricyclen-Lo			
	Triquilar			
	Yasmin			
	Yaz			
Vaginal Contraceptive Ring	Nuvaring			
Injectable Contraceptive	Depo-Provera			
Transdermal Contraceptive	Evra			
Emergency Contraception	Ella			
	Plan B			
Copper Intrauterine device (IUD)/ Intrauterine System (IUS)	Liberte UT 380 Short (5 year IUD)			
	Liberte TT 380 Standard (10 year IUD)			
	Jaydess (3 year IUS)			
	Kyleena IUS			
	Mirena (5 year IUS)			
	Mona Lisa N (3 year)			
	Mona Lisa 5 Standard			
	Mona Lisa 5 Mini (5 year)			
	Flexi-T 380+ IUD (5 year)			

Please provide any additional comments/questions below:

_____
_____
_____
_____

If you have any questions, please feel free to contact:

Shaya Dhinsa
Manager, Sexual Health
50 King Street London, ON N2A 5L7
Email: shaya.dhinsa@mlhu.on.ca
Telephone: 519-663-5317 ext. 2230

Supply and Delivery of Oral Contraceptives

Participating Public Health Units list

	Health Unit Information	Participating
1	**Algoma Public Health Unit** 294 Willow Avenue Sault St.Marie, ON P6B 0A9	Yes
2	**Brant County Health Unit** 194 Terrace Hill Street Brantford, ON N3R 1G7	No
3	**Chatham-Kent Public Health** 435 Grand Avenue West Chatham, ON N7M 5L8	No
4	**Durham Region Health Department** 605 Rossland Road East Whitby, ON L1N 0B2	Yes
5	**Eastern Ontario Health Unit** 1000 Pitt Street Cornwall, ON K6J 5T1	No
7	**Grey Bruce Health Unit** 101 17th Street East Owen Sound, ON N4K 0A5	No
8	**Haldimand-Norfolk Health Unit** 12 Gilbertson Drive Simcoe, ON N3Y 4L1	No
9	**Haliburton, Kawartha, Pine Ridge District Health Unit** 200 Rose Glen Road Port Hope, ON L1A 3V6	No
10	**Halton Region Health Department** 1151 Bronte Road Oakville, ON L6M 3L1	Yes

11	**Hamilton Public Health Services** 110 King St. West, 2nd Floor Hamilton, ON L8P 4S6	No
12	**Hastings & Prince Edward Counties Health Unit** 179 North Park Street Belleville, ON K8P 4P1	Yes
13	**Huron County Health Unit** Health & Library Complex, R.R #5 77722B London Road Clinton, ON N0M 1L0	Yes
14	**Kingston Frontenac and Lennox &Addington Public Health** 221 Portsmouth Avenue Kingston, ON K7M 1V5	No
15	**Lambton Public Health** 160 Exmouth Street Point Edward, ON N7T 7Z6	Yes
16	**Leeds, Grenville and Lanark District Health Unit** 458 Laurier Boulevard Brockville, ON K6V 7A3	Yes
17	**Middlesex-London Health Unit** 50 King Street London, ON N6A 5L7	Yes
18	**Niagara Region Sexual Health Centre - St. Catharines** 277 Welland Ave, St. Catharines, ON L2R 2P7	Yes
19	**North Bay Parry Sound District Health Unit** 345 Oak Street West North Bay, ON P1B 2T2	No
20	**Northwestern Health Unit** 210 First Street N Kenora, ON P9N 2K4	No
21	**Ottawa Public Health** 100 Constellation Cres. Ottawa, ON K2G 6J8	No

22	**Southwestern Public Health** 1230 Talbot Street St. Thomas, ON N5P 1G9	Yes
23	**Peel Public Health** 7120 Hurontario Street Mississauga ON L5W 1N4	Yes
24	**Perth District Health Unit** 653 West Gore Street Stratford, ON N5A 1L4	No
25	**Peterborough Public Health** Jackson Square, 185 King St Peterborough, ON K9J 2R8	Yes
26	**Porcupine Health Unit** 169 Pine Street South Timmins, ON P4N 8B7	Yes
27	**Renfrew County & District Health Unit** 7 International Drive Pembroke, ON K8A 6W5	No
28	**Simcoe Muskoka District Health Unit** 15 Sperling Drive Barrie, ON L4M 6K9	No
29	**Sudbury & District Health Unit** 1300 Paris Street Sudbury, ON P3E 3A3	Yes
30	**Thunder Bay District Health Unit** 999 Balmoral Street Thunder Bay, ON P7B 6E7	No
31	**Timiskaming Health Unit** 247 Whitewood Avenue, Unit #43, PO Box 1090 New Liskeard, ON P0J 1P0	No

32	**Toronto Public Health** 277 Victoria Street, 5th Floor Toronto, ON M5B 1W2	Yes
33	**Waterloo, Region of Public Health** 99 Regina Street South Waterloo, ON N2J 4V3	No
34	**Wellington-Dufferin-Guelph Public Health** 160 Chancellors Way Guelph, ON N1G 0E1	Yes
35	**Windsor-Essex County Health Unit** 1005 Ouellette Avenue Windsor, ON W9A 4J8	No
36	**York Region Public Health** 17250 Yonge Street Newmarket, ON L3Y 6Z1	No

MIDDLESEX-LONDON HEALTH UNIT

REPORT NO. 024-19FFC

TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health / CEO

DATE: 2019 June 6

CONTRACT AWARD – ORAL HEALTH SUPPLIES

Recommendation

It is recommended that the Finance & Facilities Committee receive Report No. 024-19FFC re: "Contract Award – Oral Health Supplies" for information.

Key Points

- A tender for the supply and delivery of dental supplies was issued on March 13, 2019.
- Seven bids were received prior to the closing date of March 27, 2019.
- The contract term is two years, commencing June 1, 2019, with an option to renew for a third year.
- The contract value is estimated to be $55,000 and represents a 19.32% cost decrease from the previous contract.

Background

The previous contract was issued in 2016 for 107 items on the clinical supplies list. The contract was awarded to Henry Schein Canada Inc. for a two-year term with an optional third-year renewal, which was executed for the 2018 year. The Middlesex-London Health Unit currently purchases dental supplies from several vendors with only one vendor providing firm pricing for the contract period.

2019 Request for Quote

On March 13, 2019, the Health Unit issued a request for quote for supply and delivery of dental supplies on biddingo.com, an online bid publishing and bid document distribution portal.

Seven submissions were received. Six complete bids were received prior to the closing date and time; one submission was non-compliant. Vendor bids were reviewed by procurement staff to determine if they were compliant with the terms and conditions of the bid document and analyzed to calculate product cost, cost savings, and value-added services.

Conclusion

Based on the results of the quote process, it is recommended that four contracts be awarded for supplies based on cost and product evaluation, each being two years in duration with the option to renew for one additional year. The vendor list is itemized below, with percentages indicating the relative contract values. More detail is available in Appendix A.

1) Henry Schein Canada Inc. (68%)
2) Medical Mart Supplies (18%)
3) McArthur Medical Sales Inc. (8%)
4) Colgate Palmolive (6%)

The new contracts represent a cost decrease of 19.32 % from the previous year, based on a partial products match for the vendor with most usage in 2018 (Henry Schein Canada Inc.). More specifically, of the 62 items on the 2016 quote, 23 currently remain required. The change in product mix is mainly related to the discontinuation of certain materials.

This report was prepared by the Procurement and Operations Team, Healthy Organization Division.

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

Supply and Delivery of Oral Health Supplies	**Appendix A to Report 024-19FFC**
Henry Schein Canada Inc. (68%)	
HS #777-4007	Bond - Adper Single Bond Plus Refill - 6gm
HS #164-0100	Etch - Super Etch SDI Syringe kit – 10 x 2ml syringes and 50 (23 gauge tips)
HS #164-4867	Etch - Super Etch SDI disposable tip refills (200/pkg)
HS #100-5205	Salvia ejectors – white opaque with white tip (100/pkg)
HS #777-0371	Sealant – Clinpro - 3M ESPE syringe refill (1.2 ml syringe and 10 black tips)
HS #777-0760	Sealant – Clinpro - 3M ESPE refill tips 10/ pkg
HS #201-2738	Articulating Paper premium thin blue (10 shts/book, 12 books/pkg)
HS #949-0463	Bibs - Select 13” x 19” aqua (500/cs)
HS #949-0461	Bibs - Select – 13” x19” white (500/cs)
HS #102-5455	Cotton Rolls – Non-sterile #2 (2000/cs)
HS #933-0000	Demi light Cure Sleeves for curing light - (250/bx)
HS #107-3791	Dry Angles - silver combo (foil back) – small (400/box)
HS#112-4871	Headrest Covers – Clear Plastic – 11.5” x 10” (250/pkg)
HS #100-9800	Op-D-Op Visor Shield Kit – blue
HS #101-7758	Op-D-Op Replacement shield – long (12/pk)
HS #100-9860	Syringe cover sleeve - 2-1/2" x 10" (500/bx)
HS #104-8066	Syringe tips autoclavable, 3 way, (6/pkg)
HS #949-0990	Hand Cream - (Epicrem) – 100 mg
HS #138-0008	Hydrim Cleaning Solution- SciCan (3.8L)
	Hydrim Salt – bag
HS #102-5804	Maxitest Steam Biological Indicators (25/bx)
HS #949-4623	Optim 33TB SciCan disinfectant wipes
HS #949-4622	Optim 33TB SciCan disinfectant -4L
HS #102-6316	Or-Evac Cleaner – 32 oz. Concentrate (4/cs)
HS #335-3200	Statcare lube - SciCan for hand pieces – 5lb.
HS #589-2251	Statcare Spray – SciCan (500 ml)
	Comfort slide Flossers Mint flavoring Ref#33
	Butler Weave waxed unflavored floss dispenser – 200 Ref #34
	Bridge Aid Floss Threader (100/bx)
HS #949-1506	Prophy Brush – screw shank – standard black – Crescent (144/pkg)
HS #949-1508	Prophy Brush pointed black firm (screw type) (144/pkg)
HS #100-6188	Prophy Cups crescent – screw type – webbed hard white, (144/pkg)
HS # 1124857	HS Sterilization Pouch Dual 3.5x5.25 Ind 200/Bx
HS # 1124853	HS Sterilization Pouch Dual 3.5x9 Ind 200/Bx
HS #1124862	HS Sterilization Pouch Dual 10.5x17 Ind 100/Bx
HS# 104-6133	Sterilization Tape 0.75 in

HS# 642-3625 |	Vacuum Components- OCI, Push-On Saliva Ejector Tips Latex
HS# 5700310	Steam Sterilization Integrator
HS# 900-0475	MaxiZyme Tablets Cleaner 64/Bx
HS# 6402854	CaviWipes Disinfectant Towelette X-Large
HS #9492506	Denti-Polish Fine BGum 340g Prophy Pas Jr
HS #1890115	Keyboard Covers 250/Pk
Medical Mart Supplies (18%)	
	Topex 640-CN3 1005 Each
	Gauze — 2" x 2" Alliance Case/4000
	Masks - Safe + Mask premier ear loop Crosstex 882-GCIBL Box/50
	Universal Cover Sheets (Barrier Film) — Clear, Crosstex - 882 BFCL
	Sterilization Wrap 20" x 20" Medline 320-GEM212O Case/500
	Speed-clean Autoclave Cleaner Liquid Midmark Speed Clean l6oz.
	ENSURE Bowie Dick Test Refills 30/Pk Steris 779-EQCOO4 Pkg/100
	Ultra Sensitive Earloop Masks White 50/Bx Crosstex 882-GCFCXS Box/50
	Gloves - Nitrile gloves powder free Large, Medline 320-FG3003 Box/300
	Gloves - Nitrile gloves powder free Medium, Medline 320-FG3002 Box/300
	Gloves - Nitrile gloves powder free Small, Medline 320-FG3001 Box/300
McArhtur Medical Sales Inc. (8%)	
MB-1001	Brush (micro) green applicators Defend Item 100/pk
PN5767	Arcona Tip-A-Dilly tips DCI Item 200/bx
10031EMUN	Nupro Paste with flouride – crs mint – 12 oz Medicam Denticare
10031MMUN	Nupro Paste with fluoride – med. mint –12 oz Medicam Denticare
DT5001	Dispos-A-Trap Vacuum Trap 2 1/8 in #5501 White Defend 144/box
Colgate Palmolive (6%)	
	360 Ultra Compact Head Toothbrush
	Smiles My First Colgate
	Smiles Animals Suction Cup
	Colgate Wave Youth