

AGENDA
MIDDLESEX-LONDON BOARD OF HEALTH
Finance & Facilities Committee

Microsoft Teams
Thursday, March 3, 2022 at 9:00 a.m.

1. DISCLOSURE OF CONFLICTS OF INTEREST

2. APPROVAL OF AGENDA – March 3, 2022

3. APPROVAL OF MINUTES – February 3, 2022

4. NEW BUSINESS

4.1 2022 Budget (Report No. 05-22FFC)

5. OTHER BUSINESS

5.1 Next meeting: Thursday, April 7, 2022 at 9:00 a.m.

6. ADJOURNMENT



PUBLIC MINUTES
FINANCE & FACILITIES COMMITTEE
Microsoft Teams
Thursday, February 3, 2022 9:00 a.m.

MEMBERS PRESENT: Mr. Mike Steele (Chair)
Mr. Matt Reid
Ms. Kelly Elliott – arrived 9:12 a.m.
Ms. Maureen Cassidy
Mr. Selomon Menghsha - arrived at 9:33 a.m.

OTHERS PRESENT: Ms. Stephanie Egelton, Senior Executive Assistant to the Medical Officer of Health/Associate Medical Officer of Health (Recorder)
Dr. Alexander Summers, Acting Medical Officer of Health
Ms. Emily Williams, Chief Executive Officer
Mr. David Jansseune, Assistant Director, Finance
Ms. Mariam Hamou, Board Member
Ms. Aina DeViet, Board Member

At **9:04 a.m.**, Mr. Matt Reid called the meeting to order and opened the floor to nominations for Chair of the Finance & Facilities Committee for 2022.

It was moved by **Ms. Maureen Cassidy, seconded by Mr. Matt Reid**, that *Mr. Mike Steele be nominated for Chair of the Finance & Facilities Committee for 2022.*

Carried

Mr. Mike Steele accepted the nomination.

Mr. Reid called for further nominations. None were forthcoming.

It was moved by **Ms. Maureen Cassidy, seconded by Mr. Matt Reid**, that *Mr. Mike Steele be acclaimed as Chair of the Finance & Facilities Committee for 2022.*

Carried

Mr. Steele took over as chair presiding.

DISCLOSURES OF CONFLICT OF INTEREST

Chair Steele inquired if there were any disclosures of conflict of interest. None were declared.

APPROVAL OF AGENDA

It was moved by **Ms. Cassidy, seconded by Mr. Reid**, that the **AGENDA** for the February 3, 2022 Finance & Facilities Committee meeting be approved.

Carried

APPROVAL OF MINUTES

It was moved by **Ms. Cassidy, seconded by Mr. Reid**, that the **MINUTES** of the December 7, 2021 Finance & Facilities Committee meeting be approved.

Carried

NEW BUSINESS

2022 Annual Reporting Calendar (Report No. 01-22FFC)

Ms. Emily Williams, Chief Executive Officer presented the 2022 Annual Reporting Calendar. The purpose of this calendar is to ensure that the committee and board are provided with legislative reports from the Health Unit at appropriate times and to ensure timelines of reporting are in alignment with the budgeting process.

It was noted that the key changes to the 2022 reporting calendar are the introduction of zero-based budgeting and shifting budget timelines to be earlier in the year, to improve health unit financial planning and communication with funding partners.

It was moved by **Ms. Cassidy, seconded by Mr. Reid**, *that the Finance & Facilities Committee approve Report No. 01-22FFC re: "Finance & Facilities Committee – 2022 Reporting Calendar."*

Carried

Canada Life Benefits – Renewal Rates (Report No. 02-22FFC)

Ms. Williams presented the Canada Life Benefits – Renewal Rates report. It was noted that the Health Unit contracts AON Hewitt to negotiate benefits rates for life insurance, accidental death and dismemberment (AD&D) and health/drug/dental benefits. Due to inflation industry wide, rates have gone up 7.3% since the previous year, which is an approximately \$100,000 impact to the health unit. It was determined that the Health Unit wished to extend this contract to 2023 due to limited organizational capacity, but will post a Request for Proposal (RFP) in 2023 for group benefits.

Mr. David Jansseune, Assistant Director, Finance noted that the renewal will start at the end of February. Mr. Jansseune noted that Canada Life proposed the health unit increase to the manual rate (business rate) for group benefits, and AON Hewitt negotiated a reduced rate for MLHU by comparing other health unit benchmarks. The health/drug/dental benefits will be under the administrative services only (ASO) fund.

It was moved by **Mr. Reid, seconded by Ms. Cassidy**, *that the Finance & Facilities Committee make a recommendation to the Board of Health to approve the renewal of the group insurance rates administered by Canada Life as described in Report No. 02-22FFC re: "Canada Life Benefits – Renewal Rates"*.

Carried

Employee and Family Assistance Program (EFAP) Contract Renewal (Report No. 03-22FFC)

Ms. Williams presented the Employee and Family Assistance Program Contract renewal. Ms. Williams noted that the Health Unit is requesting a 1-year extension with Homewood Health, as the current contract expires in March. It was noted that Homewood Health has been flexible and responsive to staff needs, with virtual and phone support available, and has worked with teams to provide specific support and debriefing tailored to the needs of the team (such as with the COVID Case and Contact Management team).

The Committee recognized that the cost of the services of Homewood Health is very favourable for the quality of service that is being provided during times of stress for staff.

It was moved by **Mr. Reid, seconded by Ms. Cassidy**, *that the Finance & Facilities Committee make a recommendation to the Board of Health to receive Report No. 03-22FFC: "Employee and Family Assistance Program (EFAP) Services Contract Extension" for information.*

Carried

2022 Budget Process Update (Report No. 04-22FFC)

Ms. Williams presented an update on the 2022 budget process. Many of the Ministry timelines have been expedited, due to the June 2022 provincial election, requiring the Finance Team to complete fourth quarter reporting prior to budget completion. The budget submission to FFC will therefore be delayed until March 3rd, 2022, one month later than originally planned.

The Province is committed to providing the Health Unit \$1.36 million in mitigation funding, with the application and template for receiving inflationary and recovery funds approaching shortly. There is a salary inflation pressure of approximately \$500,000, for which the City of London has approved to amend their budget to provide increase funds to the Health Unit. Ms. Williams will be attending an upcoming County of Middlesex Budget meeting to discuss the increased funding request from the County as well.

Dr. Alex Summers, Acting Medical Officer of Health, noted that local medical officers of health have been discussing what post pandemic programming will look like, and how base budgets will impact public health services. Next year, public health will need to be able to provide articulate descriptions of how a health unit operates in a post pandemic world.

Ms. Williams and Dr. Summers noted that after the pandemic, there will be ongoing challenges and changes for public health units, outside of the infectious disease portfolio; such as backlogs of restaurant inspections and Infection Prevention and Control (IPAC) work. An ongoing focus on health equity will be essential. Dr. Summers further noted that public health will need revenue and resources to avoid relying on staff redeployments as a way of staffing.

It was also noted by Dr. Summers that health equity is an important and foundational pillar of public health that informs all aspect of public health services. The vaccination campaign took an equity lens when considering where mass vaccination clinics were placed, where mobile efforts have focused, and the health unit's communications strategy. Another example, specific to the underhoused and homeless population, was the outreach worker that was funded through the Program Budgeting and Marginal Analysis (PBMA) process this past fall.

Ms. Williams noted that the Health Unit at this time does not produce a multi-year budget but would consider exploring in the future.

It was moved by **Mr. Reid, seconded by Ms. Cassidy**, *that the Finance & Facilities Committee receive Report No. 04-22FFC re: "2022 Budget Process Update" for information.*

Carried

OTHER BUSINESS

The next meeting of the Finance and Facilities Committee will be held on Thursday, March 3, 2022 at 9 a.m.

ADJOURNMENT

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

Carried

MICHAEL STEELE
Chair

EMILY WILLIAMS
Secretary

DRAFT



REPORT NO. 05-22FFC

TO: Chair and Members of the Finance & Facilities Committee

FROM: Emily Williams, Chief Executive Officer

DATE: 2022 March 3

2022 PROPOSED BUDGET

Recommendation

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

- 1) Approve the 2022 Proposed Budget in the gross amount of \$65,310,006 as illustrated in the attached [Appendix A – Budget Summary](#);*
- 2) Forward Report No. 05-22FFC and [Appendix A – Budget Summary](#) to the City of London and the County of Middlesex for information; and*
- 3) Direct staff to submit the 2022 Proposed Budget in the various formats required by the different funding agencies and stakeholders.*

Key Points

- Based on direction from the Ministry of Health, a 1% increase in base funding has been budgeted, along with previous Board-approved increases from the City of London and County of Middlesex. All known funding has been accounted for using actuals and estimates.
- Expenses have been estimated assuming programs will be operational for the full year.
- Board-approved COVID-19 expenses for case and contact management have been included, as well as estimated costs for the vaccine program at 75% of last year's actual. Pandemic-recovery initiatives have also been included.
- There are no contributions to reserves in this budget.
- 2022 budget is an increase of \$1,229,693 from the 2021 budget due to inflationary pressures and incremental PBMA initiatives to address Board priorities.
- Gapping will be used to offset the increase and will be realized through staff vacancies and the delay of some programs restarting.

Background

The 2022 proposed budget serves to allocate funds to various departments that are tasked to deliver programs to meet the *Ontario Public Health Standards: Requirements for Programs, Services and Accountability, 2018*. The budget is intended to improve transparency and accountability of funds disbursed to those staff responsible for delivering services.

The Ministry of Health (MoH) Funding and Oversight Branch provided direction to public health units to budget for a 1% increase in base funding. As well, based on inflationary pressures known at the time, the Board of Health approved requesting increases from the municipalities for the 2022 budget as noted in [Report 22-21FFC-R](#). MLHU staff have included all known sources of revenue in the 2022 budget to enhance transparency and reporting on the status of the Health Unit's financial performance.

2022 Proposed Board of Health Budget

Due to the compressed timelines to create, approve and submit the budget to the Ministry, the budget was created using the following processes:

Salaries and Wages: The detailed work that was performed for the 2021 budget enabled staff to roll forward the staffing requirements for 2022 and add applicable inflation (1.75% as per Collective Agreements). This decision assumed a no-change approach to the programs/services offered. Board-approved PBMA initiatives were then added to this base to develop the 2022 salaries and wages budget.

Benefits: Benefits were negotiated with the Health Unit's insurer prior to the budget completion. Those increases have been included in the 2022 budget (approximately 3.6%).

General Expenses: Includes all expenses except salary, wages, and benefits. These expenses were examined by directors and managers to streamline costs while adjusting for inflation where applicable. Also, where possible, expenses were adjusted to contract obligations and historical actuals to ensure accuracy of expenses.

COVID-19: Costs related to case and contact management were approved as part of the PBMA process (see [Report 22-21FFC-R](#)). Recovery efforts were determined from a zero-based budgeting approach and per MoH direction, were focused on urgent priorities. The costs related to vaccine clinics were difficult to determine due to the uncertainty related with COVID-19 and as such, these costs were calculated using an estimated 75% of the 2021 budget.

Electronic Medical Record (EMR) Implementation: The MoH included an application for funds to support the procurement and implementation of an EMR. MLHU procured an EMR; however, the pandemic delayed its implementation considerably. Staff submitted a request for funds to support the completion of the EMR implementation as part of the 2022 budget.

Gap: Budgeted expenses exceed budgeted funding by \$1,613,768, an increase of approximately \$350,000 from 2021. This has been identified as the gap. This budgeted gap will be met using staff vacancies and/or programs that have delayed restarting.

2022 Annual Service Plan

The Annual Service Plan is required by the MoH and is an exercise whereby the department budgets are transposed into program budgets. The format for the ASP was once again significantly truncated to reduce the narrative component and focus on the financials.

Conclusion

The 2022 proposed budget is \$65,310,006 which represents an increase of \$1,229,693 from the 2021 budget.

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

A handwritten signature in black ink that reads "EWilliams". The signature is written in a cursive, flowing style.

Emily Williams, BScN, RN, MBA, CHE
Chief Executive Officer

Middlesex - London Health Unit

2022 Annual Budget

March 2022

MIDDLESEX-LONDON HEALTH UNIT
2022 BOARD OF HEALTH DRAFT BUDGET SUMMARY

	B U D G E T S				Incr / (Decr) over 2021		Notes >3%	F T E			Incr / (Decr) Over 2021
	2019	2020	2021	2022	\$'	%		2020	2021	2022	
Healthy Organization											
Office of the Director	\$ 354,699	\$ 366,239	\$ 363,368	\$ 368,221	\$ 4,853	1.3%		1.50	1.50	1.50	0.00
Communications (Communications & Healthcare Provider Outreach)	531,685	585,917	593,067	605,385	12,318	2.1%		5.70	5.70	5.70	0.00
Finance	455,506	376,539	378,369	387,174	8,805	2.3%		4.00	4.00	4.00	0.00
Human Resources	701,599	718,985	753,498	863,841	110,343	14.6%	1	7.50	7.50	8.50	1.00
Information Technology	1,069,292	1,208,932	1,314,725	1,522,128	207,403	15.8%	2	3.00	3.00	3.00	0.00
Procurement & Operations	283,638	187,821	193,968	198,508	4,540	2.3%		2.00	2.00	2.00	0.00
Strategy, Risk & Privacy	416,312	436,064	440,699	449,909	9,210	2.1%		4.00	4.00	4.00	0.00
Special Projects - Electronic Medical Records (EMR)	-	-	-	200,000	200,000	-	3	-	-	2.00	2.00
Total Healthy Organization	\$ 3,812,731	\$ 3,880,497	\$ 4,037,695	\$ 4,595,166	\$ 557,471	13.8%		27.70	27.70	30.70	3.00
Healthy Living Division											
Office of the Director	\$ 379,454	\$ 264,565	\$ 266,814	\$ 272,514	\$ 5,700	2.1%		2.00	2.00	2.00	0.00
Child Health	1,685,760	1,666,881	1,676,101	1,713,587	37,486	2.2%		15.00	15.00	15.00	0.00
Chronic Disease and Tobacco Control	1,407,541	1,595,629	1,642,694	1,762,405	119,711	7.3%	4	15.10	15.40	15.40	0.00
Healthy Communities and Injury Prevention	1,168,241	1,142,960	1,244,496	1,272,365	27,869	2.2%		10.20	11.20	11.20	0.00
Oral Health	1,116,045	986,797	993,196	1,032,418	39,222	3.9%	5	12.00	12.00	12.00	0.00
Senior Dental Health	-	2,455,451	1,755,451	1,861,400	105,949	6.0%	6	7.50	7.50	7.50	0.00
Southwest Tobacco Control Area Network	436,500	441,345	442,300	447,858	5,558	1.3%		2.40	2.40	2.40	0.00
Young Adult Health	1,137,457	1,108,234	1,123,044	1,148,143	25,099	2.2%		10.00	10.00	10.00	0.00
Harvest Bucks (flow-through with offset funding)	-	-	-	147,000	147,000	-		-	-	-	0.00
Total Healthy Living Division	\$ 7,330,998	\$ 9,661,862	\$ 9,144,096	\$ 9,657,690	\$ 513,594	5.6%		74.20	75.50	75.50	0.00
Office of the Medical Officer of Health											
Office of the Medical Officer of Health	\$ 576,556	\$ 484,130	\$ 508,590	\$ 518,174	\$ 9,584	1.9%		2.30	2.30	2.30	0.00
Associate Medical Officer of Health	295,831	332,008	357,413	366,570	9,157	2.6%		1.50	1.50	1.50	0.00
Clinical Support Team	-	952,414	983,638	933,393	(50,245)	-5.1%	7	11.25	11.25	11.25	0.00
Population Health Assessment & Surveillance	593,835	549,380	603,071	616,675	13,604	2.3%		5.00	5.50	5.50	0.00
Program Planning & Evaluation (includes Library from MLHU2)	873,039	889,028	888,157	899,643	11,486	1.3%		9.00	9.00	9.00	0.00
Total Officer of the Medical Officer of Health	\$ 2,339,261	\$ 3,206,960	\$ 3,340,869	\$ 3,334,455	\$ (6,414)	-0.2%		29.05	29.55	29.55	0.00
Environmental Health & Infectious Disease Division											
Office of the Director	\$ 302,938	\$ 308,774	\$ 270,673	\$ 261,714	\$ (8,959)	-3.3%	8	2.60	2.00	2.00	0.00
Emergency Management	180,848	133,818	135,530	134,918	(612)	-0.5%		1.00	1.00	1.00	0.00
Food Safety & Healthy Environments	1,727,958	1,459,602	1,494,969	1,828,009	333,040	22.3%	9	14.00	14.00	14.00	0.00
Infectious Disease Control (includes FoodNet from MLHU2)	1,814,317	1,834,640	1,869,014	1,812,994	(56,020)	-3.0%		16.90	16.90	16.90	0.00
Safe Water, Rabies & Vector Borne Disease	1,382,228	1,682,618	1,685,177	1,363,036	(323,141)	-19.2%	10	16.02	16.02	16.02	0.00
Sexual Health (includes HIV/HPV from MLHU2)	3,279,751	2,853,039	2,862,156	2,844,192	(17,964)	-0.6%		16.87	16.87	16.87	0.00
Vaccine Preventable Disease	1,638,371	1,662,785	1,642,828	1,623,263	(17,565)	-1.1%		17.02	16.54	16.54	0.00
COVID-19 (2021 Budget & FTE Adjusted)	-	-	28,697,936	27,224,855	(1,473,081)	-5.1%		-	194.10	219.60	25.50
COVID-19 Recovery Efforts	-	-	-	1,570,039	1,570,039	-		-	-	18.25	18.25
Total Environmental Health & Infectious Disease Division	\$ 10,326,411	\$ 9,935,276	\$ 38,658,283	\$ 38,674,020	\$ 15,737	0.0%		84.41	277.43	321.18	43.75
Healthy Start Division											
Office of the Director	\$ 208,616	\$ 212,473	\$ 215,306	\$ 218,155	\$ 2,849	1.3%		1.70	1.70	1.70	0.00
Best Beginnings (restructured to form Team 1 and Team 2)(includes MLHU2)	3,105,295	3,106,227	3,310,511	3,333,914	23,403	0.7%		29.80	31.80	31.80	0.00
Early Years Health (restructured to form Team 2 and Team 3)	1,648,166	1,586,332	1,535,123	1,599,221	64,098	4.2%		14.23	14.00	14.00	0.00
Reproductive Health (restructured to form Team 1 and Team 3)	1,368,189	1,395,827	1,377,616	1,217,834	(159,782)	-11.6%		12.50	12.00	12.00	0.00
Screening Assessment and Intervention	2,124,932	-	-	-	-	-		-	-	-	0.00
Teams 1, 2, 3 - General Expenses	-	-	-	211,546	211,546	-		-	-	1.50	1.50
Total Healthy Start Division	\$ 8,455,198	\$ 6,300,859	\$ 6,438,557	\$ 6,580,670	\$ 142,113	2.2%	11	58.23	59.50	61.00	1.50
Office of the Chief Nursing Officer											
Office of the Chief Nursing Officer	\$ 778,328	\$ 789,317	\$ 734,963	\$ 974,472	\$ 239,509	32.6%	12	6.30	6.30	8.30	2.00
General Expenses & Revenues											
General Expenses & Revenues	\$ 2,683,323	\$ 2,675,102	\$ 2,983,322	\$ 3,107,301	\$ 123,979	4.2%	13	-	-	-	-
Expected Agency Gapping Budget											
Expected Agency Gapping Budget	\$ (1,124,269)	\$ (1,140,858)	\$ (1,257,473)	\$ (1,613,768)	\$ (356,296)	28.3%		-	-	-	-
TOTAL MIDDLESEX-LONDON HEALTH UNIT EXPENDITURES	\$ 34,601,981	\$ 35,309,015	\$ 64,080,313	\$ 65,310,006	\$ 1,229,693	1.9%		279.89	475.98	526.23	50.25
Funding Sources											
Ministry of Health & Long-Term Care (Cost-Shared)	\$ 17,101,100	\$ 20,442,198	\$ 19,806,500	\$ 20,004,565	\$ 198,065	1.0%	14	-	-	-	-
MOH / AMOH Compensation Initiative	-	-	85,800	85,800	-	0.0%		-	-	-	-
The City of London	6,095,059	6,704,565	6,735,292	7,344,798	609,506	9.0%	15	-	-	-	-
The County of Middlesex	1,160,961	1,277,057	1,282,910	1,404,859	121,949	9.5%	16	-	-	-	-
Ministry of Health & Long-Term Care (100%)	4,066,700	-	-	-	-	-		-	-	-	-
Ministry of Health & Long-Term Care - mitigation funding	-	-	1,361,300	1,361,300	-	0.0%		-	-	-	-
Ministry of Health & Long-Term Care (100%) - COVID-19	-	-	28,697,936	28,794,894	96,958	0.3%	17	-	-	-	-
Ministry of Health & Long-Term Care (100%) - Projects (EMR)	-	-	200,000	200,000	-	-		-	-	-	-
Ministry of Health & Long-Term Care (100% - Senior Dental)	-	2,561,400	1,861,400	1,861,400	-	0.0%		-	-	-	-
Ministry of Children, Community & Social Services (100%)	4,580,072	2,483,313	2,483,313	2,483,313	-	0.0%		-	-	-	-
City of London - CLIF Tobacco Enforcement	-	166,846	303,560	415,798	112,238	37.0%		-	-	-	-
Public Health Agency of Canada	428,261	443,714	437,816	322,130	(115,686)	-26.4%		-	-	-	-
Public Health - Ontario	106,526	106,526	102,962	104,223	1,261	1.2%		-	-	-	-
Other Revenue	1,063,302	1,123,396	921,524	779,926	(141,598)	-15.4%	18	-	-	-	-
Harvest Bucks (flow-through with offset expenses)	-	-	-	147,000	147,000	-		-	-	-	-
TOTAL MIDDLESEX-LONDON HEALTH UNIT EXPENDITURES	\$ 34,601,981	\$ 35,309,015	\$ 64,080,313	\$ 65,310,006	\$ 1,229,693	1.9%		279.89	475.98	526.23	50.25

Dept 112 moved to Sexual Health, \$20,000.

FTE added from Board approved PBMA and then reduced by initiatives falling into 816. Add 75% of 816 staffing from 2021

MIDDLESEX-LONDON HEALTH UNIT
2022 BOARD OF HEALTH DRAFT BUDGET SUMMARY

Notes to Budget Summary:

- 1 Incremental PBMA - Diversity & Inclusion. FTE 1.0 \$94k.
- 2 Cell phones \$21k; computer software \$187k.
- 3 Estimated resourcing to implement the Electronic Medical Records software.
- 4 Dept 128 City of London Funding for Cannabis - program expenses increased by \$125k. Funding also increased with net overall result of zero costs.
- 5 2021 budget understated by \$17k. Oral health has no change in general expenses from 2021 to 2022.
- 6 Program costs increased. Funding also increased with net overall result of zero costs.
- 7 2021 budget overstated by \$113k. \$39k increase to establish a budget for materials & supplies.
- 8 Eliminate the budget for consulting, travel, printing and staff education resulting in \$12k savings.
- 9 2021 budget understated by \$305k.
- 10 2021 budget overstated by \$305k.
- 11 Healthy Start restructuring. General expenses increased by \$23k. Incremental PBMA - Healthy Start Restructuring. FTE 1.50 \$75k.
- 12 Incremental PBMA - Anti-Black, D&I, Indigenous. FTE 2.0 \$227k.
- 13 Retiree benefits 139k; security 33k; building repairs & mtncce for Strathroy and Citi Plaza \$50k. Cost reductions to postage and photocopiers for \$25k; general consulting \$30k.
- 14 Assume 1% increase over previous year's funding (as per notice from February 3, 2022).
- 15 Increase was approved by the City of London.
- 16 Increase has not yet been approved by the County of Middlesex.
- 17 Includes \$726,000 for School Focused Nurses Initiative, which is funded up to July 31, 2022 only.
- 18 Other Revenue includes \$292,986 for IPAC.