



Board of Health Finance Standing Committee

Thursday, May 4, 2017

9 to 11 a.m.

SDHU Boardroom

Board of Health Finance Standing Committee - May 4, 2017

9-11 a.m., SDHU Boardroom

1. CALL TO ORDER

2. ROLL CALL

3. ELECTION OF BOARD OF FINANCE STANDING COMMITTEE CHAIR FOR 2017

3.1 Board of Health Finance Standing Committee Terms of Reference Page 4

MOTION: Election of Board of Finance Standing Committee Chair for 2017 Page 6

4. REVIEW OF AGENDA / DECLARATION OF CONFLICT OF INTEREST

Agenda, May 4, 2017 Page 7

5. APPROVAL OF BOARD FINANCE STANDING COMMITTEE MEETING NOTES

5.1 Board of Health Finance Standing Committee Notes dated November 2, 2016 Page 9

MOTION: Approval of Meeting Notes Page 15

6. NEW BUSINESS

6.1 2016 Audited Financial Statements

a) Briefing Note from the Medical Officer of Health and Chief Executive Officer on the 2016 Financial Statements Page 16

b) Review of the 2016 Audit Report and Audited Financial Statements Page 18

MOTION: 2016 Audited Financial Statements Page 37

6.2 Annual Insurance Review

a) Frank Cowan Company Summary of the SDHU's 2016 Insurance Program Page 38

6.3 Year to Date Financial Statements

a) March 2017 Financial Statements Page 45

b) MOHLTC Funding Approval- Schedule A6 Page 48

6.4 Financial Management Policy Review

a) Briefing Note from the Medical Officer of Health and Chief Executive Officer on the Financial Management Policy Review Page 50

b) By-laws and Regulatory Requirements Power Point Presentation Page 52

c) Schedule of Policy Review Page 63

- BOH By-Laws

G-I-10 By-law 01-88 Information Page 66

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Operations Information

7. ADJOURNMENT

MOTION: Adjournment Page 78

Sudbury & District Health Unit Board of Health Manual

Information

| | |
|-----------------------|---|
| Category: | Board of Health Structure & Function |
| Section: | Board of Health Committees |
| Subject: | Board of Health Finance Standing Committee Terms of Reference |
| Number: | C-II-11 |
| Approved By: | Board of Health |
| Original Date: | June 18, 2015 |
| Revised Date: | February 16, 2017 |

Information

Purpose

The purpose of the Finance Standing Committee on behalf of the Board is generally to ensure that the Board conducts itself according to the principles of ethical financial and management behaviour and is efficient and effective in its use of public funds by giving oversight to the SDHU's accounting, financial reporting and audit practices.

Reporting Relationship

The Finance Standing Committee reports to the Board of Health.

Membership

Membership must be assigned annually by majority vote of the full Board.

- Board of Health members (3)
- Board of Health Chair
- Medical Officer of Health/Chief Executive Officer
- Director of Corporate Services
- Manager, Accounting Services
- Board Secretary

Chair: As elected annually by the committee at the first meeting of the Finance Committee of the Board of Health

Only Board of Health members have voting privileges. All staff positions are all ex officio.

Responsibilities

The Finance Committee of the Board of Health is responsible for the following:

- 1) Reviewing financial statements and strategic overview of financial position.
- 2) Reviewing the annual cost-shared and 100% funded program budgets, for the purposes of governing the finances of the Health Unit.
- 3) Reviewing the annual financial statements and auditor's report for approval by the Board.
- 4) Reviewing annually the types and amounts of insurance carried by the Health Unit.
- 5) Reviewing periodically administrative policies relating to the financial management of the organization, including but not limited to, procurement, investments, and signing authority.
- 6) Monitoring the Health Unit's physical assets and facilities.

All actions taken by the Finance Standing Committee must be reported to the full Board at its next scheduled meeting.

Committee Proceedings

The rules governing the procedures of the Board shall be observed by the Finance Standing Committee insofar as applicable.

The Committee will meet twice yearly, normally in April/May and September/October. Additional meetings may be called at the discretion of the Chair.

Meetings are held at the health unit at a time mutually agreed upon by the committee, with the option of teleconferencing. Teleconferencing for meetings will be in accordance with a Board of Health procedural policy on teleconferencing.

An agenda is developed by the Chair with the support of the Medical Officer of Health/Chief Executive Officer and distributed by the Secretary one week in advance of a scheduled meeting, whenever possible.

Meeting minutes, recommendations and supporting documentation are forwarded by the Secretary to the Board for inclusion in the agenda of the next Board meeting.

Agendas are made available to the public via the SDHU website.

Closed session minutes are taken by the Recording Secretary. In the event the Recording Secretary is excused from the closed session, the Chair or designate must document the proceedings. Closed session minutes must be approved at a subsequent closed meeting of the Board Finance Standing Committee.

MOTION: *THAT the Board of Health Standing Committee appoint
_____ as the Finance Standing Committee Chair for 2017*

AGENDA
BOARD OF HEALTH FINANCE STANDING COMMITTEE

THURSDAY, MAY 4, 2017

9:00 A.M. UNTIL 11 A.M.

Boardroom – Sudbury & District Health Unit

MEMBERS: Carolyn Thain
Mark Signoretti
René Lapierre
Paul Myre

STAFF: Colette Barrette
Dr. Penny Sutcliffe
France Quirion
Rachel Quesnel

GUESTS: Derek D'Angelo, KPMG ~

~via teleconference

1. CALL TO ORDER

2. ROLL CALL

3. ELECTION OF BOARD OF FINANCE STANDING COMMITTEE CHAIR FOR 2017

3.1 Board of Health Finance Standing Committee Terms of Reference*

ELECTION OF BOARD OF FINANCE STANDING COMMITTEE CHAIR FOR 2017

MOTION: *THAT the Board of Health Standing Committee appoint _____ as the Finance Standing Committee Chair for 2017*

4. REVIEW OF AGENDA / DECLARATION OF CONFLICT OF INTEREST

5. APPROVAL OF BOARD OF HEALTH FINANCE STANDING COMMITTEE MEETING NOTES

5.1 Board of Health Finance Standing Committee Notes dated November 2, 2016 *

APPROVAL OF MEETING NOTES

MOTION: *THAT the meeting notes of the Board of Health Finance Standing Committee meeting of November 2, 2016, be approved as distributed.*

6. NEW BUSINESS

6.1 2016 Audited Financial Statements

- a) Briefing Note from the Medical Officer of Health and Chief Executive Officer on the 2016 Financial Statements *
- b) Review of the 2016 Audit Report and Audited Financial Statements *
 - D. D'Angelo, KPMG
 - C. Barrette, Manager, Accounting Services

2016 AUDITED FINANCIAL STATEMENTS

MOTION: *THAT the Board of Health Finance Standing Committee recommend to the Sudbury & District Board of Health the adoption of the 2016 audited financial statements.*

6.2 Annual Insurance Review

- a) Frank Cowan Company Summary of the SDHU's 2016 Insurance Program
- b) Frank Cowan Company Summary of the SDHU's Claims update for 2016

6.3 Year to Date Financial Statements

- a) March 2017 Financial Statements *
- b) MOHLTC Funding Approval – Schedule A6 *

6.4 Financial Management Policy Review

- a) Briefing Note from the Medical Officer of Health and Chief Executive Officer on the Financial Management Policy Review *
- b) By-laws and Regulatory Requirements Power Point Presentation *
- c) Schedule of Policy Review *
 - BOH By-Laws *

7. **ADJOURNMENT**

MOTION: *That we do now adjourn. Time: _____ p.m.*

* Attachment

**MEETING NOTES
BOARD OF HEALTH FINANCE STANDING COMMITTEE
SUDBURY & DISTRICT HEALTH UNIT, BOARDROOM
WEDNESDAY, NOVEMBER 2, 2016, AT 9 A.M.**

BOARD MEMBERS PRESENT

René Lapierre

Stewart Meikleham

Carolyn Thain

STAFF MEMBERS PRESENT

Colette Barrette
France Quirion

Sandra Laclé
Dr. P. Sutcliffe

Rachel Quesnel

C. THAIN PRESIDING

1.0 CALL TO ORDER

The meeting was called to order at 9:04 a.m.

2.0 ROLL CALL / DECLARATION OF CONFLICT OF INTEREST

There were no declarations of conflict of interest.

3.0 APPROVAL OF BOARD OF HEALTH FINANCE STANDING COMMITTEE MEETING NOTES

3.1 Board of Health Finance Standing Committee Meeting Notes dated May 2, 2016

One minor correction was noted that date on the first page of the meeting notes should read May 2, 2016.

04-16 APPROVAL OF MINUTES

Moved by Lapierre – Meikleham: THAT the meeting notes of the Board of Health Finance Standing Committee meeting of May 2, 2016, be approved as distributed.

CARRIED

4.0 NEW BUSINESS

4.1 Ministry of Health and Long-Term Care (MOHLTC) Provincial Funding

a) Letter to Board Chair from Minister of Health and Long-Term Care (MOHLTC) dated September 23, 2016

The Sudbury & District Health Unit (SDHU)'s 2016 Program Based Budget request for the mandatory and other related programs funding was approved as submitted to the MOHLTC, incorporating anticipated adjustments for the new Healthy Smiles Ontario program. The SDHU's mandatory funding remains above the model-based share per the new funding model implemented at the 2015 funding announcement resulting in no growth to the 2016 mandatory program funding allocation.

- b) Letter to Medical Officer of Health from ADM, Population and Public Health Division, MOHLTC dated September 23, 2016

The letter is in follow-up to the MOHLTC to the Board Chair and provides additional detail at the management level, including allocations year over year and one-time funding.

- c) Amending Agreement No. 4, Public Health Funding and Accountability Agreement and Schedule A5 Program Based Grants

Schedule A-5 of the program-based grants attached to the amended Accountability Agreement outlines the 2016 approved grant for SDHU program/initiatives and the increases/decreases over the 2015 approved allocations.

- d) SDHU Comparison of 2016 Grant Request to MOHLTC 2016 Approval Grant

A comparison table outlining 2015 MOHLTC allocations to the 2016 approved program-based grant was reviewed.

C. Barrette explained changes to the funding as it relates to dental programs for children. The Children in Need of Treatment (CINOT) mandatory preventive services has been transferred to the 100% ministry funded program. The SDHU had anticipated the integration of the Healthy Smiles Ontario (HSO) Program and proactively made accommodations for implications to our mandatory program. Discussions underway are currently focusing on the implementation of the newly integrated 100% program outside of the mandatory program to ensure adequate resources for the program deliverables.

Dr. Sutcliffe noted that the MOHLTC changes leave us short to fulfill requirements of the program; therefore, further funding advocacy efforts may be proposed to the Board. Dr. Sutcliffe noted that this is still in evolution. SDHU assumptions and close monitoring of this situation has put us in a good position for this year.

Unorganized territories annual allocation was increased by \$6,400 and the Diabetes Prevention funding is migrated to the base 100% funding stream.

The approved SDHU one-time requests were reviewed.

Clarification was provided regarding Panorama as it relates to immunization and infectious diseases and the 2016 funding allocations in recognition of the work that public health units are doing for this provincially-led information system initiative.

Further to an inquiry regarding Return on Investment (ROI) for public health programs/services, Dr. Sutcliffe noted the SDHU has begun looking at this and has information on its website. It was noted that these analysis are multi-factoral and analyses must be careful to not undercount the non-monetary value of public health programs. For example, an important benefit of the public health system has been the motivation or knowledge to support decision makers outside of the public health system to make decisions on health, e.g., tobacco by-laws, built environment, clean air, etc.

- e) E-mail correspondence to Medical Officer of Health from PPHD, MOHLTC dated September 26, 2016

The email highlights the provincial context and notes the 1% growth funding for mandatory programs being allocated proportionally to 10 boards based on the funding formula. Last year, a 2% growth funding was allocated to 8 health units.

- f) Public Health Funding Model Share Status – SDHU, MOHLTC received September 29, 2016

An overview of the public health funding model implemented in 2015 was provided. Per the funding model, board allocations are calculated as relative shares of the public health “funding pie”. In 2016, the Sudbury & District Board of Health’s actual share is 2.62%, whereas the MOHLTC model share is 1.67%.

It was pointed out that zero funding means reductions to the provincial public health system. This funding model allocates current resources and does not look at whether there are appropriate levels of funding.

Dr. Sutcliffe noted that the field anticipates changes relating to Patients First and through the modernization of the Ontario Public Health Standards (OPHS). It is unknown whether additional funding will be available if there are additional expectations.

- g) Public Health Funding Model Slides, MOHLTC webinar, September 17, 2015

No discussion.

4.2 Year to Date Financial Statements

- a) September 2016 Financial Statements

Dr. Sutcliffe noted that it is this Committee’s responsibility to periodically review the year-to-date financial statements.

C. Barrette reviewed the September 2016 year-to-date financial statements that report a positive variance of \$722,465. The breakdown for the variance was summarized as 55.1% for gapped salary and benefits; 34.1% of gapped operating; and 10.8% of gapped other revenues. As part of this year’s budget contingency plan, key positions were not filled for a good part of 2016 or there were delays in filling vacant positions due to recruitment challenges. The SDHU has seen a larger number of short-term disability leaves and there have been challenges in filling the vacancies due to the nature of the leaves.

Short-term disabilities have a financial, staffing and programming impact. The SDHU’s work with workplace culture and supports for employees were outlined. We continue to support employees through numerous initiatives such as flex time, EAP, support for fitness, etc. It was suggested that an analysis might be helpful to identify areas where STDs are occurring such as staff groups by years of services.

It was noted that the SDHU had not budgeted for a vacancy for 2016 in order to address current and future pressures.

The Senior Management Executive Committee meets regularly to discuss staffing pressures and gaps to most effectively address priorities.

4.3 2017 Program-Based Budget

a) 2017 Budget Principles

The 2017 budget principles presented at the meeting are the same principles that were applied for last year's budget. The Finance Committee reaffirmed the principles for 2017.

Dr. Sutcliffe noted that there has been less internal communication with staff this year as compared to last year given the implications of the 2016 provincial grant.

b) 2016 Cost Savings Strategies and Five Year Projection

The five year budget projection to 2021 highlights significant financial pressures and rising shortfalls year over. The cost savings that have been realized as a result of the 2016 cost reduction initiatives have helped us manage in the short-term. Close monitoring will take place as we look at the path forward for 2017 and beyond.

c) 2017 Cost Reduction Initiatives

The cost reduction initiatives that carry over to 2017 are incorporated. Incremental savings listed as operational and attrition will result in a savings of \$253,617. The only new proposed cost saving initiative for 2017 is to increase an Ontario Building Code (OBC) Part VII user fees increase resulting in \$30,000 of additional revenues. It is expected that fees would also increase for 2018. It clarified that the Director of Environmental Health conducts surveys of fees from other boards of health. The last time the Part VIII fees were increased was in 2009. Per the OBC and the Board by-laws, the actual fee increase would need to be shared publicly and the Board would approve the fees.

Discussion ensued regarding possible areas to further increase fees or revenues and process for reviewing these regularly, such as the travel immunization. These will be reviewed and discussed with the Board as applicable.

Questions were entertained and clarification was provided regarding our tenant lease agreement and photocopying expenses. Future opportunities for one-time capital requests were discussed such as replacement of lighting. A previous building/energy audit was conducted a few years ago and F. Quirion will determine the frequency of such reviews.

C. Barrette circulated two additional pages for the draft 2017 budget that outline the mandatory cost-shared program expenditures by category and the municipal levies.

Discussion ensued regarding the municipal levies and it was clarified that with the combination of the overall municipal increase and the impact of the changes for the CINOT funding results in 1.82% municipal levy increase as compared with 2015. It was clarified that the Health Protection and Promotion Act stipulates that municipalities are levied based on MPAC population data. Upon discussion regarding

the municipal levies, it was noted that the summary will be reviewed to ensure the levies accurately reflect the MPCAC capita levy per the legislation.

Dr. Sutcliffe concluded that hard work has been done for the 2016 and proposed 2017 cost-shared budgets. Management conducted detailed reviews of all budget lines and identifying priorities in this time of flux for the public health system and financial constraints.

d) Draft 2017 Mandatory Cost-Shared Budget

Difficult discussions were held last year relating to cost reduction initiatives and this proactive work has resulted in savings being realized for the complete year in 2017. It is anticipated that the 2018 budget discussions will be more difficult and analysis, impacts, etc. would begin soon.

This proposed 2017 cost-shared budget will be summarized in a briefing note with financial appendices for the November Board meeting. As the Board Finance Committee Chair, C. Thain will introduce the proposed budget.

Dr. Sutcliffe invited discussion regarding the function and role of the Board Finance Standing Committee as it relates to the budget. It was pointed out that the Board Chair and MOH/CEO regularly communicate. This Committee, which is new since 2015, has reviewed the budget principles, assumptions and cost reduction initiatives to ensure there was overall support of the proposed financial positions and discussed budget impacts. The draft budget briefing note has not been presented to this committee as it is presented to the Board.

The Committee agreed that the current level of information that is tabled and discussed by the Board Finance Standing Committee is acceptable and the Committee does not need to review the program-based budget briefing note that is included in the Board agenda packages.

The Committee members concurred that the draft budget will be recommended by them to the full Board for approval.

4.4 Financial Risk Management

a) Risk Management – Financial Risk Power Point Presentation

Dr. Sutcliffe noted that three risks and associated mitigation strategies resulting from the SDHU risk assessment plan that have a financial focus were shared for the Committee's review and discussion. Two of these financial risks were rated as high risks and are within the red zone.

Given we anticipate significant financial pressures, it is important to manage risks and identify mitigation strategies. An example is the vacancy management program which requires all vacancies to be reviewed on an individual basis. Senior Management Executive Committee also review opportunities and analyze vacancies and organizational priorities that align with the strategic plan. The SDHU also trained a staff with a green belt to lead Lean reviews and train others within the organization. The ongoing monitoring of the budget includes a detailed monthly review and analysis on variances.

At the provincial level, S. Laclé and P. Sutcliffe are both on provincial committees such as alPHa board, and keep aware of what is current and upcoming.

Discussion ensued regarding financial risk 1.2: in that we do not hear from the MOHLTC regarding our provincial grant until later in the year.

The risks and mitigation strategies will be reviewed and reported on on an ongoing basis. The progress made on mitigation strategies will be closely monitored and risks reassessed at predetermined intervals. The Committee members noted they don't need to provide input into strategies but be kept up to date and unless there is something that changes, it would be most appropriate to roll these up in the regular reporting.

4.5 Finance Policy Review

- a) Briefing Note from the Medical Officer of Health and Chief Executive Officer to the Chair dated October 26, 2016

Dr. Sutcliffe noted that there have been some questions relating to this Committee's responsibilities as it relates to the review of administrative financial management policies. It was noted that the Board of Health Finance Standing Committee terms of reference include that of *reviewing periodically administrative policies relating to the financial management of the organization, including but not limited to, procurement, investments, and signing authority.*

There are internal processes in place and regular reviews are conducted but this is not routinely communicated with the Board and these do not come to the Board unless they are revised. For example, if a Board Policy notes R: June 2009, that Policy was last revised in 2009 but has been reviewed annually since then and no changes have been recommended. Board policies relating to financial management are included in Board Bylaws G-I-40 and G-i-50. Any revisions to these are brought to the Board for their review and approval.

Options were discussed and members cautioned of becoming a management Board. The MOH and Director of Corporate Services were asked to propose a Board policy with a framework outlining reporting, the governance roles and responsibilities and language that is consistent with the OPHS.

Before adjourning it was noted that the City of Greater Sudbury has appointed KPMG as their new auditor. The SDHU will be holding a preliminary meeting with the auditor this Friday to begin planning for its 2016 audit.

5.0 ADJOURNMENT

05-16 ADJOURNMENT

Moved by Lapierre – Meikleham: THAT we do now adjourn. Time: 11:37 a.m.

CARRIED

(Chair)

(Secretary)

MOTION: *THAT the meeting notes of the Board of Health Finance Standing Committee meeting of November 2, 2016, be approved as distributed.*

Briefing Note

To: Chair, Finance Standing Committee of the Sudbury & District Board of Health
From: Dr. Penny Sutcliffe, Medical Officer of Health/Chief Executive Officer
Date: April 27, 2017
Re: 2016 Audited Financial Statements presented in draft

For Information

For Discussion

For a Decision

Issue:

KPMG completed the audit of the 2016 Sudbury & District Health Unit (SDHU) Financial Statements and have issued draft statements including the Independent Auditor's Report.

Recommended Action:

That the Board of Health Finance Committee recommend the Audited Financial Statements for Board of Health approval at the Board's May 18, 2017 meeting.

Background:

The Ministry of Health and Long-Term Care requires each health unit to have their financial records audited by an external auditing firm annually.

The 2016 audit was completed by KPMG. Following the City of Greater Sudbury's (CGS) tendering process for audit services completed the summer of 2016, KPMG was awarded a three year service agreement with possibility of a two-year extension. This is the first year of the three-year service agreement.

SDHU is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards.

The auditor's responsibility is to express an opinion on these financial statements based on their audit. The audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The procedures include the assessment of the risks of material misstatements of the financial statements. The auditors consider internal controls relevant to the organization's preparation and fair presentation of the financial statements. The audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

2013–2017 Strategic Priorities:

1. Champion and lead equitable opportunities for health.
2. Strengthen relationships.
3. Strengthen evidence-informed public health practice.
4. Support community actions promoting health equity.
5. Foster organization-wide excellence in leadership and innovation.

O: October 19, 2001
R: October 2013

Based on the auditor’s report, the financial statements present fairly, in all material respects, the financial position of SDHU as at December 31, 2016 and its results of operations and accumulated surplus, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

There were no recommendations received as a result of the 2016 annual audit completed by KPMG.

Financial Implications:

Audit charges as per the Audit service agreement.

Ontario Public Health Organizational Standard:

Standard # 6.6 Financial Records

Strategic Priority:

Strengthen Relationships

Contact:

Colette Barrette
Manager, Accounting Services
Extension 224

2013–2017 Strategic Priorities:

1. Champion and lead equitable opportunities for health.
2. Strengthen relationships.
3. Strengthen evidence-informed public health practice.
4. Support community actions promoting health equity.
5. Foster organization-wide excellence in leadership and innovation.

O: October 19, 2001
R: October 2013

Financial Statements of

**SUDBURY & DISTRICT
HEALTH UNIT**

Year ended December 31, 2016

DRAFT



KPMG LLP
Claridge Executive Centre
144 Pine Street
Sudbury Ontario P3C 1X3
Canada
Telephone (705) 675-8500
Fax (705) 675-7586

INDEPENDENT AUDITORS' REPORT

To the Board Members of the Sudbury & District Health Unit, Members of Council,
Inhabitants and Ratepayers of the Participating Municipalities of Sudbury & District
Health Unit

We have audited the accompanying financial statements Sudbury & District Health Unit, which comprise the statement of financial position as at December 31, 2016, the statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Sudbury & District Health Unit as at December 31, 2016 and its results of operations and accumulated surplus, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Comparative Information

The financial statements of the Sudbury & District Health Unit as at and for the year ended December 31, 2015 were prepared by another chartered professional accountant dated May 19, 2016.

Chartered Professional Accountants, Licensed Public Accountants

May 4, 2017
Sudbury, Canada

DRAFT

SUDBURY & DISTRICT HEALTH UNIT

Statement of Financial Position

December 31, 2016, with comparative information for 2015

| | 2016 | 2015 |
|--|-------------------|-------------------|
| Financial assets: | | |
| Cash and cash equivalents | \$ 11,739,356 | \$ 10,930,342 |
| Accounts receivable | 766,122 | 339,367 |
| Receivable from the Province of Ontario | 212,664 | 135,489 |
| | <u>12,718,142</u> | <u>11,405,198</u> |
| Financial liabilities: | | |
| Accounts payable and accrued liabilities | 1,226,887 | 928,400 |
| Deferred revenue | 318,310 | 310,650 |
| Payable to the Province of Ontario | 394,264 | 363,073 |
| Employee benefit obligations (note 2) | 2,806,905 | 2,783,265 |
| | <u>4,746,366</u> | <u>4,385,388</u> |
| Net financial assets | 7,971,776 | 7,019,810 |
| Non-financial assets: | | |
| Tangible capital assets (note 3) | 5,469,350 | 5,705,961 |
| Prepaid expenses | 284,598 | 248,633 |
| | <u>5,753,948</u> | <u>5,954,594</u> |
| Commitments and contingencies (note 5) | | |
| Accumulated surplus (note 4) | \$ 13,725,724 | \$ 12,974,404 |

See accompanying notes to financial statements.

On behalf of the Board:

_____ Board Member

_____ Board Member

SUDBURY & DISTRICT HEALTH UNIT

Statement of Operations and Accumulated Surplus

Year ended December 31, 2016, with comparative information for 2015

| | Budget | Total | Total |
|--|---------------|---------------|---------------|
| | 2016 | 2016 | 2015 |
| Revenue (note 9): | | | |
| Provincial grants | \$ 19,968,101 | \$ 19,944,345 | \$ 20,160,129 |
| Per capita revenue from municipalities (note 7) | 6,886,526 | 6,886,526 | 6,720,498 |
| Other: | | | |
| Plumbing inspections and licenses | 257,000 | 267,040 | 301,064 |
| Interest | 85,000 | 80,276 | 83,468 |
| Other | 1,126,576 | 854,973 | 1,086,396 |
| | 28,323,203 | 28,033,160 | 28,351,555 |
| Expenses (note 9): | | | |
| Salaries and wages (note 6) | 18,932,050 | 18,010,623 | 18,337,096 |
| Benefits | 5,016,470 | 4,879,420 | 4,748,177 |
| Transportation | 481,083 | 336,632 | 352,748 |
| Administration (note 8) | 2,160,628 | 1,919,805 | 2,422,221 |
| Supplies and materials | 1,186,002 | 1,058,761 | 1,173,513 |
| Small operational equipment | 546,970 | 377,117 | 375,133 |
| Amortization of tangible capital assets (note 3) | - | 699,482 | 671,791 |
| | 28,323,203 | 27,281,840 | 28,080,679 |
| Annual surplus | - | 751,320 | 270,876 |
| Accumulated surplus, beginning of year | 12,974,404 | 12,974,404 | 12,703,528 |
| Accumulated surplus, end of year | 12,974,404 | \$ 13,725,724 | \$ 12,974,404 |

See accompanying notes to financial statements.

SUDBURY & DISTRICT HEALTH UNIT

Statement of Changes in Net Financial Assets

Year ended December 31, 2016, with comparative information for 2015

| | 2016 | 2015 |
|---|--------------|--------------|
| Annual surplus | \$ 751,320 | \$ 270,876 |
| Purchase of tangible capital assets | (462,871) | (348,965) |
| Amortization of tangible capital assets | 699,482 | 671,791 |
| Change in prepaid expenses | (35,965) | 96,487 |
| Change in net financial assets | 951,966 | 690,189 |
| Net financial assets, beginning of year | 7,019,810 | 6,329,621 |
| Net financial assets, end of year | \$ 7,971,776 | \$ 7,019,810 |

See accompanying notes to financial statements.

DRAFT

SUDBURY & DISTRICT HEALTH UNIT

Statement of Cash Flows

Year ended December 31, 2016, with comparative information for 2015

| | 2016 | 2015 |
|---|----------------------|----------------------|
| Cash provided by (used in): | | |
| Cash flows from operating activities: | | |
| Annual surplus | \$ 751,320 | \$ 270,876 |
| Adjustments for: | | |
| Amortization of capital assets | 699,482 | 671,791 |
| Benefit payments related to employee benefit obligations | 23,640 | (148,272) |
| Non-cash expenses related to employee benefit obligations | - | 204,620 |
| | <u>1,474,442</u> | <u>999,015</u> |
| Changes in non-cash working capital: | | |
| Accounts receivable | (426,755) | (62,359) |
| Receivable from the Province of Ontario | (77,175) | (21,903) |
| Payable to the Province of Ontario | 31,191 | (6,611) |
| Accounts payable and accrued liabilities | 298,487 | (697,034) |
| Deferred revenue | 7,660 | (72,129) |
| Prepaid expenses | (35,965) | 96,487 |
| | <u>1,271,885</u> | <u>235,466</u> |
| Cash flows from investing activity: | | |
| Purchase of tangible capital assets | (462,871) | (348,965) |
| | <u>(462,871)</u> | <u>(348,965)</u> |
| Increase (decrease) in cash | 809,014 | (113,499) |
| Cash and cash equivalents, beginning of year | 10,930,342 | 11,043,841 |
| Cash and cash equivalents, end of year | <u>\$ 11,739,356</u> | <u>\$ 10,930,342</u> |

See accompanying notes to financial statements.

SUDBURY & DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2016

The Sudbury & District Health Unit (the "Health Unit") was established in 1956, and is a progressive, accredited public health agency committed to improving health and reducing social inequities in health through evidence informed practice. The Health Unit is funded through a combination of Ministry grants and through levies that are paid by the municipalities to whom the Health Unit provides public health services. The Health Unit works locally with individuals, families and community and partner agencies to promote and protect health and to prevent disease. Public health programs and services are geared toward people of all ages and delivered in a variety of settings including workplaces, day care and educational settings, homes, health-care settings and community spaces.

The Health Unit is a not-for-profit public health agency and is therefore exempt from income taxes under the Income Tax Act (Canada).

1. Summary of significant accounting policies:

These financial statements are prepared by management in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board. The principal accounting policies applied in the preparation of these financial statements are set out below.

(a) Basis of accounting:

The financial statements are prepared using the accrual basis of accounting.

The accrual basis of accounting recognizes revenues as they are earned. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Cash and cash equivalents:

Cash and cash equivalents include guaranteed investment certificates that are readily convertible into known amounts of cash and subject to insignificant risk of change in value.

Guaranteed investment certificates amounted to \$2,204,349 as at December 31, 2016 (2015 - \$2,188,942) and these can be redeemed for cash on demand.

(c) Employee benefit obligations:

The Health Unit accounts for its participation in the Ontario Municipal Employee Retirement Fund (OMERS), a multi-employer public sector pension fund, as a defined contribution plan.

Vacation and other compensated absence entitlements are accrued for as entitlements are earned.

Sick leave benefits are accrued when they are vested and subject to payout when an employee leaves the Health Unit's employ.

SUDBURY & DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2016

1. Summary of significant accounting policies (continued):

(c) Employee benefit obligations (continued):

Other post-employment benefits are accrued in accordance with the projected benefit method pro-rated on service and management's best estimate of salary escalation and retirement ages of employees. The discount rate used to determine the accrued benefit obligation was determined with reference to the Health Unit's cost of borrowing at the measurement date taking into account cash flows that match the timing and amount of expected benefit payments.

Actuarial gains (losses) on the accrued benefit obligation arise from the difference between actual and expected experiences and from changes in actuarial assumptions used to determine the accrued benefit obligation. These gains (losses) are amortized over the average remaining service period of active employees.

(d) Non-financial assets:

Tangible capital assets and prepaid expenses are accounted for as non-financial assets by the Health Unit. Non-financial assets are not available to discharge liabilities and are held for use in the provision of services. They have useful lives extending beyond the currency year and are not intended for sale in the ordinary course of operations.

(e) Tangible capital assets:

Tangible capital assets are recorded at cost, and include amounts that are directly related to the acquisition of the assets. The Health Unit provides for amortization using the straight-line method designed to amortize the cost, less any residual value, of the tangible capital assets over their estimated useful lives. The annual amortization periods are as follows:

| Asset | Basis | Rate |
|-----------------------------------|---------------|------|
| Buildings | Straight-line | 2.5% |
| Parking lot resurfacing | Straight-line | 10% |
| Computer hardware | Straight-line | 30% |
| Leasehold improvements | Straight-line | 10% |
| Website design | Straight-line | 20% |
| Vehicles and equipment | Straight-line | 10% |
| Equipment – Vaccine Refrigerators | Straight-line | 20% |
| Computer software | Straight-line | 100% |

(f) Prepaid expenses:

Prepaid expenses are charged to expenses over the periods expected to benefit from them.

SUDBURY & DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2016

1. Summary of significant accounting policies (continued):

(g) Accumulated surplus:

Certain amounts, as approved by the Board of Directors, are set aside in accumulated surplus for future operating and capital purposes. Transfers to/from funds and reserves are an adjustment to the respective fund when approved.

The accumulated surplus consists of the following surplus accounts:

- Invested in tangible capital assets:

This represents the net book value of the tangible capital assets the Health Unit has on hand.

- Unfunded employee benefit obligations:

This represents the unfunded future employee benefit obligations comprised of the accumulated sick leave benefits, other post-employment benefits and vacation pay and other compensated absences.

The accumulated surplus consists of the following reserves:

- Working capital reserve:

This reserve is not restricted and is utilized for the operating activities of the Health Unit.

- Public health initiatives:

This reserve is restricted and can only be used for public health initiatives.

- Corporate contingencies:

This reserve is restricted and can only be used for corporate contingencies.

- Facility and equipment repairs and maintenance:

This reserve is restricted and can only be used for facility and equipment repairs and maintenance.

- Sick leave and vacation:

This reserve is restricted and can only be used for future sick leave and vacation obligations.

- Research and development:

This reserve is restricted and can only be used for research and development activities.

SADBURY & DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2016

1. Summary of significant accounting policies (continued):

(h) Revenue recognition:

Revenue from government grants and from municipalities is recognized in the period in which the events giving rise to the government transfer have occurred as long as: the transfer is authorized; the eligibility criteria, if any, have been met except when and to the extent that the transfer gives rise to an obligation that meets the definition of a liability for the recipient government; and the amount can reasonably be estimated. Funding received under a funding arrangement, which relates to a subsequent fiscal period and the unexpended portions of contributions received for specific purposes, is reflected as deferred revenue in the year of receipt and is recognized as revenue in the period in which all the recognition criteria have been met. Other revenues including certain user fees, rents and interest are recorded on the accrual basis, when earned and when the amounts can be reasonably estimated and collection is reasonably assured.

(i) Budget figures:

Budget figures have been provided for comparison purposes and have been derived from the budget approved by the Board of Directors.

(j) Use of estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities at the date of the financial statements and the reported amounts of certain revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant. Accounts specifically affected by estimates in these financial statements are allowance for doubtful accounts, employee benefit obligations and the estimated useful lives and residual values of tangible capital assets.

SUDBURY & DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2016

2. Employee benefit obligations:

An actuarial estimate of future liabilities has been completed using the most recent actuarial valuation dated December 31, 2015 and forms the basis for the estimated liability reported in these financial statements.

| | 2016 | 2015 |
|--|--------------|-----------|
| Accumulated sick leave benefits | \$ 827,203 | 849,339 |
| Other post-employment benefits | 1,043,409 | 994,287 |
| | 1,870,612 | 1,843,626 |
| Vacation pay and other compensated absence | 936,293 | 939,639 |
| | \$ 2,806,905 | 2,783,265 |

The significant actuarial assumptions adopted in measuring the Health Unit's accumulated sick leave benefits and other post-employment benefits are as follows:

| | 2016 | 2015 |
|--------------------------|-------|-------|
| Discount | 4.50% | 4.50% |
| Health-care trend rate: | | |
| Initial | 5.10% | 5.10% |
| Ultimate | 4.00% | 4.00% |
| Salary escalation factor | 3.00% | 3.00% |

The Health Unit has established reserves in the amount of \$675,447 (2015 - \$675,447) to mitigate the future impact of these obligations.

The accrued benefit obligations as at December 31, 2016 are \$1,711,172 (2015 - \$1,667,050). Total benefit plan related expenses were \$165,564 (2015 - \$157,317) and were comprised of current service costs of \$108,364 (2015 - \$101,664), interest of \$74,337 (2015 - \$72,790) and amortization of actuarial loss of \$17,137 (2015 - \$17,137). Benefits paid during the year were \$138,399 (2015 - \$148,272). The net unamortized actuarial gain of \$159,439 (2015 - \$176,576) will be amortized over the expected average remaining service period.

SUDBURY & DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2016

3. Tangible capital assets:

Cost:

| | Land | Building | Leasehold Improvements | Computer Hardware | Computer Software | Website Design | Vehicles and Equipment | Parking Lot Resurfacing | Total |
|----------------------------|-----------|-----------|------------------------|-------------------|-------------------|----------------|------------------------|-------------------------|------------|
| Balance, January 1, 2015 | \$ 26,939 | 6,982,035 | 391,330 | 1,362,483 | 278,364 | 69,845 | 2,154,728 | 242,596 | 11,508,320 |
| Additions | - | 86,747 | 5,409 | 288,214 | 47,512 | - | 34,989 | - | 462,871 |
| Balance, December 31, 2016 | \$ 26,939 | 7,068,782 | 396,739 | 1,650,697 | 325,876 | 69,845 | 2,189,717 | 242,596 | 11,971,191 |

Accumulated amortization:

| | Land | Building | Leasehold Improvements | Computer Hardware | Computer Software | Website Design | Vehicles and Equipment | Parking Lot Resurfacing | Total |
|----------------------------|------|-----------|------------------------|-------------------|-------------------|----------------|------------------------|-------------------------|-----------|
| Balance, January 1, 2015 | \$ - | 2,403,267 | 325,530 | 877,169 | 278,364 | 34,923 | 1,829,456 | 53,650 | 5,802,359 |
| Amortization | - | 175,636 | 48,336 | 312,695 | 47,512 | 13,969 | 77,074 | 24,260 | 699,482 |
| Balance, December 31, 2016 | \$ - | 2,578,903 | 373,866 | 1,189,864 | 325,876 | 48,892 | 1,906,530 | 77,910 | 6,501,841 |

Net book value

| | Land | Building | Leasehold Improvements | Computer Hardware | Computer Software | Website Design | Vehicles and Equipment | Parking Lot Resurfacing | Total |
|----------------------|-----------|-----------|------------------------|-------------------|-------------------|----------------|------------------------|-------------------------|-----------|
| At December 31, 2015 | \$ 26,939 | 4,578,768 | 65,800 | 485,314 | - | 34,922 | 325,272 | 188,946 | 5,705,961 |
| At December 31, 2016 | 26,939 | 4,489,879 | 22,873 | 460,833 | - | 20,953 | 283,187 | 164,686 | 5,469,350 |

SUDBURY & DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2016

3. Tangible capital assets (continued):

Cost:

| | Land | Building | Leasehold Improvements | Computer Hardware | Computer Software | Website Design | Vehicles and Equipment | Parking Lot Resurfacing | Total |
|----------------------------|-----------|-----------|------------------------|-------------------|-------------------|----------------|------------------------|-------------------------|------------|
| Balance, January 1, 2014 | \$ 26,939 | 6,907,685 | 391,330 | 1,270,049 | 258,819 | 69,845 | 2,118,573 | 207,596 | 11,250,836 |
| Additions | - | 74,350 | - | 183,915 | 19,545 | - | 36,155 | 35,000 | 348,965 |
| Disposals | - | - | - | (91,481) | - | - | - | - | (91,481) |
| Balance, December 31, 2015 | \$ 26,939 | 6,982,035 | 391,330 | 1,362,483 | 278,364 | 69,845 | 2,154,728 | 242,596 | 11,508,320 |

Accumulated amortization:

| | Land | Building | Leasehold Improvements | Computer Hardware | Computer Software | Website Design | Vehicles and Equipment | Parking Lot Resurfacing | Total |
|----------------------------|------|-----------|------------------------|-------------------|-------------------|----------------|------------------------|-------------------------|-----------|
| Balance, January 1, 2014 | \$ - | 2,229,645 | 282,603 | 644,783 | 258,819 | 20,954 | 1,754,105 | 31,140 | 5,222,049 |
| Amortization | - | 173,622 | 42,927 | 323,867 | 19,545 | 13,969 | 75,351 | 22,510 | 671,791 |
| Disposals | - | - | - | (91,481) | - | - | - | - | (91,481) |
| Balance, December 31, 2015 | \$ - | 2,403,267 | 325,530 | 877,169 | 278,364 | 34,923 | 1,829,456 | 53,650 | 5,802,359 |

Net book value

| | Land | Building | Leasehold Improvements | Computer Hardware | Computer Software | Website Design | Vehicles and Equipment | Parking Lot Resurfacing | Total |
|----------------------|-----------|-----------|------------------------|-------------------|-------------------|----------------|------------------------|-------------------------|-----------|
| At December 31, 2014 | 26,939 | 4,678,040 | 108,727 | 625,266 | - | 48,891 | 364,468 | 176,456 | 6,028,787 |
| At December 31, 2015 | \$ 26,939 | 4,578,768 | 65,800 | 485,314 | - | 34,922 | 325,272 | 188,946 | 5,705,961 |

SUDBURY & DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2016

4. Accumulated surplus:

The accumulated surplus consists of individual fund surplus accounts and reserves as follows:

| | Balance, Beginning of Year | Annual Surplus (Deficit) | In-Year Transfer To (From) Reserves | Purchase of Tangible Capital Assets | Balance, End of Year |
|---|----------------------------------|--------------------------------|---|--|----------------------------|
| Invested in tangible capital assets | \$ 5,705,961 | (699,482) | - | 462,871 | 5,469,350 |
| Unfunded employee benefit obligation | (2,783,265) | (23,640) | - | - | (2,806,905) |
| Working capital reserve | 4,437,835 | 1,474,442 | - | (462,871) | 5,449,406 |
| Public health initiatives | 1,521,119 | - | - | - | 1,521,119 |
| Corporate contingencies | 500,000 | - | - | - | 500,000 |
| Facility and equipment repairs and maintenance | 2,860,447 | - | - | - | 2,860,447 |
| Sick leave and vacation | 675,447 | - | - | - | 675,447 |
| Research and development | 56,860 | - | - | - | 56,860 |
| | \$ 12,974,404 | 751,320 | - | - | 13,725,724 |

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SADBURY & DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2016

5. Commitments and contingencies:

(a) Lines of credit:

As at December 31, 2016, the Health Unit has available an operating line of credit of \$500,000 (2015 - \$500,000). There is no balance outstanding on the line of credit at year end (2015 - \$Nil).

(b) Lease commitment:

The Health Unit enters into operating leases in the ordinary course of business, primarily for lease of premises and equipment. Payments for these leases are contractual obligations as schedule per each agreement. Commitments for minimum lease payments in relation to non-cancellable operating leases at December 31, 2016 are as follows:

| | | |
|---|----|-----------|
| No later than one year | \$ | 213,517 |
| Later than one year and no later than 5 years | | 408,129 |
| Later than five years | | 595,074 |
| | \$ | 1,216,720 |

(c) Contingencies:

From time to time, the Health Unit is involved in lawsuits and claims arising in the ordinary course of business. Management has established policies and procedures to ensure adequate provisions will be made in the accounts where required such that the ultimate resolution with respect to any claims will not have a material adverse effect on the Health Unit's financial position or results of operations. As at December 31, 2015, no such claims exist.

6. Pension agreements:

The Health Unit makes contributions to OMERS, which is a multi-employer plan, on behalf of its members. The plan is a defined contribution 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.

The amount contributed to OMERS for 2016 was \$1,772,422 (2015 - \$1,753,523) for current service and is included within benefits expense on the statement of operations.

SUDBURY & DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2016

7. Per capita revenue from municipalities:

| | 2016 | 2015 |
|---|---------------------|------------------|
| Township of Assiginack | \$ 31,471 | 30,578 |
| Township of Baldwin | 21,073 | 20,363 |
| Township of Billings (and part of Allan) | 21,142 | 20,498 |
| Township of Burpee | 11,294 | 11,089 |
| Township of Central Manitoulin | 72,515 | 70,767 |
| Municipality of St. Charles | 47,379 | 45,565 |
| Township of Chapleau | 83,120 | 81,520 |
| Municipality of French River | 98,822 | 95,431 |
| Township of Espanola | 183,388 | 180,513 |
| Township of Gordon (and part of Allan) | 18,180 | 18,145 |
| Town of Gore Bay | 32,504 | 31,922 |
| Municipality of Markstay-Warren | 96,825 | 94,826 |
| Township of Northeastern Manitoulin & The Islands | 91,315 | 88,845 |
| Township of Nairn & Hyman | 16,734 | 16,264 |
| Municipality of Killarney | 14,393 | 14,180 |
| Township of Sables and Spanish River | 114,247 | 111,896 |
| City of Greater Sudbury | 5,917,249 | 5,773,445 |
| Township of Tehkummah | 14,875 | 14,651 |
| | \$ 6,886,526 | 6,720,498 |

8. Administration expenses:

| | Budget | 2016 | 2015 |
|-------------------------------|--------------------|------------------|------------------|
| Professional fees | \$ 569,244 | 297,379 | 728,204 |
| Advertising | 204,319 | 192,030 | 241,749 |
| Building maintenance | 352,898 | 400,024 | 360,473 |
| Staff education | 161,163 | 187,699 | 233,342 |
| Utilities | 195,840 | 202,485 | 181,395 |
| Rent | 237,884 | 255,776 | 249,728 |
| Liability insurance | 103,774 | 91,232 | 114,454 |
| Postage | 88,158 | 49,127 | 67,821 |
| Telephone | 196,071 | 199,233 | 197,243 |
| Memberships and subscriptions | 47,277 | 42,438 | 45,933 |
| Strategic planning | 4,000 | 2,382 | 1,879 |
| | \$2,160,628 | 1,919,805 | 2,422,221 |

SUDBURY & DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2016

9. Revenues and expenses by funding sources:

| | OLHA | SDWS | VBD | Unorganized Territories | MOH/AMOH | CNO | Enhanced Safe-Food | Enhanced Safe Water | HSO | CID | IC-PHN | Needle Exchange | SFO | SDoH Nurses Initiatives | UIIP | Sub-Total |
|---|---------------|---------|--------|-------------------------|----------|---------|--------------------|---------------------|---------|---------|--------|-----------------|---------|-------------------------|--------|------------|
| Revenue: | | | | | | | | | | | | | | | | |
| Provincial grants | \$ 14,687,000 | 106,000 | 55,899 | - | 42,753 | 121,357 | 29,920 | 16,200 | 502,210 | 389,000 | 90,100 | 71,100 | 735,111 | 180,500 | 13,610 | 17,040,760 |
| Provincial grants - one-time | - | - | - | - | - | - | - | - | - | - | - | - | 17,663 | - | - | 17,663 |
| Unorganized territories | - | - | - | 819,400 | - | - | - | - | - | - | - | - | - | - | - | 819,400 |
| Municipalities | 6,817,658 | 47,222 | 21,646 | - | - | - | - | - | - | - | - | - | - | - | - | 6,886,526 |
| Plumbing and inspections | 267,040 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 267,040 |
| Interest | 80,276 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 80,276 |
| Other | 528,000 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 528,000 |
| | 22,379,974 | 153,222 | 77,545 | 819,400 | 42,753 | 121,357 | 29,920 | 16,200 | 502,210 | 389,000 | 90,100 | 71,100 | 752,774 | 180,500 | 13,610 | 25,639,665 |
| Expenses: | | | | | | | | | | | | | | | | |
| Salaries and wages | 14,320,457 | 121,377 | 25,559 | 487,479 | 38,871 | 95,735 | - | 12,617 | 348,916 | 306,152 | 71,508 | - | 437,532 | 142,881 | 11,190 | 16,420,274 |
| Benefits | 3,959,278 | 34,479 | 2,498 | 135,248 | 3,882 | 25,622 | - | 3,583 | 106,956 | 76,468 | 18,592 | - | 120,213 | 37,619 | 1,148 | 4,525,586 |
| Transportation | 91,474 | 2,481 | 7,020 | 117,087 | - | - | 1,437 | - | 5,677 | 1,000 | - | - | 46,790 | - | 233 | 273,199 |
| Administration (note 8) | 1,606,631 | - | 1,288 | 48,693 | - | - | 18,974 | - | 10,351 | 1,157 | - | 17,775 | 90,806 | - | - | 1,795,675 |
| Supplies and materials | 650,836 | - | 38,168 | 30,893 | - | - | 9,509 | - | 30,310 | 4,223 | - | 53,325 | 57,433 | - | 1,039 | 875,736 |
| Small operational equipment | 287,098 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 287,098 |
| Amortization of tangible capital assets | 699,482 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 699,482 |
| | 21,615,256 | 158,337 | 74,533 | 819,400 | 42,753 | 121,357 | 29,920 | 16,200 | 502,210 | 389,000 | 90,100 | 71,100 | 752,774 | 180,500 | 13,610 | 24,877,050 |
| Annual surplus | \$ 764,718 | (5,115) | 3,012 | - | - | - | - | - | - | - | - | - | - | - | - | 762,615 |

OLHA - MOHLTC Mandatory Cost-Shared Programs
SDWS - Small Drinking Water Systems
VBD - Vector-Borne Diseases
MOH/AMOH - MOH/AMOH Compensation Initiative
CNO - Chief Nursing Officer
HSO - Healthy Smiles Ontario
CID - Infectious Diseases Control Initiative
IC-PHN - Infection Prevention and Control Nurses Initiative
SFO - Smoke Free Ontario
UIIP - Universal Influenza Immunization Program
Men C - Meningococcal Vaccine Program
HPV - Human Papilloma Virus
MCYS - Ministry Children and Youth Services
ECA - E-Cigarettes Act: Protection and Environment
Non-Ministry-Non- Ministry Funded Initiatives

SUDBURY & DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2016

9. Revenues and expenses by funding sources:

| | Men C | HPV | MCYS | Local Model: Indigenous Engagement | Generator 2016-15 | Generator 2016-17 | Vaccine Refrigerators | Building Renovations | Panorma 2015-16 | Panorama 2016-17 | ECA | Diabetes Prevention | Northern Fruit & Vegetables | HIV-Aids Anonymous Testing | Non- Ministry | Total |
|--|-----------|--------|-----------|--|----------------------|----------------------|--------------------------|-------------------------|--------------------|---------------------|--------|------------------------|-----------------------------------|----------------------------------|------------------|------------|
| Revenue: | | | | | | | | | | | | | | | | |
| Provincial grants | \$ 20,723 | 22,032 | 1,593,010 | - | - | - | - | - | - | - | 26,525 | 42,944 | 92,272 | 52,278 | - | 18,890,544 |
| Provincial grants - one-time | - | - | 1,000 | 8,743 | 33,886 | 17,547 | 14,953 | 79,175 | 16,410 | 45,024 | - | - | - | - | - | 234,401 |
| Unorganized territories | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 819,400 |
| Municipalities | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 6,886,526 |
| Plumbing and inspections | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 267,040 |
| Interest | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 80,276 |
| Other | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 326,973 | 854,973 |
| | 20,723 | 22,032 | 1,594,010 | 8,743 | 33,886 | 17,547 | 14,953 | 79,175 | 16,410 | 45,024 | 26,525 | 42,944 | 92,272 | 52,278 | 326,973 | 28,033,160 |
| Expenses: | | | | | | | | | | | | | | | | |
| Salaries and wages | 16,616 | 17,657 | 1,231,465 | - | - | - | - | - | 13,821 | 36,838 | 16,657 | 32,545 | 32,382 | 40,469 | 151,899 | 18,010,623 |
| Benefits | 4,107 | 4,375 | 289,712 | - | - | - | - | - | 2,589 | 8,186 | 4,067 | 7,594 | 3,344 | 6,257 | 23,603 | 4,879,420 |
| Transportation | - | - | 47,172 | - | - | - | - | - | - | - | 3,966 | 1,703 | 918 | (246) | 9,920 | 336,632 |
| Administration (note 8) | - | - | 6,283 | 8,243 | 45,181 | 17,547 | - | 5,409 | - | - | - | (12,074) | 1,800 | 112 | 51,629 | 1,919,805 |
| Supplies and materials | - | - | 18,078 | 500 | - | - | - | - | - | - | 1,835 | 13,176 | 53,828 | 5,686 | 89,922 | 1,058,761 |
| Small operational equipment | - | - | 1,300 | - | - | - | 14,953 | 73,766 | - | - | - | - | - | - | - | 377,117 |
| Amortization of tangible capital assets | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 699,482 |
| | 20,723 | 22,032 | 1,594,010 | 8,743 | 45,181 | 17,547 | 14,953 | 79,175 | 16,410 | 45,024 | 26,525 | 42,944 | 92,272 | 52,278 | 326,973 | 27,281,840 |
| Annual surplus | \$ - | - | - | - | (11,295) | - | - | - | - | - | - | - | - | - | - | 751,320 |

OLHA - MOHLTC Mandatory Cost-Shared Programs
SDWS - Small Drinking Water Systems
VBD - Vector-Borne Diseases
MOH/AMOH - MOH/AMOH Compensation Initiative
CNO - Chief Nursing Officer
HSO - Healthy Smiles Ontario
CID - Infectious Diseases Control Initiative
IC-PHN - Infection Prevention and Control Nurses Initiative
SFO - Smoke Free Ontario
UIIP - Universal Influenza Immunization Program
Men C - Meningococcal Vaccine Program
HPV - Human Papilloma Virus
MCYS - Ministry Children and Youth Services
ECA - E-Cigarettes Act: Protection and Environment
Non-Ministry-Non- Ministry Funded Initiatives

MOTION: *THAT the Board of Health Finance Standing Committee recommend to the Sudbury & District Board of Health the adoption of the 2016 audited financial statements.*

Frank Cowan Company

Insurance Coverage Changes and Enhancements

France Quirion
Director, Corporate Services
May 4, 2017



Coverage

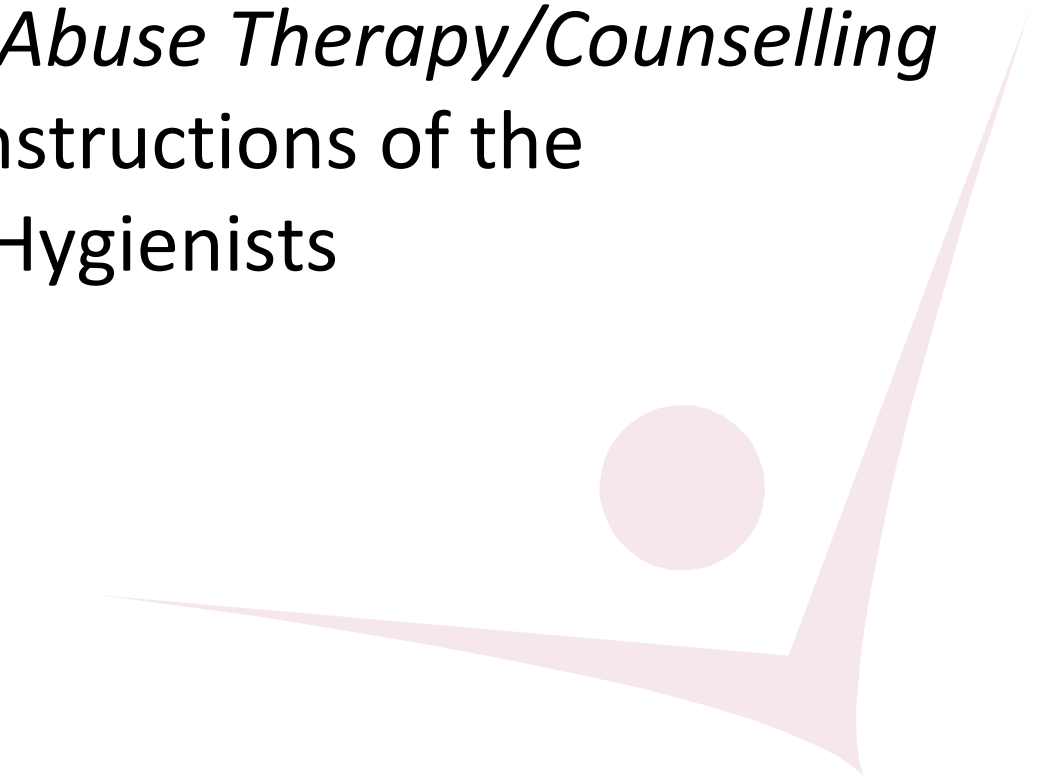
- General Liability
- Errors and Omissions
- Directors' and Officers' Liability
- Non-Owned Automobile Liability
- Environmental Liability
- Crime
- Board Member Accident Insurance
- Legal Expense Insurance
- Property
- Data Processing
- Equipment Breakdown
- Owned Automobile

Policy Changes

- General Liability - the sewer back up per claimant deductible was removed
- The Equipment Breakdown has increased “blanket limits”

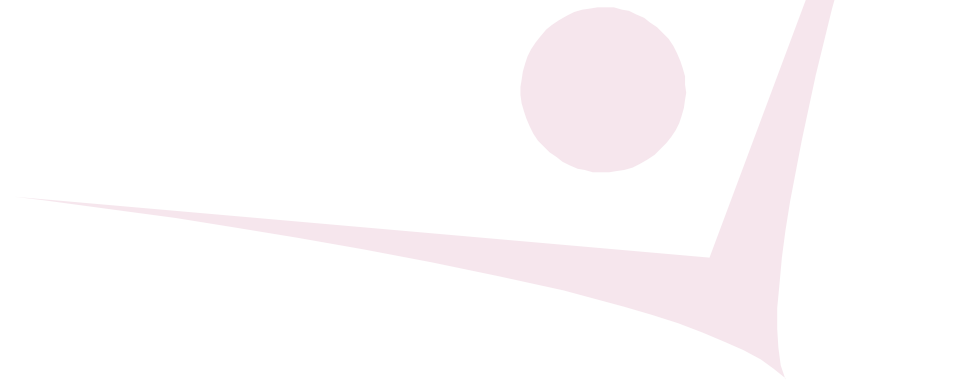
Enhancements

- Added the *Sexual Abuse Therapy/Counselling* coverage on the instructions of the College of Dental Hygienists



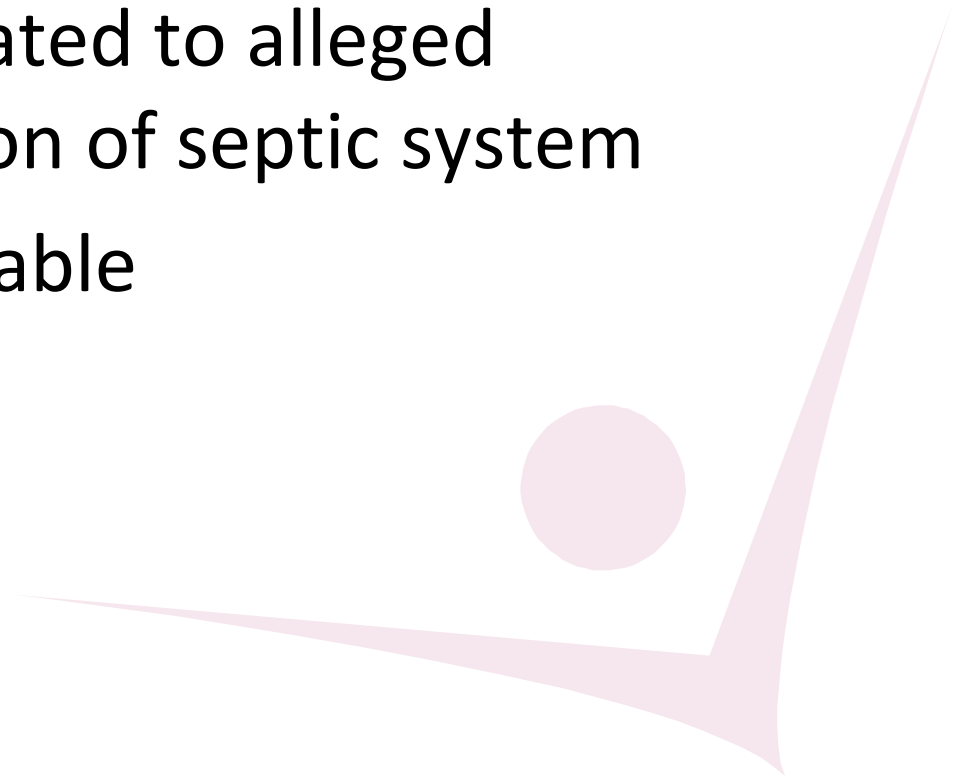
Recommended Coverage

- *Cyber Liability* has become more of an issue with both stolen personal information and ransomware



Claims and Premiums

- One active claim related to alleged inadequate inspection of septic system
- Premiums remain stable



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Sudbury & District Health Unit
STATEMENT OF REVENUE & EXPENDITURES
For The 3 Periods Ending March 31, 2017

Cost Shared Programs

| | Annual Budget | Budget YTD | Current Expenditures YTD | Variance YTD (over)/under | Balance Available |
|--|--------------------------|-----------------------|---|--|------------------------------|
| Revenue: | | | | | |
| MOHLTC - General Program | 14,687,000 | 3,671,750 | 3,671,750 | 0 | 11,015,250 |
| MOHLTC - Unorganized Territory | 819,400 | 204,850 | 204,850 | 0 | 614,550 |
| MOHLTC - VBD Education & Surveillance | 65,000 | 16,250 | 16,250 | 0 | 48,750 |
| MOHLTC - SDWS | 106,000 | 26,500 | 26,500 | 0 | 79,500 |
| Municipal Levies | 6,943,298 | 1,735,822 | 1,735,822 | 0 | 5,207,477 |
| Municipal Levies - Small Drinking Water Syst | 47,222 | 11,806 | 11,806 | (0) | 35,416 |
| Municipal Levies - VBD Education & Surveill | 21,646 | 5,412 | 5,412 | (0) | 16,234 |
| Interest Earned | 85,000 | 17,051 | 17,051 | 0 | 67,949 |
| Total Revenues: | \$22,774,566 | \$5,689,440 | \$5,689,441 | \$(1) | \$17,085,125 |
| Expenditures: | | | | | |
| Corporate Services: | | | | | |
| Corporate Services | 4,387,620 | 1,340,105 | 1,333,370 | 6,735 | 3,054,250 |
| Print Shop | 152,774 | 37,927 | 16,866 | 21,061 | 135,908 |
| Espanola | 120,973 | 28,882 | 28,071 | 811 | 92,902 |
| Manitoulin | 124,624 | 29,886 | 27,872 | 2,015 | 96,753 |
| Chapleau | 99,667 | 23,597 | 22,136 | 1,461 | 77,530 |
| Sudbury East | 16,486 | 4,121 | 4,197 | (75) | 12,289 |
| Intake | 318,239 | 73,968 | 73,972 | (4) | 244,267 |
| Volunteer Services | 5,711 | 171 | 36 | 135 | 5,675 |
| Total Corporate Services: | \$5,226,094 | \$1,538,657 | \$1,506,518 | \$32,138 | \$3,719,575 |
| Clinical and Family Services: | | | | | |
| General | 923,880 | 207,344 | 185,309 | 22,036 | 738,572 |
| Clinical Services | 1,355,527 | 312,932 | 314,039 | (1,107) | 1,041,488 |
| Branches | 272,222 | 59,894 | 57,676 | 2,218 | 214,547 |
| Family | 658,316 | 149,515 | 149,698 | (183) | 508,618 |
| Risk Reduction | 124,408 | 41,840 | 22,145 | 19,695 | 102,263 |
| Clinical Preventative Services - Outreach | 141,610 | 33,692 | 31,915 | 1,777 | 109,695 |
| Sexual Health | 952,320 | 220,867 | 203,591 | 17,276 | 748,729 |
| Influenza | 0 | 0 | 0 | (0) | (0) |
| Meningittis | 0 | 0 | 1 | (1) | (1) |
| HPV | 0 | 0 | 1 | (1) | (1) |
| Dental - Clinic | 500,484 | 106,014 | 99,951 | 6,063 | 400,533 |
| Family - Repro/Child Health | 1,176,292 | 265,579 | 240,031 | 25,549 | 936,261 |
| Substance Misuse Prevention | 162,563 | 37,812 | 34,202 | 3,610 | 128,361 |
| Indigenous Engagement Initiative | 0 | (85,303) | (85,303) | 0 | 85,303 |
| Total Clinical Services: | \$6,267,621 | \$1,350,187 | \$1,253,254 | \$96,934 | \$5,014,368 |
| Environmental Health: | | | | | |
| General | 794,321 | 168,210 | 167,248 | 962 | 627,073 |
| Environmental | 2,578,893 | 610,219 | 602,336 | 7,883 | 1,976,558 |
| Vector Borne Disease (VBD) | 86,667 | 5,826 | 8,894 | (3,068) | 77,773 |
| Small Drinking Water System | 174,185 | 40,213 | 39,906 | 306 | 134,278 |
| Total Environmental Health: | \$3,634,065 | \$824,467 | \$818,384 | \$6,083 | \$2,815,682 |
| Health Promotion: | | | | | |
| General | 1,165,814 | 265,833 | 264,114 | 1,720 | 901,701 |
| School | 1,368,575 | 285,612 | 276,965 | 8,647 | 1,091,610 |
| Healthy Communities & Workplaces | 181,274 | 40,508 | 37,726 | 2,782 | 143,548 |
| Branches - Espanola / Manitoulin | 262,717 | 61,624 | 59,871 | 1,753 | 202,846 |
| Nutrition & Physical Activity | 1,265,383 | 261,178 | 250,677 | 10,501 | 1,014,706 |
| Branches - Chapleau / Sudbury East | 374,021 | 82,275 | 77,787 | 4,489 | 296,234 |
| Injury Prevention | 468,504 | 103,457 | 89,534 | 13,923 | 378,970 |
| Tobacco By-Law | 352,735 | 69,683 | 61,683 | 7,999 | 291,052 |
| Alcohol Misuse | 117,551 | 32,626 | 40,724 | (8,099) | 76,827 |
| Total Health Promotion: | \$5,556,574 | \$1,202,796 | \$1,159,080 | \$43,716 | \$4,397,494 |
| RRED: | | | | | |
| General | 1,454,823 | 350,202 | 336,335 | 13,867 | 1,118,488 |
| Workplace Capacity Development | 23,507 | 350 | 311 | 39 | 23,196 |
| Health Equity Office | 14,440 | 2,255 | 2,132 | 123 | 12,308 |
| Strategic Engagement | 597,441 | 126,681 | 113,717 | 12,964 | 483,724 |
| Total RRED: | \$2,090,211 | \$479,489 | \$452,495 | \$26,993 | \$1,637,716 |
| Total Expenditures: | \$22,774,566 | \$5,395,596 | \$5,189,732 | \$205,865 | \$17,584,834 |
| Net Surplus/(Deficit) | \$0 | \$293,844 | \$499,709 | \$205,865 | |

Sudbury & District Health Unit 2015 - current

Cost Shared Programs

STATEMENT OF REVENUE & EXPENDITURES

Summary By Expenditure Category

For The 3 Periods Ending March 31, 2017

| | BOH Annual Budget | Budget YTD | Current Expenditures YTD | Variance YTD (over) /under | Budget Available |
|---|----------------------------------|-----------------------|---|---|-----------------------------|
| Revenues & Expenditure Recoveries: | | | | | |
| Funding | 23,007,330 | 5,766,079 | 5,768,231 | (2,153) | 17,239,098 |
| Other Revenue/Transfers | 846,680 | 219,202 | 247,835 | (28,632) | 598,846 |
| Total Revenues & Expenditure Recoveries: | 23,854,010 | 5,985,281 | 6,016,066 | (30,785) | 17,837,944 |
| Expenditures: | | | | | |
| Salaries | 15,759,563 | 3,585,805 | 3,514,358 | 71,446 | 12,245,205 |
| Benefits | 4,341,926 | 1,034,741 | 1,044,223 | (9,482) | 3,297,703 |
| Travel | 265,186 | 44,572 | 31,930 | 12,641 | 233,256 |
| Program Expenses | 985,987 | 255,261 | 197,001 | 58,260 | 788,985 |
| Office Supplies | 71,564 | 14,976 | 9,418 | 5,558 | 62,145 |
| Postage & Courier Services | 72,730 | 18,091 | 12,817 | 5,274 | 59,914 |
| Photocopy Expenses | 33,487 | 8,250 | 5,284 | 2,966 | 28,204 |
| Telephone Expenses | 60,600 | 14,991 | 13,637 | 1,353 | 46,963 |
| Building Maintenance | 398,767 | 171,333 | 168,216 | 3,117 | 230,551 |
| Utilities | 205,097 | 64,274 | 64,161 | 114 | 140,936 |
| Rent | 251,803 | 69,955 | 71,255 | (1,300) | 180,548 |
| Insurance | 103,774 | 92,184 | 92,172 | 12 | 11,602 |
| Employee Assistance Program (EAP) | 34,969 | 8,742 | 7,891 | 851 | 27,078 |
| Memberships | 31,166 | 12,877 | 12,359 | 517 | 18,807 |
| Staff Development | 144,568 | 35,392 | 31,689 | 3,704 | 112,879 |
| Books & Subscriptions | 11,875 | 2,605 | 734 | 1,871 | 11,141 |
| Media & Advertising | 108,788 | 24,065 | 11,371 | 12,693 | 97,416 |
| Professional Fees | 203,512 | 57,233 | 36,461 | 20,772 | 167,051 |
| Translation | 48,100 | 9,982 | 9,403 | 579 | 38,698 |
| Furniture & Equipment | 14,270 | 4,909 | 3,856 | 1,052 | 10,414 |
| Information Technology | 706,278 | 331,808 | 348,728 | (16,920) | 357,550 |
| Total Expenditures | 23,854,009 | 5,862,043 | 5,686,963 | 175,080 | 18,167,046 |
| Net Surplus (Deficit) | 0 | 123,238 | 329,103 | 205,865 | |

Sudbury & District Health Unit

SUMMARY OF REVENUE & EXPENDITURES

For the Period Ended March 31, 2017

100% Funded Programs

| Program | FTE | Annual Budget | Current YTD | Balance Available | % YTD | Program Year End | Expected % YTD |
|--|-----|------------------|------------------|-------------------|---------|--------------------|----------------|
| Pre/Postnatal Nurse Practitioner | 704 | 139,000 | 33,157 | 105,843 | 23.9% | Dec 31 | 25.0% |
| OTF - Getting Ahead and Circles | 706 | - | 3,255 | (3,255) | #DIV/0! | Mar 31/17 | 100.0% |
| SFO -TCAN - E-Cigarettes - 1-time | 721 | 30,000 | 23,699 | 6,301 | 79.0% | Mar 31/17 | 100.0% |
| SFO - Electronic Cigarette Act - New Nov./15 - Base Fndg | 722 | 36,700 | 5,448 | 31,252 | 14.8% | Dec 31 | 25.0% |
| SFO -TCAN - Prevention | 724 | 97,200 | 7,472 | 89,728 | 7.7% | Dec 31 | 25.0% |
| SFO - Tobacco Control Area Network - TCAN | 725 | 285,800 | 52,479 | 233,321 | 18.4% | Dec 31 | 25.0% |
| SFO - Local Capacity Building: Prevention & Protection | 726 | 259,800 | 42,092 | 217,708 | 16.2% | Dec 31 | 25.0% |
| SFO - Tobacco Control Coordination | 730 | 104,442 | 24,102 | 80,340 | 23.1% | Dec 31 | 25.0% |
| SFO - Youth Engagement | 732 | 80,000 | 17,862 | 62,138 | 22.3% | Dec 31 | 25.0% |
| Infectious Disease Control | 735 | 479,100 | 110,363 | 368,737 | 23.0% | Dec 31 | 25.0% |
| LHIN - Falls Prevention Project & LHIN Screen | 736 | 110,450 | 109,265 | 1,185 | 98.9% | Mar 31/17 | 100.0% |
| MOHLTC - Special Nursing Initiative | 738 | 180,500 | 41,654 | 138,846 | 23.1% | Dec 31 | 25.0% |
| MOHLTC - Northern Fruit and Vegetable Funding | 743 | 156,600 | 1,679 | 154,921 | 1.1% | Dec 31 | 25.0% |
| Beyond BMI - LDCP | 747 | 110,000 | 50,033 | 59,967 | 45.5% | "May/16 to June/17 | 100.0% |
| Food Safety - Haines Funding | 750 | 36,500 | 85 | 36,415 | 0.2% | Dec 31 | 25.0% |
| Triple P Co-Ordination | 766 | 20,502 | 20,501 | 1 | 100.0% | Dec 31 | 25.0% |
| Healthy Babies Healthy Children | 778 | 1,476,897 | 334,186 | 1,142,711 | 22.6% | Dec 31 | 25.0% |
| Healthy Smiles Ontario (HSO) | 787 | 612,153 | 106,982 | 505,171 | 17.5% | Dec 31 | 25.0% |
| Anonymous Testing | 788 | 59,393 | 59,393 | - | 100.0% | Mar 31/17 | 100.0% |
| HQO - Northern Health Equity | 791 | 141,815 | 42,880 | 98,935 | 30.2% | Mar 31/17 | 100.0% |
| MHPS- Diabetes Prevention Program | 792 | 175,000 | 16,014 | 158,986 | 9.2% | Dec 31 | 25.0% |
| Total | | 4,591,852 | 1,102,601 | 3,489,251 | | | |

**SCHEDULE A-6
PROGRAM-BASED GRANTS**

Board of Health for the Sudbury and District Health Unit

| Source | Program / Initiative Name | 2015 Approved Allocation (\$) | Increase / (Decrease) (\$) | 2016 Approved Allocation (\$) |
|--|---|-------------------------------|----------------------------|-------------------------------|
| Base Funding (January 1st to December 31st, unless otherwise noted) | | | | |
| Public Health & Health Promotion | Mandatory Programs (75%) ¹ | 14,686,976 | 24 | 14,687,000 |
| Public Health | Chief Nursing Officer Initiative (100%) # of FTEs 1.00 | 121,500 | - | 121,500 |
| | Enhanced Food Safety – Haines Initiative (100%) | 36,500 | - | 36,500 |
| | Enhanced Safe Water Initiative (100%) | 16,200 | - | 16,200 |
| | Healthy Smiles Ontario Program (100%) ² | 533,171 | (30,571) | 502,600 |
| | Infection Prevention and Control Nurses Initiative (100%) # of FTEs 1.00 | 90,100 | - | 90,100 |
| | Infectious Diseases Control Initiative (100%) # of FTEs 3.50 | 389,000 | - | 389,000 |
| | MOH / AMOH Compensation Initiative (100%) ³ | 188,000 | - | 188,000 |
| | Needle Exchange Program Initiative (100%) | 71,100 | - | 71,100 |
| | Small Drinking Water Systems Program (75%) | 106,000 | - | 106,000 |
| | Social Determinants of Health Nurses Initiative (100%) # of FTEs 2.00 | 180,500 | - | 180,500 |
| | Unorganized Territories (100%) | 813,000 | 6,400 | 819,400 |
| | Vector-Borne Diseases Program (75%) | 65,000 | - | 65,000 |
| Health Promotion | Children in Need of Treatment (CINOT) Expansion Program (75%) ⁴ | - | - | - |
| | Diabetes Prevention Programming (100%) ⁵ | - | 175,000 | 175,000 |
| | <i>Electronic Cigarettes Act: Protection and Enforcement</i> (100%) | 36,700 | - | 36,700 |
| | Northern Fruit and Vegetable Program (100%) ⁶ | - | 156,600 | 156,600 |
| | Smoke-Free Ontario Strategy: Prosecution (100%) | 25,200 | - | 25,200 |
| | Smoke-Free Ontario Strategy: Protection and Enforcement (100%) | 234,600 | - | 234,600 |
| | Smoke-Free Ontario Strategy: Tobacco Control Area Network - Coordination (100%) | 285,800 | - | 285,800 |
| | Smoke-Free Ontario Strategy: Tobacco Control Area Network - Prevention (100%) | 97,200 | - | 97,200 |
| | 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 |
| Sub-Total Base Funding | | 18,156,547 | 307,453 | 18,464,000 |

**SCHEDULE A-6
PROGRAM-BASED GRANTS**

Board of Health for the Sudbury and District Health Unit

| Source | Program / Initiative Name | 2016 Approved Allocation (\$) |
|---|--|-------------------------------|
| One-Time Funding (April 1, 2016 to March 31, 2017, unless otherwise noted) | | |
| Public Health | First Nations: Local Models for Indigenous Engagement (100%) | 102,800 |
| | New Purpose-Built Vaccine Refrigerators (100%) | 20,200 |
| | Panorama (100%) ⁷ | 83,100 |
| | Public Health Inspector Practicum Program (100%) | 10,000 |
| Health Promotion | <i>Electronic Cigarettes Act</i> : Tobacco Control Area Network (100%) | 30,000 |
| | Northern Fruit and Vegetable Program: Ontario First Nations Health Action Plan (100%) (December 1, 2016 to March 31, 2017) | 22,600 |
| | Smoke-Free Ontario Strategy: Enforcement Tablet Upgrade (100%) | 5,500 |
| Health Capital | Capital: Generator Installation (100%) | 57,500 |
| | Capital: Carpet Replacement (100%) | 114,600 |
| | Capital: Leasehold Improvements (100%) | 6,000 |
| | Capital: Generator Replacement Costs (100%) | 8,000 |
| Sub-Total One-Time Funding | | 460,300 |
| Total | | 18,924,300 |

(1) 2015 base funding for mandatory programs has been adjusted by (\$206,024) for dental integration; (\$107,417) was reallocated to Healthy Smiles Ontario and (\$98,607) was removed in its entirety (relates to fee-for-service costs which is now being administered through a 3rd party).

(2) 2015 base funding for Healthy Smiles Ontario has been adjusted by \$75,871 for dental integration; \$107,417 was reallocated from mandatory programs and (\$31,546) was removed in its entirety (relates to fee-for-service costs which are now being administered through a 3rd party).

(3) Cash flow will be adjusted to reflect the actual status of current MOH and AMOH positions.

(4) 2015 base funding for CINOT Expansion has been adjusted by (\$24,800) for dental integration; amount was removed in its entirety (relates to fee-for-service costs which are now being administered through a 3rd party).

(5) Base funding is pro-rated at \$131,300 for the period of April 1, 2016 to December 31, 2016.

(6) Base funding is pro-rated at \$45,600 for the period of September 1, 2016 to December 31, 2016.

(7) One-time funding is jointly funded by the Population and Public Health Division and the Health Services I&IT Cluster.

Payment Schedule

Base and one-time funding is flowed on a mid and end of month basis. Cash flow will be adjusted when both Parties have signed the Agreement.

Briefing Note

To: Chair, Finance Standing Committee of the Sudbury & District Board of Health

From: Dr. Penny Sutcliffe, Medical Officer of Health/Chief Executive Office

Date: April 27, 2017

Re: Financial Management Policy Review

For Information

For Discussion

For a Decision

Issue:

At its November 2016 meeting, the Finance Standing Committee (FSC) of the Board of Health requested that it receive the review schedule of financial management administrative policies and that it be apprised of key findings as appropriate.

Recommended Action:

1. That the FSC receive the *Regulatory Requirements: By-laws and Policies Review* presentation which provides an overview of financial administration requirements set out by the Ministry of Health and Long-Term Care.
2. That the FSC review relevant by-laws at its spring meeting as part of the Board of Health Manual Review process.
3. That the FSC receive annually the review schedule of financial management administrative policies, including any changes and/or recommendations.

Background:

Senior Management reviews the Board of Health's financial management by-laws and the Health Unit's operational financial management policies to ensure our compliance with relevant provisions of the Health Protection and Promotion Act (HPPA), the Ontario Public Health Organizational Standard (OPHOS), and the Public Health Accountability Agreement (PHFAA). There are no gaps identified in meeting the governance or operational policy requirements.

The review schedule for the Board of Health By-laws is set out in BOH Manual, Policy A-III-10 which requires reviews as necessary and at least every two years. Management practice is to

¹ Strategic Priorities:

1. Champion equitable opportunities for health in our communities.
2. Strengthen relationships with priority neighbourhoods and communities and strategic partners.
3. Strengthen the generation and use of evidence-informed public health practices.
4. Support community voices to speak about issues that impact health equity.
5. Maintain excellence in leadership and agency-wide resource management as key elements of an innovative learning organization.

conduct an annual review of the Board of Health manual with recommendations presented to the Board of Health for approval.

The review requirements for management level financial policies and procedures are set out in the General Administrative Manual (GAM), Policy A-I-10 and A-II-10. These establish the requirement for policy and procedure review to be conducted as necessary and at least every 5 years. To this end, an annual review schedule is established which identifies the policies and procedures to be reviewed every year.

The review schedules are attached.

Financial Implications:

There is no financial cost associated with this.

¹ Strategic Priorities:

1. Champion equitable opportunities for health in our communities.
2. Strengthen relationships with priority neighbourhoods and communities and strategic partners.
3. Strengthen the generation and use of evidence-informed public health practices.
4. Support community voices to speak about issues that impact health equity.
5. Maintain excellence in leadership and agency-wide resource management as key elements of an innovative learning organization.

O: October 19, 2001
R: February 2010

Regulatory Requirements

By-laws and Policies Review

May 4, 2017

Three Regulatory Requirements

1. Health Protection and Promotion Act - HPPA
2. Ontario Public Health Organizational Standards - OPHOS
3. Public Health Funding and Accountability Agreement - PHFAA

HPPA – By-laws

56. (1) A board of health shall pass by-laws respecting,

(a) the management of its property;

By-law G-I-10 (revised and passed June 2016)

(b) banking and finance;

By-law G-I-40 (revised and passed June 2004)

(d) the appointment of an auditor. R.S.O. 1990,
c. H.7, . 56 (1).

By-law G-I-20 (reviewed and passed June 2016)

HPPA - Financial Records

59. (1) A board of health shall keep or cause to be kept,

(a) books, records and accounts of its financial affairs;

By-law G-1-40 (revised and passed June 2004)

(b) the invoices, receipts and other documents in its possession that relate to the financial affairs of the board. R.S.O. 1990, c. H.7, s. 59 (1).

By-law G-1-40 (revised and passed June 2004)

HPPA- Annual Financial Statements

59. (2) A board of health shall cause to be prepared statements of its financial affairs in each year including but not limited to,

(a) an annual statement of income and expenses;

By-law G-1-40 (revised and passed June 2004)

(b) an annual statement of assets and liabilities; and

By-law G-1-40 (revised and passed June 2004)

(c) an annual estimate of expenses for the next year. R.S.O. 1990, c. H.7, s. 59 (2)

By-law G-1-40 (revised and passed June 2004)

OPHOS – Management Operations

- **Financial Records** – the BOH shall keep or cause to be kept books, records and accounts of its financial affairs

By-law G-1-40 (revised and passed June 2004)

- **Financial Policies and Procedures** – the BOH shall ensure that administration implements appropriate financial management and oversight

By-law G-1-40 (revised and passed June 2004)

OPHOS – Management Operations

- **Procurement** – ensure that the administration adopts policies with respect to procurement of goods
Policy J-II-10 (revised June 2016)
- **Capital Funding Plan** – maintain a capital funding plan including policies and procedures to ensure that funding for capital projects is properly managed and reported
Policy J-II-10 (revised June 2016) and By-law G-I-10 (revised June 2016)

PHFAA

- Governs our requirements for MOHLTC funding
- Ensures controls are in place for:
 - Financial Information
 - Revenues are collected and recorded effectively
 - Goods and services procurement, payroll and employee expenses are processed correctly
 - Fund disbursement process to prevent and detect errors

PHFAA

- Program Based Budget Request – Approved by Chair
- Quarterly Financial Reporting – YTD financial statement presented at each BOH meeting
- BOH Financial Controls Checklist – presented to BOH at January meeting
- Annual Reconciliation Report and Audited Financial Statement – FSC review and recommend to BOH May meeting

Next Steps

- The review did not find any gaps in meeting the governance or operational policy requirements as set out by the regulatory framework
- Management to continue annual review of by-laws and policies as per the BOH Manual review process ensuring advisement of FSC (for recommendation to the BOH as appropriate)
- FSC to receive annually the review schedule of financial management administrative policies including any changes and/or recommendations

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Board of Health Finance Committee

STATUS COLOR LEGEND & TOGGLE

| | | | |
|-------------|-------------|---------|----------|
| Not Started | In Progress | Delayed | Complete |
| ON | ON | ON | ON |

| CATEGORY | SECTION | NUMBER | SUBJECT | DESCRIPTION | APPROVED BY | ORIGINAL DATE | MOST RECENT ACTIVITY DATE | ACTIVITY TYPE | NEXT REVIEW DATE | STATUS |
|-------------------------|--------------------------|---------|---|--------------------------------------|-----------------|---------------|---------------------------|---------------|------------------|----------|
| Board of Health By-Laws | By-laws | G-I-20 | By-law 02-88 | Duties of the Auditor of the BOH | Board of Health | 1988-06-23 | 2016-06-16 | Revised | 2017-06-16 | Complete |
| Board of Health By-Laws | By-laws | G-I-10 | By-law 01-88 | Management of Property | Board of Health | 1988-06-23 | 2016-06-16 | Revised | 2017-06-16 | Complete |
| Board of Health By-Laws | By-laws | G-I-40 | By-law 01-93 | Financial Authority | Board of Health | 1993-04-22 | 2016-06-17 | Reviewed | 2017-06-17 | Complete |
| Board of Health By-Laws | By-laws | G-I-70 | By-law 12-05 | Reserve Management | Board of Health | 2005-12-01 | 2016-06-16 | Reviewed | 2017-06-17 | Complete |
| Public Health Standards | Organizational Standards | J-II-10 | Ontario Public Health Organizational Standards, Management Operations | OPH Standards, Management Operations | Board of Health | 2014-02-20 | 2016-06-16 | Revised | 2017-06-16 | Complete |

Board of Health Finance Committee

STATUS COLOR LEGEND & TOGGLE

Next Review Date

| | | | | |
|-------------|-------------|---------|----------|-------|
| Not Started | In Progress | Delayed | Complete | Years |
| ON | ON | ON | ON | 5 |

| CATEGORY | SECTION | NUMBER | SUBJECT | DESCRIPTION | MOST RECENT ACTIVITY DATE | ACTIVITY TYPE | PROPOSED REVIEW CYCLE/DATE | STATUS | NEXT REVIEW DATE |
|--------------------|--------------------|-----------|--|--|---------------------------|---------------|----------------------------|-------------|------------------|
| Corporate Services | Operating Budget | E-VI-30 | Execution and Control of Approved Budget | Establishes authority on budget spending and reallocation | 1991-10-01 | Revised | 2017 | Complete | 2022 |
| Corporate Services | Assets/Liabilities | E-X-20 | Reserve for Sick Leave and Vacation Pay Benefits | Sets out how sick leave benefits will be paid upon employee termination | 1991-10-01 | Revised | 2017 | Complete | 2022 |
| Corporate Services | Internal Controls | E-V-40 | Asset Safegards | Describes insurance requirements, lock & keys, computer data access and back up requirements | 1996-06-01 | Revised | 2017 | In Progress | 2022 |
| Corporate Services | Assets/Liabilities | E-X-10 | Control of fixed Assets | Establishes the Dir, CS as the authority for the purchase of fixed assets | 2004-11-01 | Revised | 2017 | Complete | 2022 |
| Corporate Services | Internal Controls | E-V-10 | General | Sets out how budgets will be approved, the production of monthly financial statements, a chart of accounts and fidelity bonding | 2007-09-01 | Revised | 2017 | In Progress | 2022 |
| Corporate Services | Internal Controls | E-V-20 | Segregation of Duties | Ensures that difference positions complete different parts of processes and that different individuals check work done by other employee | 2007-09-01 | Revised | 2017 | Complete | 2022 |
| Corporate Services | Banking | E-VIII-10 | Security and Authorization | Establishes the MOH as having authorization for the financial affairs and signing authority and Dir. CS responsibilities | 2007-09-01 | Revised | 2017 | In Progress | 2022 |
| Corporate Services | Assets/Liabilities | E-X-11 | Capitalization of Fixed Assets | Describes the minimum value for a capital purchase and how those will be dealt with as well as the amortizations periods | 2007-09-01 | Revised | 2017 | In Progress | 2022 |
| Corporate Services | Assets/Liabilities | E-X-12 | Disposal of Assets | Establishes the rules for the disposal of assets | 2007-09-01 | Revised | 2017 | In Progress | 2022 |
| Accounting | Purchasing | E-IX-10 | Authorization | Establishes the requirement for purchase orders | 2010-04-01 | Revised | 2018 | Not Started | 2023 |
| Accounting | Purchasing | E-IX-11 | Receiving | Sets out the requirement to document all goods received by SDHU | 2010-04-01 | Revised | 2018 | Not Started | 2023 |
| Accounting | Purchasing | E-IX-12 | Accounts Payable | Describes how payments will be made to suppliers and handled in our Accounting system | 2010-04-01 | Revised | 2018 | Not Started | 2023 |
| Accounting | Banking | E-VIII-11 | Bank Reconciliation | Establishes the requirement for banks balances to be reconciled to the GL on a monthly basis | 2010-04-01 | Revised | 2018 | Not Started | 2023 |
| Accounting | Revenue | E-XI-10 | Cash Receipts | Sets out how cash will be handled | 2010-04-01 | Revised | 2018 | Not Started | 2023 |
| Accounting | Revenue | E-XI-20 | Accounts Receivable | Describes how accounts receivable will be collected | 2010-04-01 | Revised | 2018 | Not Started | 2023 |
| Accounting | Revenue | E-XI-30 | Municipal Levy | Sets out the authority to levy municipalities | 2010-04-01 | Revised | 2018 | Not Started | 2023 |
| Accounting | Revenue | E-XI-40 | Fees | Establishes the authority to establish user fees | 2010-04-01 | Revised | 2018 | Not Started | 2023 |

| | | | | | | | | | |
|--------------------|----------------------------|----------|---|---|------------|---------|------|-------------|------|
| Human Resources | Compensation-Payro | K-IV-30 | Authorization of Direct Deposit | Establishes that payroll will be through direct deposit | 2010-07-01 | Revised | 2018 | Not Started | 2023 |
| Human Resources | Compensation-Payro | K-IV-40 | Death Benefits | Establishes the SDHU as being responsible to initiate death benefits with the executor of estate | 2010-07-01 | Revised | 2018 | Not Started | 2023 |
| Human Resources | Compensation-Payro | K-IV-50 | Pay Periods/Disbursements | Establishes pay periods based on employee status | 2010-07-01 | Revised | 2019 | Not Started | 2024 |
| Human Resources | Compensation-Payro | K-IV-70 | Verification of Employment and Wages | Requirements for SDHU verification of employment and wages | 2010-07-01 | Revised | 2019 | Not Started | 2024 |
| Human Resources | Compensation-Payro | K-VII-30 | Overtime | General authority for overtime | 2010-07-01 | Revised | 2019 | Not Started | 2024 |
| Human Resources | Compensation-Payro | K-X-20 | Paid Holidays | Establishes observed paid holidays and eligibility | 2010-07-01 | Revised | 2019 | Not Started | 2024 |
| Human Resources | Terms and Conditions | K-V-50 | Personal Automobile | Sets out the guidelines for use of a personal automobile for business purposes | 2011-12-01 | Revised | 2019 | Not Started | 2024 |
| Corporate Services | Purchasing | E-IX-13 | Credit Card Purchases | Establishes the rules for the provision of credit cards | 2012-03-01 | Revised | 2019 | Not Started | 2024 |
| Corporate Services | Purchasing | E-IX-15 | Invitational Competitive Process for Procurement of goods and non-consulting services (\$15,000-\$75,000) | Sets out the competitive process for procurement when goods and services are between \$15,000 - \$75,000 | 2012-03-01 | Revised | 2019 | Not Started | 2024 |
| Corporate Services | Purchasing | E-IX-16 | Open Competitive Process (contracts over \$75,000) | Sets out the competitive process for procurement when goods and services that are above \$75,000 | 2012-03-01 | Revised | 2019 | Not Started | 2024 |
| Corporate Services | Purchasing | E-IX-17 | Procurement-Purchase Order | Outlines purpose, process, and responsibilities of issuing PO's | 2012-03-01 | Revised | 2019 | Not Started | 2024 |
| Corporate Services | Purchasing | E-IX-30 | Procurement-Petty Cash Fund and Reconciliation | Establishes when and how petty cash can be used | 2012-03-01 | Revised | 2019 | Not Started | 2024 |
| Accounting | Internal Controls | E-V-30 | Authorization | Describes the signing authority levels by dollar value and position | 2012-04-01 | Revised | 2020 | Not Started | 2025 |
| Corporate Services | Internal Controls | E-V-50 | External Auditors | Establishes how the Auditors will be appointed and their responsibility | 2012-05-01 | Revised | 2020 | Not Started | 2025 |
| Corporate Services | Operating Budget | E-VI-20 | Budget Preparation and Review | Establishes a high level process for budget request and cycle | 2012-05-01 | Revised | 2020 | Not Started | 2025 |
| Corporate Services | Ontario Ministry of Health | E-VII-11 | Budget Submission | Establishes the requirement to submit a budget to MOHLTC and MCYS | 2012-05-01 | Revised | 2020 | Not Started | 2025 |
| Corporate Services | Purchasing | E-IX-14 | Procurement-Over-arching goods and services and consulting | Overarching policy regulating procurement | 2012-12-01 | Revised | 2020 | Not Started | 2025 |
| Corporate Services | Purchasing | E-IX-18 | Centralized Advertising Procurement | Establishes the advertising requirements for HR position and the purchase of advertising | 2013-07-01 | Revised | 2020 | Not Started | 2025 |
| Accounting | Purchasing | E-IX-25 | Purchase of Services-Agreements/Contracts | Establishes the principles, procedures, requirements and guidelines to be followed when establishing a contract | 2015-06-01 | Revised | 2020 | Not Started | 2025 |
| Corporate Services | Monetary Issues | E-II-40 | Reimbursement of Expenses | Sets out the rules for the reimbursement of out-of-pocket expenses while on business for the employer | 2016-12-01 | Revised | 2020 | Not Started | 2025 |

Sudbury & District Health Unit Board of Health Manual

Information

Category: Board of Health By-Laws

Section By-laws

Subject: By-law 01-88

Number: G-I-10

Approved By: Board of Health

Original Date June 23, 1988

Revised Date: June 16, 2016

Information

To Provide for the Management of Property

The Board of Health for the Sudbury & District Health Unit enacts as follows:

1. In this by-law:
 - a) "Act" means the *Health Protection and Promotion Act* as amended;
 - b) "Board" means the Board of Health for the Sudbury & District Health Unit
2. The Board shall hold title to any real property acquired by the Board for the purpose of carrying out the functions of the Board and may sell, exchange, lease, mortgage or otherwise charge or dispose of real property owned by it in accordance with the Act.
3. The Board shall obtain consent of the councils of the majority of the municipalities within the health unit served by the Board before selling, exchanging, leasing, mortgaging, or otherwise charging or disposing of real property owned by it in accordance with the Act.
4. The Director, Corporate Services through the Medical Officer of Health/Chief Executive Officer, shall be responsible for the care and maintenance of all properties acquired by the Board.
5. Such responsibility shall include, but not be limited to, the following:
 - Establishing a capital funding plan to ensure that long term facility needs are appropriately identified, costed, managed and monitored.

- the replacement of, or major repairs to capital items such as the heating, cooling and ventilation systems; roof and structural work; plumbing; lighting and wiring;
- the maintenance and repair of the parking areas and the exterior of the building;
- the care and upkeep of the grounds of the property;
- the cleaning, maintaining, decorating and repairing the interior of the building; and
- the maintenance of up-to-date fire and liability insurance coverage.

Enacted and passed by the Board of Health, Sudbury & District Health Unit this 23rd day of June 1988.
 Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 26th day of February 1990.

Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 23rd day of May 1991.

Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 29th day of June 1992.

Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 22nd day of April 1993.

Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 28th day of April 1994.

Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 27th day of April 1995.

Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 28th day of May 1998.

Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 22nd day of April 1999.

Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 25th day of May 2000.

Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 22nd day of February 2001.

Revised and passed by the Board of Health, Sudbury & District Health Unit this 17th day of October 2002.

Revised and passed by the Board of Health, Sudbury & District Health Unit this 17th day of June 2004.

Revised and passed by the Board of Health, Sudbury & District Health Unit this 20th day of February 2014.

Revised and passed by the Board of Health, Sudbury & District Health Unit this 18th day of June 2015.

Sudbury & District Health Unit Board of Health Manual

Information

Category: Board of Health By-Laws

Section By-laws

Subject: By-law 02-88

Number: G-I-20

Approved By: Board of Health

Original Date June 23, 1988

Revised Date: June 16, 2016

Information

To Provide for the Duties of the Auditor of the Board of Health

The Board of Health for the Sudbury & District Health Unit enacts as follows:

1. Pursuant to the Ontario Municipal Act the municipality that is responsible for the largest share of the expenses of the health unit shall appoint the SDHU auditor.
2. The Auditor shall:
 - audit the accounts and transactions of the Board of Health,
 - perform such duties as are prescribed by the Ministry of Municipal Affairs with respect to local boards under the *Municipal Act* and the *Municipal Affairs Act*
 - perform such other duties as may be required by the Board that do not conflict with the duties prescribed by the Ministry of Municipal Affairs and the Ministry of Health as set out above of this by-law,
 - have the 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 may be necessary to enable the execution of such duties as are prescribed by the Ministry of Municipal Affairs and under the *Health Protection and Promotion Act*; and,
 - be entitled to attend any meeting of members of the Board and to make representations at that meeting in their role as auditor.

Enacted and passed by the Board of Health, Sudbury & District Health Unit this 23rd day of June 1988.
Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 26th day of February 1990.
Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 23rd day of May 1991.

Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 29th day of June 1992.
Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 22nd day of April 1993.
Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 28th day of April 1994.
Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 27th day of April 1995.
Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 28th day of May 1998.
Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 22nd day of April 1999.
Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 25th day of May 2000.
Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 22nd day of February 2001.
Revised and passed by the Board of Health, Sudbury & District Health Unit this 17th day of October 2002.
Reviewed and passed by the Board of Health, Sudbury & District Health unit this 17th day of June 2004.
Reviewed and passed by the Board of Health, Sudbury & District Health unit this 18th day of May 2006.
Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 15th day of November 2007.
Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 18th day of June 2015

Sudbury & District Health Unit Board of Health Manual

Information

Category: Board of Health By-Laws

Section By-laws

Subject: By-law 01-93

Number: G-I-40

Approved By: Board of Health

Original Date April 22, 1993

Revised Date: June 17, 2004

Information

The Board of Health for the Sudbury & District Health Unit enacts as follows:

1. In this by-law:
 - a) “Act” means the *Health Protection and Promotion Act*. S.O. Ontario, Chapter 10 as amended;
 - b) “Board” means the Board of Health for the Sudbury & District Health Unit
2. All matters related to the financial affairs of the Board shall be the responsibility of the Medical Officer of Health/Chief Executive Officer, with delegation as deemed appropriate.
3. The Board will maintain a formal list of names, titles and signatures of those individuals who have signing authority.
4. Signing authorities shall be restricted to:
 - the Chair of the Board of Health
 - the Medical Officer of Health/Chief Executive Officer
 - the Director, Corporate Services
5. Two signatures from the above list shall be required on each cheque.

6. The Director, Corporate Services is hereby authorized on behalf of the Board to:
 - deposit or negotiate or transfer to the bank or trust company (but only for the credit of the Board) all or any cheques, promissory notes, bills of exchanges or orders for payment of monies;
 - receive all paid cheques and vouchers and to arrange, settle, balance and certify all books and accounts between the Board and the bank or trust company;
 - sign the bank's or trust company's form of settlement of balances and releases;
 - receive all monies and to give acquittance for the same; and
 - invest excess or surplus funds in interest-bearing accounts or short-term deposits.

7. The Director, Corporate Services, under the direction of the Medical Officer of Health/Chief Executive Officer shall:
 - prepare and control the annual budget under the jurisdiction of the Board for submission to the Board;
 - prepare financial and operating statements for the Board in accordance with established Ministry policies indicating the financial position of the Board with respect to the current operations;
 - act as custodian of the books of account and accounting records of the Board required to be kept by the laws of the province;
 - in conjunction with the Auditor, arrange for an annual audit of all accounting books and records;
 - report to the Board on all financial and banking matters initiated by the Executive Officer;
 - shall reconcile all balances with all constituent municipalities and appropriate ministries upon receipt of final year end settlements; and
 - perform other duties as the Board may direct.

Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 22nd day of April 1993.

Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 28th day of April 1994.

Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 27th day of April 1995.

Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 28th day of May 1998.

Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 22nd day of April 1999.

Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 25th day of May 2000.

Reviewed and passed by the Board of Health, Sudbury & District Health Unit this 22nd day of February 2001.

Revised and passed by the Board of Health, Sudbury & District Health Unit this 17th day of October 2002.

Revised and passed by the Board of Health, Sudbury & District Health Unit this 17th day of June 2004.

Sudbury & District Health Unit Board of Health Manual

Information

Category: Board of Health By-Laws

Section By-laws

Subject: By-law 12-05

Number: G-I-70

Approved By: Board of Health

Original Date December 2005

Revised Date: December 11, 2009

Information

To provide for the management of the Working Capital, and Research and Development Reserves:

The Board of Health for the Sudbury & District Health Unit has established reserves as follows:

1.

70-09 SUDBURY & DISTRICT BOARD OF HEALTH UNIT RESERVE FUNDS

Moved by Dennis - Spencer:

WHEREAS the *Health Protection and Promotion Act* (the "Act") requires, in section 72(1), that the expenses incurred by or on behalf of a Board of Health and the Medical Officer of Health in the performance of their functions and duties under the Act or any other act shall be borne and paid by the Municipalities in the health unit served by the Board of Health; and,

WHEREAS section 72(5)(1) of the Act requires the Board of Health to cause the preparation of an annual estimate of expenses for the next year; and,

WHEREAS such estimate of expenses may from time to time be too high or too low resulting in an excess or a shortfall respectively of funds paid by the Municipalities; and,

WHEREAS the Board of Health considers it prudent and expedient to establish reserve funds, which include reserves, into which, inter alia, any excess funds received in any year be paid to be applied to cover any shortfall of funds in future years; and,

WHEREAS section 417(1) of the Municipal Act empowers the Board of Health in each year to provide in its estimate of expenses for the establishment or maintenance of a reserve fund for any purpose for which it has authority to expend funds; and,

WHEREAS section 417(2) of the *Municipal Act* only requires the approval of the Councils of the majority of the Municipalities in a health unit for the establishment and maintenance of a reserve fund if the Board of Health is required to obtain such approval for capital expenditures; and,

WHEREAS section 52(4) of the Act only requires the Board of Health to seek the approval of the Councils of the majority of Municipalities in a health unit for capital expenditures made to acquire and hold real property; and,

WHEREAS to obviate the need to seek the approval of the Councils of the majority of the Municipalities in the Sudbury and District Health Unit to establish and maintain a reserve fund, the reserve fund will contain a restriction that the funds therein shall not be used for capital expenditures to acquire real property without first obtaining the approval of the Councils of the majority of the Municipalities in the Sudbury and District Health Unit as required by section 52(4) of the Act; and,

WHEREAS the Board of Health previously passed motion 20-08 with respect to reserve funds;

NOW THEREFORE BE IT RESOLVED THAT

- (1) The Board of Health motion 20-08 with respect to reserve funds is hereby repealed and rescinded; and,
- (2) The Board of Health forthwith establish and maintain reserve funds for Working Capital, Human Resources Management, Public Health Initiatives and Response, Corporate Contingencies, and Facility and Equipment Repairs and Maintenance; and,
- (3) The reserve funds shall be used and applied only to pay for expenses incurred by or on behalf of the Board of Health and the Medical Officer of Health in the performance of their functions and duties under the Act or any other Act; and,
- (4) None of the reserve funds shall be used or applied for capital expenditures to acquire and hold real property unless the approval of the Councils of the majority of the Municipalities in the Sudbury and District Health Unit have been first obtained pursuant to section 52(4) of the Act; and,

- (5) The Board of Health in each year may provide in its estimates for a reasonable amount to be paid into the reserve funds provided that no amount shall be included in the estimates which is to be paid into the reserve funds when the cumulative balance of all the reserve funds in the given year exceeds 15 percent of the regular operating revenues for the Board of Health approved budget for the mandatory cost shared programs and services; and,
- (6) All lease revenues, received by the Board of Health under leases of part of its premises, in excess of the actual operating costs attributable to the leased premises, shall be paid annually into the reserve funds; and,
- (7) Any over-expenditures in any year shall be paid firstly from the reserve funds and only when the reserve funds shall have been exhausted will the Board of Health seek additional funds from the Municipalities to pay for such over-expenditures; and,
- (8) Any excess revenues in any year resulting from an over estimate of expenses shall be paid into the reserve funds; and,
- (9) The Medical Officer of Health shall in each year direct the allocation of excess funds to such reserve fund or funds as the Medical Officer of Health shall decide; and,
- (10) The Medical Officer of Health shall be entitled to transfer funds from one reserve fund to another reserve fund at any time and from time to time.

And;

2.

83-02 Moved by Kinoshameg - Edwards:

WHEREAS the Sudbury & District Health Unit has opportunities to provide public health research, evaluation and program services to entities other than the Ministry of Health and Long Term Care and generate revenue through grants and honoraria and other sources of revenue that may arise from time to time for these services; and

WHEREAS there are costs associated with developing these opportunities that are not contemplated by the revenue-shared program budgets;

THEREFORE BE IT RESOLVED THAT the Board of Health approve the establishment of a reserve on behalf of the Sudbury & District Health Unit for the purpose of developing revenue generating opportunities and that this reserve be funded by 80% of the unspent revenues related to these activities. The remaining 20% of the unspent revenue will remain in the revenue-shared program budget for purposes of reimbursing the program for costs incurred in support of these efforts.

And;

3. The Medical Officer of Health shall be responsible for the management of the reserves in accordance with respective Board of Health motions and Board By-law 01-93.
4. The approval of the Board of Health shall be required for any transfers from the Board's reserves that constitute part of the annual budget approval process or that are in excess of \$100,000 per transaction.

Sudbury & District Health Unit Board of Health Manual

Information

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|----------------------|---|
| Category: | Public Health Standards |
| Section | Organizational Standards |
| Subject: | Ontario Public Health Organizational Standards, Management Operations |
| Number: | J-II-10 |
| Approved By: | Board of Health |
| Original Date | February 20, 2014 |
| Revised Date: | June 16, 2016 |

Information

Similar to the Ontario Public Health Standards, which outline mandatory expectations for providing public health programs and services, the Ontario Public Health Organizational Standards (Organizational Standards) establish the management and governance requirements for public health units. The Organizational Standards promote organizational excellence, establish the foundation for effective and efficient program and service delivery and contribute to a public health sector with a greater focus on performance, accountability and sustainability.

The Organizational Standards requirements are grouped into the following categories:

- • Board Structure
- • Board Operations
- • Leadership
- • Trusteeship
- • Community Engagement and Responsiveness
- • Management Operations

Within each category, there are specific requirements. The first 5 categories are identified as direct requirements of the Board of Health and are outlined in detail under Board of Health Roles and Responsibilities C-I-12. Management Operations is a responsibility delegated by the Board of Health to the Medical Officer of Health.

The Board of Health delegates to the MOH/CEO the responsibility to ensure compliance with the management operations section of the Ontario Public Health Organizational Standards.

In particular, the Medical Officer of Health shall ensure that plans or programs are established compliant with the requirements of the standards:

- Operational plans
- Risk management
- Educational requirements for public health professionals
- Financial records
- Financial policies and procedures
- Procurement
- Capital funding plan
- Communications strategy
- Information management
- Research ethics
- Human resource strategy
- Staff development
- Professional practice support

The MOH & CEO will provide information on compliance activities in these areas to the Board of Health through regular updates to the Board and through the annual Performance Monitoring Plan.

ADJOURNMENT

MOTION: THAT we do now adjourn. Time: _____ p.m.