



Board of Health Finance Standing Committee Meeting

Tuesday, November 2, 2021

1 p.m. - 2:30 p.m.

Virtual Meeting

AGENDA
BOARD OF HEALTH FINANCE STANDING COMMITTEE
TUESDAY, NOVEMBER 2, 2021 – 1 – 2:30 P.M.
VIRTUAL MEETING

MEMBERS: Carolyn Thain, Chair Randy Hazlett René Lapierre
Mark Signoretti

STAFF: France Quirion Dr. Penny Sutcliffe Rachel Quesnel

GUESTS: Keeley O’Neil, Accounting Manager
Lora Barazzuol, Budget and Reporting Officer

1. CALL TO ORDER

2. ROLL CALL

3. REVIEW OF AGENDA/DECLARATIONS OF CONFLICTS OF INTEREST

4. APPROVAL OF BOARD OF HEALTH FINANCE STANDING COMMITTEE

- 4.1 Board of Health Finance Standing Committee Notes dated June 7 and June 10, 2021*

MOTION: APPROVAL OF MEETING NOTES

THAT the meeting notes of the Board of Health Finance Standing Committee meetings of June 7 and June 10, 2021, be approved as distributed.

5. NEW BUSINESS

- 5.1 Year-to-Date Financial Statements
- a) September 2021 Financial Statements *
- 5.2 2022 Operating Budget
- a) Briefing Note: Context and Assumptions*
 - b) 2022 Summary of Budget Pressures*
 - c) 3-Year Financial Projections*
 - d) 2022 Recommended Operating Budget*

IN CAMERA

MOTION: IN CAMERA

THAT this Board of Health Finance Standing Committee goes in camera for personal matters involving one or more identifiable individuals, including employees or prospective employees. Time: _____

RISE AND REPORT

MOTION: RISE AND REPORT

THAT this Board of Health Finance Standing Committee rises and reports. Time: _____

6. ADJOURNMENT

MOTION: ADJOURNMENT

THAT we do now adjourn. Time: _____

MINUTES
BOARD OF HEALTH FINANCE STANDING COMMITTEE
MONDAY, JUNE 7, 2021 – 1:30 P.M.
VIRTUAL MEETING – TEAMS

BOARD MEMBERS PRESENT

Carolyn Thain
Mark Signoretti

Randy Hazlett

René Lapierre

STAFF MEMBERS PRESENT

France Quirion
Rachel Quesnel, Recorder

Colette Barrette

Dr. Penny Sutcliffe

GUEST

Derek Dangelo, KPMG

C. THAIN PRESIDING

1. CALL TO ORDER

The meeting was called to order at 1:40 p.m.

2. ROLL CALL

3. ELECTION OF BOARD OF HEALTH FINANCE STANDING COMMITTEE CHAIR FOR 2021

01-21 APPOINTMENT OF BOARD OF HEALTH FINANCE STANDING COMMITTEE CHAIR

MOVED BY HAZLETT – LAPIERRE: THAT the Board of Health Finance Standing Committee appoint Carolyn Thain as the Board of Health Finance Standing Committee Chair for 2021.

4. REVIEW OF AGENDA/DECLARATIONS OF CONFLICTS OF INTEREST

Dr. Sutcliffe advised that she would like to raise the issue of long term budget planning under agenda item 6.2.

There were no declarations of conflict of interest.

5. APPROVAL OF BOARD OF HEALTH FINANCE STANDING COMMITTEE MINUTES

5.1 Board of Health Finance Standing Committee Notes dated November 2, 2020

02-21 APPROVAL OF MEETING NOTES

MOVED BY SIGNORETTI – LAPIERRE: THAT the meeting notes of the Board of Health Finance Standing Committee meeting of November 2, 2020, be approved as distributed.

CARRIED

6. NEW BUSINESS

6.1 2020 AUDITED FINANCIAL STATEMENTS

a) Briefing Note from the Medical Officer of Health and Chief Executive Officer
Dr. Sutcliffe shared that KPMG has completed Public Health Sudbury & Districts' audit of the 2020 Financial Statements. The draft audited financial statements have been circulated to the Board of Health Finance Standing Committee to recommend approval at the June 17 Board of Health meeting. This is KPMG's second and final year of the two-year extension to the three-year service agreement. The three-year service agreement provided an option to extend audit services for an additional two years.

b) Review of the 2020 Audit Findings Report and Audited Financial Statements
F. Quirion acknowledged the KPMG Audit team team, including Derek D'Angelo, Wenting Zhou, and Bianca Xu as well as the PHSD team members who support the audit.

D. D'Angelo was invited to provide a brief overview of the Audit Findings Report for the year ended December 31, 2020, and review results of the audit of the financial statements prepared in compliance with the Generally Accepted Accounting Principles.

There have been significant changes in the year ending December 31, 2020, which impacted financial reporting, PHSD internal control over financial reporting and the audit including:

- COVID-19 pandemic
- New CAS auditing standards

It was noted that the financial statements present fairly, in all material respects, the financial position of Public Health Sudbury & Districts as at December 31, 2020. There were no significant discrepancies found nor recommendations received as a result of the 2020 annual audit completed by KPMG.

Questions and comments were entertained and related to indicator of management bias, roles of the Board of Health Finance Committee members, and system controls for remote working during COVID-19.

D. D'angelo was thanked for presenting.

It was remarked that the magnitude of changes that have occurred in 2020 have impacted and shaped our year end financial position. The implementation of a new funding formula (70:30) was introduced in 2020 impacting all mandatory programs and most programs that were previously funded at 100%. In addition, COVID-19 pandemic was declared which resulted in the shifting and aligning of significant resources in support of the pandemic response. Several provincial financial announcements were made to assist Public Health Units with COVID-19 extraordinary expenses.

PHSD staff were recognized for managing through these complex times and changing priorities to ensure the best financial position.

C. Barrette reviewed the 2020 Audited Financial Statements and notes. Variances resulting in increases or decreases compared to 2019 were highlighted. It was noted that PHSD's focus for the greater part of 2020 was on the pandemic response contributing to the 2020 variances.

Questions and comments were entertained. COVID-19 extraordinary expenses are high and the Ministry has asked public healths to submit projections to year-end. Staff have accumulated vacation that they have not been able to take due to our COVID-19 response. Strategies are being explored to support managers and staff to take vacation. Insurance is also being looked at carefully given expected increases in rates.

Contribution factors toward the 2020 annual surplus were outlined. The importance of a reserve for future was recognized. It was also pointed out that recruitment is ongoing for the current vacant Associate Medical Officer of Health position.

03-21 2020 AUDITED FINANCIAL STATEMENTS

MOVED BY SIGNORETTI – LAPIERRE: THAT the Board of Health Finance Standing Committee recommend to the Board of Health for the Sudbury and District Health Unit the adoption of the 2020 audited financial statements.

CARRIED

Post-script note: see June 10, 2021, Board of Health Finance Standing Committee minutes and motion 05-21.

6.2 YEAR TO DATE FINANCIAL STATEMENTS

a) April 2021 Financial Statements

The April 2021 year-to-date financial statements with positive variance totalling \$948,351 outline significant additional COVID-19 expenses totaling \$2,986,567.

Variances within year to date financial statements ending April 30, 2021, were reviewed. The two primary reasons for the variances to date include calendarization of expenses within the year to date budget as well as staffing alignments. There have been significant alignment in resources to support the COVID-19 response for the case and contact management and vaccine roll-out.

In response to an inquiry regarding the infrastructure modernization project, F. Quirion responded that both the Elm Street and 1300 Paris Street projects are progressing well, per the project timelines and on budget.

Dr. Sutcliffe highlighted that as budget planning begins for 2022, there are many unknowns and concerns relating to several important system-wide public health issues such as COVID-19 expenses, post-COVID-19 recovery, provincial public health system, and anticipated program expenses such as opioid.

The Board of Health Finance Standing Committee supported that a letter of inquiry/exploration be sent to the provincial government to seek clarity and share concerns as we start our budget planning for 2022. We will inquire whether there is any information or assistance that could be shared with us to help with our planning and budgeting for next year, importantly include any information on ongoing mitigation funds to offset provincial policy change on funding formula for local public health and any information on ongoing access to COVID-19 extraordinary funds.

Before adjournment, Board of Health Finance Standing Committee members congratulated C. Barrette on her upcoming retirement and recognized her contributions to PHSD.

7. ADJOURNMENT

04-21 ADJOURNMENT

MOVED BY LAPIERRE – SIGNORETTI: THAT we do now adjourn. Time: 3:01 p.m.

CARRIED

(Chair)

(Secretary)

MINUTES
BOARD OF HEALTH FINANCE STANDING COMMITTEE
THURSDAY, JUNE 10, 2021 – 2:30 P.M.
VIRTUAL MEETING – TEAMS

BOARD MEMBERS PRESENT

Carolyn Thain
Mark Signoretti

Randy Hazlett

René Lapierre

STAFF MEMBERS PRESENT

France Quirion

Rachel Quesnel, Recorder

Dr. Penny Sutcliffe

C. THAIN PRESIDING

1. CALL TO ORDER

The meeting was called to order at 2:30 p.m.

2. ROLL CALL

3. REVIEW OF AGENDA/DECLARATIONS OF CONFLICTS OF INTEREST

There were no declarations of conflict of interest.

4. APPROVAL OF BOARD OF HEALTH FINANCE STANDING COMMITTEE MINUTES

- 4.1 Board of Health Finance Standing Committee Notes dated June 7, 2021**
– Deferred.

5. NEW BUSINESS

5.1 2020 AUDITED FINANCIAL STATEMENTS

- a) Review of the 2020 Audit Findings Report and Audited Financial Statements – updated June 9, 2021

Dr. Sutcliffe shared that, per her June 9, 2021 email, the purpose of today's meeting is to review an adjustment required to the draft 2020 audited financial statements.

This required adjustment came to our attention due to our misunderstanding of Ministry of Health instructions on how to expense one-time COVID-19 extraordinary expenses. We understood from a recent email from the Ministry that we were to fully

expense COVID-19 costs to our approved COVID-19 extraordinary allocation with residual expenses being charged to base funding. We now confirmation instead, that we need to exhaust our base funding for COVID-19 costs prior to being eligible to be applied against our COVID-19 extraordinary allocation. This is consistent with prior public communication for 2020 and for 2021. As such the draft 2020 Financial Statements have been revised. The net impact is a reduction of the year end surplus from \$822,228 to \$697,918.

F. Quirion reviewed the revisions to the 2020 draft Financial Statements that were highlighted for ease of reference.

In the process of updating the statements, the Auditors identified and corrected two transcription errors. The first is in Note 2 Employee Benefit Obligation and the second is in Note 9 Revenues and expenses by funding sources.

The Committee members appreciated the opportunity to review the updated statements, that the statements were revised quickly by the auditors and in time to include in the agenda package for the June 17 Board of Health meeting.

Questions and comments were entertained, and Dr. Sutcliffe responded that this is what we were originally expecting for extraordinary COVID-19 expenses.

05-21 2020 AUDITED FINANCIAL STATEMENTS

MOVED BY HAZLETT – SIGNORETTI: THAT the Board of Health Finance Standing Committee recommend to the Board of Health for the Sudbury and District Health Unit the adoption of the 2020 audited financial statements, as reviewed by the Finance Standing Committee at its meeting of June 10, 2021.

CARRIED

6. ADJOURNMENT

06-21 ADJOURNMENT

MOVED BY HAZLETT – LAPIERRE: THAT we do now adjourn. Time: 2:47 p.m.

CARRIED

(Chair)

(Secretary)

APPROVAL OF MEETING NOTES

MOTION:

THAT the meeting notes of the Board of Health Finance Standing Committee meetings of June 7 and June 10, 2021, be approved as distributed.

Public Health Sudbury & Districts

STATEMENT OF REVENUE & EXPENDITURES

For The 9 Periods Ending September 30, 2021

Cost Shared Programs

	Annual Budget	Budget YTD	Current Expenditures YTD	Variance YTD (over)/under	Balance Available
Revenue:					
MOH - General Program	14,983,563	11,237,672	11,237,672	0	3,745,891
MOH - Other Related Program	1,806,221	1,376,742	1,376,746	(4)	429,475
MOH - One Time Mitigation Grant	1,179,500	884,625	884,627	(2)	294,873
MOH - Unorganized Territory	826,000	619,500	619,500	(0)	206,500
Municipal Levies	8,484,189	6,363,142	6,363,142	(0)	2,121,047
Interest Earned	140,000	49,829	49,829	0	90,171
Total Revenues:	\$27,419,473	\$20,531,510	\$20,531,515	\$(6)	\$6,887,958
Expenditures:					
Corporate Services:					
Corporate Services	4,638,766	3,533,248	3,751,372	(218,124)	887,394
Office Admin.	115,350	86,512	59,645	26,867	55,705
Espanola	119,440	88,228	82,835	5,393	36,605
Manitoulin	129,622	95,688	98,282	(2,595)	31,339
Chapleau	102,536	75,557	86,033	(10,476)	16,503
Sudbury East	18,104	13,578	13,507	70	4,596
Intake	345,062	252,161	255,155	(2,995)	89,907
Facilities Management	574,599	430,949	480,172	(49,223)	94,427
Volunteer Resources	3,850	1,283	0	1,283	3,850
Total Corporate Services:	\$6,047,328	\$4,577,203	\$4,827,002	\$(249,799)	\$1,220,326
Health Protection:					
Environmental Health - General	1,415,968	994,673	971,881	22,792	444,087
Environmental	2,541,894	1,767,747	1,400,231	367,515	1,141,662
Vector Borne Disease (VBD)	88,162	54,360	38,220	16,140	49,942
Small Drinking Water Systems	181,995	132,996	88,173	44,823	93,822
CID	1,193,061	939,258	910,896	28,362	282,165
Districts - Clinical	227,749	166,528	163,809	2,719	63,940
Risk Reduction	185,943	96,191	48,566	47,625	137,377
Sexual Health	1,171,539	851,458	822,561	28,897	348,978
MOHLTC - Influenza	0	0	(2,189)	2,189	2,189
MOHLTC - Meningitis	0	0	(901)	901	901
MOHLTC - HPV	0	0	(1,709)	1,709	1,709
SFO: E-Cigarettes, Protection and Enforcement	260,500	167,697	155,782	11,914	104,718
Infectious Diseases Control Initiatives	389,000	284,269	247,277	36,992	141,723
Food Safety: Haines Funding	18,250	7,604	0	7,604	18,250
Total Health Protection:	\$7,674,060	\$5,462,779	\$4,842,598	\$620,180	\$2,831,462
Health Promotion:					
Health Promotion - General	954,735	700,209	631,549	68,660	323,186
Districts - Espanola / Manitoulin	333,954	244,161	182,272	61,889	151,683
Nutrition & Physical Activity	1,218,644	888,199	556,983	331,216	661,660
Districts - Chapleau / Sudbury East	219,598	160,592	140,255	20,337	79,343
Injury Prevention	27,874	20,905	0	20,905	27,874
Tobacco, Vaping, Cannabis & Alcohol	344,382	252,659	217,683	34,977	126,699
Family Health	791,330	578,387	552,087	26,300	239,243
Healthy Growth and Development	45,700	24,408	13,504	10,905	32,196
Mental Health and Addictions	431,145	318,617	325,212	(6,594)	105,933
Dental	538,539	394,130	356,950	37,180	181,588
Healthy Smiles Ontario	612,200	448,304	405,801	42,503	206,399
Vision Health	70,486	51,951	0	51,951	70,486
SFO: TCAN Coordination and Prevention	383,000	247,617	222,110	25,507	160,890
SFO: Tobacco Control Coordination	100,000	73,076	30,735	42,341	69,265
SFO: Youth Tobacco Use Prevention	80,000	57,776	54,652	3,124	25,348
Harm Reduction Program Enhancement	150,000	109,726	89,867	19,859	60,133
Diabetes Prevention	175,000	129,260	37,287	91,973	137,713
Total Health Promotion:	\$6,476,587	\$4,699,978	\$3,816,946	\$883,032	\$2,659,641
School Health, Vaccine Preventable Diseases and CO					
School Health, VPD, COVID Prevention - General	499,502	365,020	436,603	(71,583)	62,899
School	1,746,304	1,276,585	605,537	671,048	1,140,766
VPD and COVID CCM	1,923,998	1,405,999	1,197,379	208,619	726,619
Total SVC:	\$4,169,804	\$3,047,604	\$2,239,519	\$808,084	\$1,930,285
Knowledge and Strategic Services:					
Knowledge and Strategic Services	2,611,414	1,870,564	1,671,998	198,565	939,416
Workplace Capacity Development	23,507	17,630	1,036	16,594	22,471
Health Equity Office	14,440	10,830	1,577	9,253	12,863
Nursing Initiatives: CNO, ICPHN, SDoH PHN	392,100	286,534	262,757	23,777	129,343
Strategic Engagement	10,232	7,674	131	7,543	10,101
Total Knowledge and Strategic Services:	\$3,051,693	\$2,193,231	\$1,937,499	\$255,732	\$1,114,194
Total Expenditures:	\$27,419,473	\$19,980,796	\$17,663,565	\$2,317,230	\$9,755,907
Net Surplus/(Deficit) Before Covid Activity	\$0	\$550,714	\$2,867,950	\$2,317,236	
COVID-19 Extraordinary and Mass Immunization Costs (net of one-time funding)			\$3,997,919	\$3,997,919	
Net Surplus/(Deficit) Including COVID	\$0	\$550,714	\$6,865,869	\$6,315,155	

Public Health Sudbury & Districts

Cost Shared Programs

STATEMENT OF REVENUE & EXPENDITURES

Summary By Expenditure Category

For The 9 Periods Ending September 30, 2021

	BOH Annual Budget	Budget YTD	Current Expenditures YTD	COVID-19 Expenditures YTD	Variance YTD (over) /under	Budget Available
Revenues & Expenditure Recoveries:						
MOH Funding	27,477,373	20,589,410	20,621,450	11,206,992	(11,239,033)	6,855,923
Other Revenue/Transfers	772,475	445,024	629,916		(184,892)	142,559
Total Revenues & Expenditure Recoveries:	28,249,848	21,034,434	21,251,367	11,206,992	(11,423,925)	6,998,481
Expenditures:						
Salaries	18,484,179	13,500,940	12,005,512	5,431,544	(3,936,116)	6,478,667
Benefits	5,472,090	3,999,004	3,668,748	531,373	(201,117)	1,803,342
Travel	300,108	180,227	91,404	105,150	(16,326)	208,704
Program Expenses	1,153,791	577,352	301,052	94,422	181,879	852,739
Office Supplies	67,334	51,172	46,288	25,196	(20,312)	21,046
Postage & Courier Services	64,972	49,929	39,996	3,892	6,040	24,976
Photocopy Expenses	33,507	25,130	21,328	51,568	(47,766)	12,179
Telephone Expenses	65,266	48,949	42,641	97,202	(90,894)	22,625
Building Maintenance	369,995	277,496	373,456	79,972	(175,932)	(3,461)
Utilities	225,827	169,370	122,092		47,278	103,735
Rent	273,408	205,056	247,289		(42,233)	26,119
Insurance	121,234	119,984	131,212		(11,228)	(9,978)
Employee Assistance Program (EAP)	35,000	26,250	31,215		(4,965)	3,785
Memberships	30,889	24,046	29,480		(5,434)	1,409
Staff Development	156,773	97,507	16,050		81,457	140,723
Books & Subscriptions	9,345	7,183	4,232		2,952	5,113
Media & Advertising	131,950	95,260	27,443	44,941	22,875	104,507
Professional Fees	413,324	310,085	269,563	273,651	(233,129)	143,761
Translation	49,440	34,616	13,130	115,449	(93,963)	36,310
Furniture & Equipment	36,121	30,137	15,286	3,039	11,811	20,835
Information Technology	755,295	654,025	885,138	351,673	(582,786)	(129,843)
Main Office Renovations	0	0	862		(862)	(862)
Total Expenditures	28,249,847	20,483,720	18,383,417	7,209,073	(5,108,770)	9,866,430
Net Surplus (Deficit)	0	550,714	2,867,950	3,997,919	6,315,154	

Sudbury & District Health Unit
SUMMARY OF REVENUE & EXPENDITURES
For the Period Ended September 30, 2021

Program	FTE	Annual Budget	Current YTD	Balance Available	% YTD	Program Year End	Expected % YTD
100% Funded Programs							
COVID and Schools	355	918,743	780,147	138,596	84.9%	<i>Dec 31</i>	75.0%
Indigenous Communities	703	90,400	63,671	26,729	70.4%	<i>Dec 31</i>	75.0%
Pre/Postnatal Nurse Practitioner	704	139,000	65,735	73,265	47.3%	Mar 31/2022	50.0%
Opioid Poisoning Surveillance System	710	38,283	27,159	11,124	70.9%	<i>Dec 31</i>	75.0%
LHIN - Falls Prevention Project & LHIN Screen	736	100,000	3,290	96,710	3.3%	Mar 31/2022	50.0%
Northern Fruit and Vegetable Program	743	176,100	114,700	61,400	65.1%	<i>Dec 31</i>	75.0%
Triple P Co-Ordination	766	60,149	36,532	23,617	60.7%	<i>Dec 31</i>	75.0%
Supervised Consumption Study	770	11,763	-	11,763	0.0%	<i>Dec 31</i>	75.0%
Healthy Babies Healthy Children	778	1,476,897	666,370	810,527	45.1%	Mar 31/2022	50.0%
IPAC Congregate CCM	780	606,237	192,196	414,041	31.7%	Mar 31/2022	50.0%
Ontario Senior Dental Care Program	786	810,200	481,265	328,935	59.4%	<i>Dec 31</i>	75.0%
Anonymous Testing	788	61,193	30,482	30,711	49.8%	Mar 31/2022	50.0%
Total		3,570,222	1,681,400	1,888,822			

To: Carolyn Thain, Chair, Board of Health Finance Standing Committee
From: Dr. Penny Sutcliffe, Medical Officer of Health/Chief Executive Officer
Date: October 27, 2021
Re: Context and Assumptions for Recommended 2022 Cost-Shared Operating Budget

For Information

For Discussion

For a Decision

Issue:

The proposed operating budget for the Board of Health for Public Health Sudbury & Districts must take into account the ongoing requirement for Public Health to respond to the COVID-19 pandemic as well as the increasing pressure to reinstate programs that were reduced or suspended as a result of staff redeployment to support the COVID-19 response. Uncertainties about the province's COVID-19 response expectations and related funding mean that assumptions must be made to arrive at a 2022 operating budget. This briefing note describes key assumptions and context for 2022 budget deliberations.

Recommended Action:

That the Board Finance Standing Committee review and discuss this briefing note as critical context, informing a recommendation to the Board of Health for the 2022 cost-shared operating budget.

Context:

Environment:

Due to the ongoing COVID-19 pandemic, many PHSD programs and services were suspended or reduced in 2020 and in 2021. In 2021, approximately **75% of base staffing resources were shifted** to support the Public Health pandemic response. In this year, the COVID-19 response has included the **vaccination program** as well as the **management of cases, contacts and outbreaks¹** of COVID-19. Of the projected \$33 million in total COVID-19 expenses, approximately half is funded through the cost-shared budget and half through the province's COVID-19 extraordinary fund. Of the total COVID-19 expenses in 2021, approximately 62% support the vaccine program (including payments to partners for venues etc.) and 38% support the CCM program.

¹ Frequently referred to as CCM – Case and Contact Management

1. Equitable Opportunities
2. Meaningful Relationships
3. Practice Excellence
4. Organizational Commitment

PHSD increased its staffing complement to deliver the COVID-19 vaccine and CCM programs. The increase was achieved through a combination of temporary staff recruitment (projected at \$4,288,450) and significant overtime for permanent staff (projected at \$4,161,060). There is evidence of negative impacts on staff wellbeing related to the intensity, duration, and work hours on staff, and the Board has been apprised that a more sustainable balance (i.e. increased recruitment and reduced overtime burden) is being pursued for the way forward. Finally, there is mounting pressure to restore and recalibrate Public Health programs to address the backlog caused by Public Health's redeployment to COVID-19 (e.g. childhood immunizations) and by the impacts on community health of the pandemic itself (e.g. mental health and addictions).

It is expected that Public Health will be required to maintain a robust pandemic response well into 2022. Vaccine third dose eligibility is expected to expand and vaccine approvals for 5-11 year olds is anticipated. Cases are expected to continue to rise with the relaxation of COVID-19 prevention measures, and it is anticipated that we will experience increasing complexity of cases and outbreaks, increasingly affecting more historically stigmatized and disadvantaged populations (e.g. people who are homeless/underhoused or incarcerated).

The future of the work – that began under the former provincial Liberal government and has continued under the current government – to transform the public health system is unknown. Related field and stakeholder consultations were abruptly halted in early 2020 due to the pandemic. It is widely assumed that this issue will be revisited following the spring 2022 provincial election and may be informed by anticipated post-pandemic health system reviews.

Financial:

The Board of Health was advised on July 22, 2021 of the 2021 Ministry of Health funding, including base funds for cost-shared and 100% funded programs and one time funding for projects and initiatives. The Board of Health received up to \$1,306,200 in one-time funding for the 2021-2022 funding year. Also included was up to \$1,179,500 in *one-time* mitigation funding for 2021, which, as was the case for 2020, is intended to offset costs to municipalities that result from the change in provincial funding policy (i.e. change to 70:30 funding ratio for cost-shared programs and application of this formula to most previously 100%-funded programs). Funding was also received (total of \$1,596,000 for April 1, 2021 to July 31, 2022) for the school-focused nurses initiative to support COVID-19 prevention and management in schools. Finally, \$11,212,100 in COVID-19 extraordinary funding was also announced: \$1,490,000 for COVID General/CCM programming and \$9,722,100 for the Vaccine Program (representing 42% and 49% of the requested amounts, respectively). Further funding for COVID-19 extraordinary expenses over and above this initial funding announcement will be based on actual costs incurred and submitted through the quarterly reports in 2021.

The Ministry of Health announced on August 18 that the one-time mitigation grant (\$1,179,500 annually since 2020) would be available for a third time in 2022. There are no increases to provincial base funding as yet announced or anticipated although this has been the subject of much advocacy of many boards of health and of alPHA, highlighting the consequent erosion to public health capacity.

2018–2022 Strategic Priorities:

1. Equitable Opportunities
2. Meaningful Relationships
3. Practice Excellence
4. Organizational Commitment

Assumptions:

1. The *one-time* mitigation grant will be available in 2022, providing PHSD with \$1,179,500 in funding to offset costs to municipalities as a result of the funding policy changes announced in 2019. This funding effectively continues to freeze Ministry of Health base funding.²
2. As per the 2021 Public Health Funding and Accountability Agreement, the Ministry will continue to fund Northern Fruit and Vegetable and Indigenous Communities programs, Unorganized Territories, MOH/AMOH Compensation Initiative and the Ontario Senior Dental Care Program at 100%.
3. Fixed costs, including steps on salary grids, negotiated settlements, utilities, insurance, etc., continue to increase. Canada’s inflation rose to a new 18-year high of 4.4% in September and experts are saying that it will continue to climb in the final quarter of 2021.
4. At this time, provincial base funding is expected to remain status quo. The base funding from the provincial government is found in footnote 2. The municipal levy percent increases in the last five years have been 2%, 1.75%, 3%, 10%, and 5%.
5. Ministry officials have shared that boards of health will have access to the COVID-19 extraordinary fund in 2022. This fund was first communicated officially to boards of health in April 2020 by the Chief Medical Officer of Health (see attached). We have yet to receive written confirmation of same. It is also understood that the establishment of a recovery fund is under discussion although no details are known.
6. The impact on our workforce of responding to the demands and intensity COVID-19 has had a significant burden on our human resources with higher than previous levels of leaves, resignations, and retirements. This combined with pressures to reactive other public health programs means that we will recruit temporary staff as much as possible to reduce the burden of demands on

² History of grants from Ministry of Health for cost-shaerd budget.

	MOH Funding History
Year	MOH Funding
2014	14,892,975
2015	14,893,000
2016	14,893,000
2017*	14,687,000
2018	15,127,700
2019	15,127,700
2020**	16,789,784
2021	16,836,800

*Integration of Dental cost shared program to 100% funded Healthy Smiles Ontario program

**Funding formula change to 70:30 and integration of most all 100% funded programs

2018–2022 Strategic Priorities:

1. Equitable Opportunities
2. Meaningful Relationships
3. Practice Excellence
4. Organizational Commitment

permanent staff.

7. Notwithstanding the need to prioritize programming in the context of a pandemic, the legislative requirements of boards of health remain the same, as articulated in the *Health Protection and Promotion Act* and related regulations, and the Ontario Public Health Standards and related protocols and guidelines. Further it is the expectation of the Chief Medical Officer of Health that boards of health plan for the resumption of services according to our respective business continuity plans and assessments of local population health needs.

Ontario Public Health Standard:

Organizational Requirements – Good Governance

Strategic Priority:

Organizational Commitment

1. Equitable Opportunities
2. Meaningful Relationships
3. Practice Excellence
4. Organizational Commitment

Ministry of Health

Office of Chief Medical Officer of Health, Public Health
393 University Avenue, 21st Floor
Toronto ON M5G 2M2

Tel.: 416 212-3831
Fax: 416 325-8412

Ministère de la Santé

Bureau du médecin hygiéniste en chef, santé publique
393 avenue University, 21^e étage
Toronto ON M5G 2M2

Tél. : 416 212-3831
Télé. : 416 325-8412

April 23, 2020

MEMORANDUM

TO: Chairpersons, Boards of Health
Medical Officers of Health, Public Health Units
Chief Executive Officers, Public Health Units

RE: **Extraordinary Expenses Associated with COVID-19**

We acknowledge the extraordinary and continuing efforts by boards of health to monitor, detect, and contain COVID-19 in the province.

As a follow-up to our ongoing discussions, I want to reiterate that boards of health are expected to take all necessary measures to respond to COVID-19 in their catchment areas while continuing to maintain critical public health programs and services as identified in their pandemic plans.

Given the impact of COVID-19, we anticipate that many boards of health are incurring additional expenses in support of these efforts. As announced by the government on March 25, 2020, the province is investing up to \$100 million in additional funding for the public health sector to support extraordinary costs incurred. We wish to assure you that a process for reimbursement of approved one-time extraordinary costs incurred in managing your response to COVID-19 will be forthcoming. Similar to previous processes, we ask that these costs be those over and above what can be managed from within the budget of the board of health, and that you track these costs separately.

If you have any questions, please contact Brent Feeney, Manager, Funding and Oversight, at 416-212-6397 or by email at Brent.Feeney@ontario.ca.

Yours truly,



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

c: Associate Medical Officers of Health, Public Health Units
Business Administrators, Public Health Units
Senior Management Team, Office of the Chief Medical Officer of Health, Public Health

	2021 BOH Approved	In-Year Adjustments	Restated 2021 BOH Approved Budget	Budget 2022 Started Position	Financial Implications
Operating Revenue					
MOH - Mandatory Programs	16,789,784	47,016	16,836,800	16,836,800	-
MOH Mitigation One-time Grant	1,179,500		1,179,500	1,179,500	
MOH - Unorganized Territories	826,000	-	826,000	826,000	-
Municipal Levy - Mandatory Programs	8,484,189	-	8,484,189	8,484,189	-
Interest Revenue	140,000	-	140,000	100,000	40,000
MOH Operating Revenue	\$ 27,419,473	\$ 47,016	\$ 27,466,489	\$ 27,426,489	\$ (40,000)
Expenditures					
Salaries & Benefits	24,112,140		24,112,140	24,589,950	477,810
Fixed and Operational	3,307,333	47,016	3,354,349	3,482,498	128,149
Total Operating Expenditures	\$ 27,419,473	\$ 47,016	\$ 27,466,489	\$ 28,072,448	\$ 605,959
Projected 2021 Budget Shortfall	\$ -	\$ -	\$ -	\$ (645,959)	\$ (645,959)
Other Budget Pressures					
COVID 19 - Vaccine			-	7,731,200	
COVID 19 - General (CCM)			-	3,067,500	
Total	\$ -	\$ -	\$ -	\$ (10,798,700)	\$ (10,798,700)
2021 Budget Shortfall remaining/Vacancy Allowance	\$ -	\$ -	\$ -	\$ (11,444,659)	\$ (11,444,659)
2021 Budget Offset					
MOH COVID Extraordinary Cost				10,798,700	
Municipal Levy Options					
Municipal Levy - 7%				593,893	\$ (52,066)
Municipal Levy - 6%				509,051	\$ (136,908)
Municipal Levy - 5%				424,209	\$ (221,750)
				Potential Vacancy Rates	

PUBLIC HEALTH SUDBURY & DISTRICTS

Item 5.2 c

3-Year Financial Projections

Revenue	2021		2021	2022		2023		2024
	BOH Approved	in-Yr Adj's	MOH Approved	Year 1		Year 2		Year 3
MOH - Mandatory Cost-Shared (includes other related)	16,789,784	47,016	16,836,800	16,836,800		16,836,800		16,836,800
MOH - Unorganized Territories	826,000		826,000	826,000		826,000		826,000
MOH - One-Time Mitigation Grant	1,179,500		1,179,500	1,179,500				-
Municipal Levies - Mandatory Cost-Shared	8,484,189		8,484,189	8,484,189		8,484,189		8,484,189
Interest Earned	140,000		140,000	100,000		100,000		100,000
Cost-Shared Programs Revenue	27,419,473	47,016	27,466,489	27,426,489		26,246,989		26,246,989
Expenditures								
Salary & Benefits	24,112,140	-	24,112,140	24,589,950		25,298,270		26,041,962
TOTAL Fixed and Operational Expenditures	3,307,333	47,016	3,354,349	3,482,498		3,519,474		3,557,085
Cost-Shared Programs Expenditures	27,419,473	47,016	27,466,489	28,072,448		28,817,744		29,599,047
Cost-Shared Programs surplus or (deficit) before vacancy allowance and municipal levy increase	0	0	0	-645,959		-2,570,755		-3,352,058

Public Health Sudbury & Districts
 Cost Shared Programs & Services

2022 Draft Budget

MOHLTC 0% : MUN X%

Item 5.2 d

Page 1

% Change

Inc/(Dec)

	BOH 2021 Approved	in year adjs	MOH 2021 Approved	2022 Budget	Increase (Decrease)	% Change Inc/(Dec)
Revenue						
MOH						
MOHLTC - General Programs	16,789,784	47,016	16,836,800	16,836,800	-	0.00%
One-Time Mitigation	1,179,500		1,179,500	1,179,500	-	0.00%
MOHLTC - Unorganized Territory	826,000		826,000	826,000	-	0.00%
Total MOH	18,795,284	47,016	18,842,300	18,842,300	-	0.00%
Municipal						
Municipal Levies	8,484,189		8,484,189	8,484,189	-	0.00%
Total Municipal	8,484,189	-	8,484,189	8,484,189	-	0.00%
Other						
Interest Earned	140,000		140,000	100,000	(40,000)	-28.57%
Total Other	140,000	-	140,000	100,000	(40,000)	-28.57%
Total All Funding Sources	27,419,473	47,016	27,466,489	27,426,489	(40,000)	-0.15%
Expenditures						
Total Cost-Shared Programs	27,419,473	47,016	27,466,489	28,072,448	605,959	2.21%
Net Surplus (Deficit)	0	-	0	(645,959)		
Covid Extraordinary Expenditures						
COVID 19 - Vaccine				(7,731,200)		
COVID 19 - General (CCM)				(3,067,500)		
Total Covid Extraordinary				(10,798,700)		

Public Health Sudbury & Districts
Expenditures By Category

2022 Draft Budget

Item 5.2 d

page 2

Description	2021 MOH Approved Budget	2022 Recommended Budget	Change (\$) Inc/(Dec)	Change (%) Inc/(Dec)
Salaries	18,598,384	18,726,903	128,519	0.69%
Benefits	5,513,754	5,863,047	349,293	6.33%
Total Salaries & Benefits	24,112,138	24,589,950	477,812	1.98%
Office Supplies	105,068	105,068	-	0.00%
Media & Advertising	131,950	130,365	(1,585)	-1.20%
Health Services / Purchased Services	172,449	125,433	(47,016)	-27.26%
Professional Fees	59,772	63,910	4,138	6.92%
Travel	294,857	291,607	(3,250)	-1.10%
Program Expenses	940,376	981,179	40,803	4.34%
Photocopy Expenses	28,255	28,255	-	0.00%
Telephone Expenses	197,786	201,590	3,804	1.92%
Postage & Courier Services	64,972	64,972	-	0.00%
Vector Borne Disease - Education and Surveillance	44,825	44,825	-	0.00%
Books & Subscriptions	9,345	9,345	-	0.00%
Furniture & Equipment	21,270	18,020	(3,250)	-15.28%
Rent Revenue	(69,076)	(69,076)	-	0.00%
Insurance	121,234	145,514	24,280	20.03%
Information Technology	620,775	632,678	11,903	1.92%
Rent Surplus Transferred to Reserve	56,642	56,642	-	0.00%
Translation	49,440	48,690	(750)	-1.52%
Memberships	29,889	29,889	-	0.00%
Expense Recoveries	(782,235)	(732,941)	49,294	-6.30%
Rent	273,408	312,365	38,957	14.25%
Building Maintenance	593,599	625,246	31,647	5.33%
Utilities	225,827	236,567	10,740	4.76%
Staff Development	163,923	132,355	(31,568)	-19.26%
Total Operational Expenses	3,354,351	3,482,498	128,146	3.82%
Total Expenditures	27,466,489	28,072,448	605,959	2.21%
Covid Extraordinary Expenditures				
COVID 19 - Vaccine		(7,731,200)		
COVID 19 - General (CCM)		(3,067,500)		
Total Covid Extraordinary		(10,798,700)		

Public Health Sudbury & Districts
Cost Shared Programs & Services

2022 Draft Budget

MOHLTC 0% : MUN X%

Item 5.2 d
Page 3

	BOH 2021 Approved	in year adjs	MOH 2021 Approved	2022 Budget	Increase (Decrease)	% Change Inc/(Dec)
Revenue						
MOHLTC - General Programs	16,789,784	47,016	16,836,800	16,836,800	-	0.00%
One-Time Mitigation	1,179,500		1,179,500	1,179,500	-	0.00%
MOHLTC - Unorganized Territory	826,000		826,000	826,000	-	0.00%
Municipal Levies	8,484,189		8,484,189	8,484,189	-	0.00%
Interest Earned	140,000		140,000	100,000	(40,000)	-28.57%
Total Revenue	27,419,473	47,016	27,466,489	27,426,489	(40,000)	-0.15%

Expenditures

Corporate Services

100 Corporate Services	4,638,764	47,016	4,685,780	4,896,078	210,298	4.49%
101 Office Admin	115,350		115,350	115,350	-	0.00%
102 Espanola	119,440		119,440	117,766	(1,674)	-1.40%
103 Manitoulin Island	129,622		129,622	131,604	1,982	1.53%
104 Chapleau	102,536		102,536	126,876	24,340	23.74%
105 Sudbury East	18,104		18,104	18,104	-	0.00%
107 Intake	345,062		345,062	344,251	(811)	-0.24%
110 Facilities Management	574,599		574,599	602,893	28,294	4.92%
111 Volunteer Resources	3,850		3,850	3,850	-	0.00%
Total Corporate Services	6,047,327	47,016	6,094,343	6,356,771	262,428	4.31%

Health Protection

500 Health Protection - General	1,297,270		1,297,270	1,326,023	28,752	2.22%
501 Environmental	2,574,849		2,574,849	2,642,778	67,929	2.64%
750 Social Determinants of Health Nurses Initiative	18,250		18,250	-	(18,250)	-100.00%
505 Vector Borne Disease	88,162		88,162	88,828	666	0.76%
506 Small Drinking Water Systems	181,995		181,995	177,834	(4,161)	-2.29%
202 Clinic	1,322,038		1,322,038	1,687,795	365,757	27.67%
735 CID and ICPHN	389,000		389,000	-	(389,000)	-100.00%
203 Clinical Services - Branches	227,749		227,749	231,803	4,055	1.78%
206 Risk Reduction	185,942		185,942	273,042	87,100	46.84%
209 Sexual Health	1,064,344		1,064,344	1,079,262	14,917	1.40%
210 MOHLTC - Influenza	0		0	(0)	(0)	-101.11%
211 MOHLTC - Meningitis	(0)		(0)	0	0	-108.81%
212 MOHLTC - HPV	0		0	(0)	(0)	-118.12%
722 Electronic Cigarettes Act - Protection and Enforcement	26,700		26,700	-	(26,700)	-100.00%
726 Smoke-Free Ontario Strategy: Protection and Enforcement	233,800		233,800	257,999	24,200	10.35%
Total Health Protection	7,610,099	-	7,610,099	7,765,365	155,265	2.04%

Health Promotion

300 Promotion - General	954,735		954,735	997,565	42,830	4.49%
303 Branches (Espanola/Manitoulin)	333,954		333,954	351,716	17,762	5.32%
304 Nutrition & Physical Activity Team	1,279,189		1,279,189	1,480,999	201,809	15.78%
792 Diabetes Prevention Programming	175,000		175,000	-	(175,000)	-100.00%
305 Branches (Sudbury East/Chapleau)	219,598		219,598	223,514	3,916	1.78%
310 Injury Prevention	27,874		27,874	-	(27,874)	-100.00%
312 Tobacco, Alcohol and Cannabis	344,382		344,382	378,183	33,801	9.81%
314 Family Team	791,330		791,330	854,447	63,117	7.98%
318 Reproductive & Child Health	43,700		43,700	-	(43,700)	-100.00%
318 Mental Health and Addictions	372,600		372,600	375,039	2,439	0.65%
213 Dental	538,539		538,539	546,066	7,528	1.40%
787 Healthy Smiles Ontario Program	612,200		612,200	616,967	4,767	0.78%
218 Vision Health	70,486		70,486	39,511	(30,975)	-43.94%
725 Smoke-Free Ontario Strategy: TCAN Coordination	383,000		383,000	544,806	161,805	42.25%
730 Smoke-Free Ontario Strategy: Tobacco Control Coordination	100,000		100,000	-	(100,000)	-100.00%
732 Smoke-Free Ontario Strategy: Youth Tobacco Use Prevention	80,000		80,000	-	(80,000)	-100.00%
771 Harm Reduction Program Enhancement	150,000		150,000	159,201	9,201	6.13%
Total Health Promotion	6,476,589	-	6,476,589	6,568,014	91,425	1.41%

School Health, Vaccine Preventable Diseases and COVID Prevention

350 School Health, VPD, COVID Prevention - General	366,674		366,674	192,058	(174,615)	-47.62%
301 School Health and Behaviour Change	1,746,304		1,746,304	1,985,343	239,040	13.69%
352 VPD and COVID CCM	2,120,790		2,120,790	1,994,158	(126,632)	-5.97%
Total School Health, Vaccine Preventable Diseases and COVID Prevention	4,233,768	-	4,233,768	4,171,560	(62,207)	-1.47%

Knowledge and Strategic Services

401 Knowledge and Strategic Services	2,611,413		2,611,413	2,685,290	73,877	2.83%
404 Workplace Capacity Development	23,507		23,507	23,507	-	0.00%
405 Health Equity Office	14,440		14,440	14,440	-	0.00%
415 Strategic Engagement Unit	10,232		10,232	10,232	-	0.00%
738 Enhanced Food Safety - Haines Initiative	392,099		392,099	477,269	85,170	21.72%
Total Knowledge and Strategic Services	3,051,691	-	3,051,691	3,210,738	159,047	5.21%

Total Expenditures	27,419,473	47,016	27,466,489	28,072,448	605,959	2.21%
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Net Surplus (Deficit)	0	-	0	(645,959)		
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Covid Extraordinary Expenditures

COVID 19 - Vaccine				(7,731,200)		
COVID 19 - General (CCM)				(3,067,500)		
Total Covid Extraordinary				(10,798,700)		

Municipal Levy

				2021		2022 Scenarios							
Total Budget				27,419,473		28,072,448							
percent increase						4%		5%		6%		7%	
Municipal Levy				8,484,189		8,823,557		8,908,398		8,993,240		9,078,082	
Municipal Levy	2018	%	2021										
	Population*	Population	Levy	Levy	Difference	Levy	Difference	Levy	Difference	Levy	Difference	Levy	Difference
Assignack (Township of)	754	0.459%	38,947	40,505	1,558	40,894	1,947	41,284	2,337	41,673	2,726		
Baldwin (Township of)	505	0.307%	26,051	27,093	1,042	27,353	1,302	27,614	1,563	27,874	1,823		
Billings (Township of)	501	0.305%	25,881	26,917	1,035	27,175	1,294	27,434	1,553	27,693	1,811		
Burpee and Mills (Township of)	273	0.166%	14,088	14,652	563	14,793	704	14,933	845	15,074	986		
Central Manitoulin (Township of)	1,711	1.042%	88,410	91,946	3,536	92,830	4,420	93,714	5,304	94,598	6,188		
St. Charles	1,156	0.704%	59,733	62,123	2,389	62,720	2,986	63,317	3,584	63,914	4,181		
Chapleau (Township of)	1,915	1.166%	98,930	102,887	3,957	103,877	4,946	104,866	5,936	105,855	6,925		
French River	2,374	1.445%	122,601	127,505	4,904	128,731	6,130	129,957	7,356	131,183	8,582		
Espanola Town	4,362	2.655%	225,260	234,270	9,010	236,523	11,263	238,775	13,515	241,028	15,768		
Gordon/ Barrie Island	449	0.273%	23,167	24,093	926	24,325	1,158	24,556	1,390	24,788	1,621		
Gore Bay Town	739	0.450%	38,184	39,711	1,527	40,092	1,909	40,474	2,291	40,856	2,673		
Markstay-Warren	2,328	1.417%	120,226	125,034	4,809	126,237	6,011	127,439	7,213	128,641	8,415		
Northeastern Manitoulin & the Islands (Town)	2,129	1.296%	109,960	114,358	4,398	115,458	5,498	116,557	6,597	117,657	7,697		
Nairn & Hyman (Township)	396	0.241%	20,452	21,269	818	21,474	1,022	21,678	1,227	21,883	1,431		
Killarney	346	0.211%	17,906	18,622	716	18,801	895	18,980	1,074	19,159	1,253		
Sables-Spanish River (Township of)	2,680	1.631%	138,382	143,917	5,535	145,301	6,919	146,684	8,303	148,068	9,686		
City of Greater Sudbury	141,290	86.010%	7,297,256	7,589,150	291,894	7,662,122	364,867	7,735,096	437,840	7,808,069	510,814		
Tehkummah (Township of)	363	0.221%	18,755	19,505	750	19,692	937	19,880	1,125	20,067	1,312		
TOTAL	164,271	100%	8,484,189	8,823,557	339,368	8,908,398	424,209	8,993,240	509,051	9,078,082	593,893		
Per Capita Rate			51.65	53.71	2.07	54.23	2.58	54.75	3.10	55.26	3.62		

* Population data per 2018 Ontario Population Report, Municipal Property Assessment Corporation

IN CAMERA

MOTION:

THAT this Board of Health Finance Standing Committee goes in camera for personal matters involving one or more identifiable individuals, including employees or prospective employees. Time: _____

RISE AND REPORT

MOTION:

THAT this Board of Health Finance Standing Committee rises and reports. Time:

ADJOURNMENT

MOTION:

THAT we do now adjourn. Time: _____