

Finance + Audit Committee Report BH.04.OCT1023.R05

October 10, 2023

Report to: Finance + Audit Committee, Board of Health

Subject 2023 Second Quarter Financials

Recommendations

That the Finance + Audit Committee makes recommendation to the Board of Health to receive the 2023 Second Quarter Financials report, as presented, for information.

Background

Wellington-Dufferin-Guelph Public Health's (WDGPH) annual budget consists of several sub-budgets that are based on the way funding is provided to the Agency. These sub-budgets have been numbered in the report that follows, and the numbering sequence is used consistently throughout.

The Agency's main budget consists of the sub-budgets numbered (1) through (6) below. In addition to the main budget, WDGPH receives community grants for projects which are aligned with, and build upon, the work of WDGPH in the community. The community grant is numbered (7).

The Agency's cost-shared budget comprises approximately 85% of the overall budget. This funding is provided on a 60-40 split basis between the Ministry of Health (the "Ministry") and the three Municipalities served by WDGPH. Appendix 1 provides details of the financial activities that relate to these budgets for Board of Health (BOH) review.

| No. | Program/Budget Name | Funder(s) | Year-end |
|-----|---------------------|-----------|----------|
|-----|---------------------|-----------|----------|

Cost-Shared Mandatory Programs

| | | | |
|---|--------------------------------|--|-------------|
| 1 | Cost-Shared Mandatory Programs | Ministry; City of Guelph; County of Wellington; County of Dufferin | December 31 |
|---|--------------------------------|--|-------------|

100% Provincially Funded Sub-budgets

| | | | |
|---|---|---|-------------|
| 2 | MOH/AMOH Compensation Initiative | Ministry of Health | December 31 |
| 3 | Ontario Seniors Dental Care Program (OSDCP) | Ministry of Health | December 31 |
| 4 | School Focused Nurses (COVID-19) | Ministry of Health | December 31 |
| 5 | Healthy Families (formerly Healthy Babies Healthy Children) | Ministry of Children, Community and Social Services (MCCSS) | March 31 |
| 6 | Infection Prevention and Control (IPAC) Hub | Ministry of Health | March 31 |

External Projects

| | | | |
|---|--------------|--|--------------|
| 7 | Smart Cities | City of Guelph / Infrastructure Canada | September 30 |
|---|--------------|--|--------------|

One-Time Grants

| | | | |
|---|-----------------|--------------------|----------|
| 8 | One-Time Grants | Ministry of Health | March 31 |
|---|-----------------|--------------------|----------|

The 2023 Budget that was approved by the Board of Health on October 3, 2022, included sub-budgets (1) and (2) above. These sub-budgets, along with the One-Time Grant requests (8) were submitted to the Ministry via the Annual Service Plan and Budget Submission that was sent to the Ministry on March 29, 2023.

The provincial funding approval letter from the Ministry was received on **August 29, 2023**.

Public Health and/or Financial Implications

Appendix 1: Cost-Shared Mandatory Programs (1)

Cost-Shared Mandatory Programs are the public health programs and services that are funded by the Ministry and the three obligated municipalities under Regulation 553 of the Health Protection and Promotion Act (HPPA): the County of Wellington, the County of Dufferin, and the City of Guelph. Boards of health are responsible for allocating this funding to meet the requirements of the HPPA, the Ontario Public Health Standards (OPHS) and Protocols, and the Accountability Framework, according to local needs and priorities.

Appendix 1 (Cost-shared Mandatory Programs)

This table summarizes the statement of revenue and expenditures for the six months ended June 30, 2023 for the Cost-Shared Mandatory Programs, excluding any COVID-19 pandemic costs which are reimbursable from the Ministry of Health.

As reported on the attached Statement of Revenue and Expenditures (Appendix 1), there is a positive variance of approximately \$405k of annual budgeted spending for the first six months of the year. This surplus is primarily the result of staff gapping, increased interest income due to higher interest rates, and lower professional and purchased service fees.

Appendix 2 (COVID-19 General and Vaccines)

This table summarizes the COVID-19 General and Vaccination Program expenses for the first six months of 2023, with total costs amounting to approximately \$355k to date. The majority of these expenses will be reimbursed by the Ministry during the latter half of 2023 and into early 2024. Similar to 2022 though, the Ministry will ask each Agency to share a portion of the COVID-19 costs incurred over and above their annual budgets. In 2022, WDGPH contributed approximately \$370k to these costs. The 2023 contribution will be determined in the fourth quarter.

As part of the Annual Service Plan and Budget report submitted to the Ministry in late March 2023, WDGPH projected that the Agency's estimated COVID-19 costs would equate to approximately \$679k (\$597k for COVID-19 Vaccination and \$82k for COVID-19 General). Based on this request, the Ministry has approved \$600k as an "advance" to the Agency to help support cash flow and maintain current pandemic response levels.

This total includes \$4.2k for Vaccination (approximately 80% of original request) and \$1.8k for General (approximately 50% of original request).

The Ministry has also assured the Agency that additional pandemic funding will be forthcoming and will be based on actual expenditures incurred as outlined by the Agency in detail.

Appendix 3: All Other Programs (2 – 7)

Appendix 3 presents the funding received and expenditures made for the period for all other ongoing programs/initiatives at WDGPH. For these programs funding is recorded as it is received (on a cash basis) throughout the year. Accruals and deferrals are made as required only at year-end. The timing of receipt of funding may not correspond to the planned expenditures for that funding.

Funds received for all programs/initiatives are expected to be fully spent in 2023, unless otherwise stated. A description of each of the programs on Appendix 3 follows.

Ministry of Health – 100% Funded Programs

MOH/AMOH Compensation Initiative – Funding is provided by the Province to subsidize the salary/benefits/stipends for the Medical Officer of Health and Associate Medical Officer of Health and to ensure that compensation for these positions falls within the salary ranges outlined in the 2012 Physician Services Agreement and subsequent addendums to that agreement.¹

Ontario Seniors Dental Care Program (OSDCP) – This relatively new program was announced by the government in the April 2019 Ontario Budget to provide low-income Seniors (over 65 years of age) with a no-cost (or very low cost) alternative for dental care in Ontario.

COVID-19 School-focused Nurses Initiative – Funding was allocated by the Ministry to assist local health units in ensuring all publicly-funded schools were equipped to operate within provincial COVID-19 guidelines, and to help minimize the potential of any learning disruptions.

Infection Prevention and Control Hub (IPAC) – Funding to support the continued operation of the Waterloo-Wellington IPAC Hub Program to enhance Infection Prevention and Control (IPAC) practices in community based, congregate living settings/sites. This funding has a fiscal year of April 1 to March 31. The monies for the IPAC Hub Program for Dufferin County is sent to William Osler Hospital and they are to provide the program to Dufferin County.

MCCSS Funded Programs

Healthy Families (formerly Healthy Babies Healthy Children) – The MCCSS provides funding for this program with the goal of helping children get a healthy start in life. The program does this by helping infants and children up to age six and their families through screening and assessments, supports for new parents and help in finding community programs and resources.² This funding has a fiscal year of April 1 to March 31.

External Project – There is currently a project funded by our community partner City of Guelph. The work undertaken with this funding aligns with the mandate of WDGPH under the Ontario Public Health Standards (OPHS).

Appendix 4 – One-Time Grants

Appendix 4 presents the one-time grants approved as part of the 2023 Provincial Funding Approval. The 2023 one-time grants were approved for use between April 1, 2023 and March 31, 2024, which corresponds with the Ministries funding year.

Appendices

Appendix 1 – Statement of Revenue & Expenditures for the six months ended June 30, 2023 – Total Cost-Shared Mandatory Programs

Appendix 2 – Statement of Revenue & Expenditures for the six months ended June 30, 2023 – Total COVID-19 General and Vaccines

Appendix 3 – Q2 Financial Report 2023: All Other Programs (Fund category 2 to 7)

Appendix 4 – Q2 Financial Report 2023: Ministry of Health – 100% Funded One-Time Grants

References

1. Ontario Ministry of Health. Financial Planning, Accountability and User Guide for Program-Based Grants for Mandatory and Related Public Health Programs and Services; 2015.
2. Ministry of Children, Community and Social Services [homepage on the Internet]. Available from:
<http://www.children.gov.on.ca/htdocs/English/topics/earlychildhood/health/index.aspx>.

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