

Board of Health Briefing Note - November 15, 2018

2019 Public Health and Healthy Babies Healthy Children Budget

2019 PROGRAM BUDGETS

RECOMMENDATIONS

The Finance, Audit, Property and Risk Management Committee recommends that:

- The Board approve the 2019 General Public Health Programs Budget of \$12,674,636.
 - \$12,255,538 for the Ontario Public Health Standards
 - \$419,098 for Other Programs and Services
- The Board approve a 2% increase in the municipal levy for obligated municipalities.
- The Board approve the 2019 Healthy Babies Healthy Children Budget in the amount of \$1,060,739.

HEALTH UNIT GENERAL PUBLIC HEALTH BUDGET DESCRIPTION

The 2019 Health Unit General Public Health Programs Budget has two components - the first column, Ontario Public Health Standards (OPHS), relates to funding received and spent to implement the MOHLTC Ontario Public Health Standards, and the second column, Other Programs/Services, includes those programs/services funded from other sources.

ONTARIO PUBLIC HEALTH STANDARDS BUDGET

Revenue

- **Municipal Funding** – The municipal levy has remained constant for the past three years. In 2018, the Ministry of Health and Long-Term Care increased the Public Health Mandatory Program grant for the first time since 2015 by 3%. An increase in the municipal levy of 2% would make a significant difference (\$60,762) in decreasing our budget shortfall. Table 1 outlines increases in the amount for each municipality of a 2% levy increase based on using either the MPAC or Census population data to distribute the levy among obligated municipalities. All but one municipality has approved using Census population data. All municipalities have to agree or MPAC has to be used.
- **Reserve** –The Board Investment Policy V-165-0 places a limit on the total amount in the Reserve based on the funds in the Reserve as of December 2017, so the estimated income (\$30,000) from the Reserve Investment will be used to offset general expenses related to the Ontario Public Health Standards in 2019.
- **Mandatory Program Funding** - The Ministry of Health and Long-Term Care has instructed Health Units to submit their 2019 base budget based on Ministry funding received in 2018. They have given Health Units the option of submitting a request for additional base funding or for one time funding, which will be considered if additional funding is received from the Treasury Board. The Health Unit is planning to submit requests in both categories and they will be presented to the Board for approval at the February Board meeting.

- **Ministry Other Base Funding** – This includes the MOHLTC grants for specific program enhancements to the general public health budget which are funded at 100% or at 75% of costs of the program. A list of the specific grants is on the Budget Statement. The Ministry of Health and Long-Term Care has directed all Health Units to plan for no increase in Other Base Funding in 2019.
- **Revenue for Influenza, Hepatitis B and Human Papilloma Virus (HPV) Immunizations** – The MOHLTC gives the Health Unit a specific amount (\$8.50) for each HPV and meningococcal vaccine given to grade 7 students and \$5.00 for each influenza vaccine given. The amount for 2019 is based on actual and estimates for the remainder of 2018.
- **Food Handler Courses** – The revenue for the Food Handler Courses is based on the estimated demand (based on numbers from 2018), and an increase in the fee for this course to be more in line with other Health Units.
- **Sale of Contraceptives** – Revenue for the sale of contraceptives is based on the amount received in 2018.
- **Project Grants** – The Health Unit has received a Green Communities grant (2018-2019) to develop a Walking School Bus Program, and a grant from Ministry of Children, Community and Social Services (2018-19) to provide Triple P Parenting in Leeds Grenville.
- **Other Revenue** – Funds come from a variety of sources, and include funds from rebates and employee time reimbursed by the unions.

Expenses

- **Salaries and Benefits** - With a 2% municipal levy increase and no provincial grant increase, the actual cost of salaries and benefits to maintain all of our current permanent Public Health staffing commitments is \$696,798 (after operating reductions and increased revenue proposed for 2019) more than the available revenue funds. The following approaches will be used to manage the budget shortfall:
 - \$405,955 Voluntary Leaves of Absence without Pay as requested by employees, savings in salaries and benefits due to delays in recruitment, and the associated salary differentials between the permanent job owner and the term replacement. This is consistent with savings in past years.
 - Program and Service Changes – The Management Team used the Program Budgeting and Marginal Analysis process to identify program efficiencies and reductions in programs and services that would have the least impact on the health of the population. These changes will result in loss of permanent positions for an annual savings of \$290,843.
 - Reduction in prenatal classes from 4 to 3 in-person sessions and offer an on-line session on the healthy behaviours in pregnancy.
 - Redistribution of work among Administrative Assistants.
 - Reduction in beach sampling from once a week to once a month in the summer. Results will continue to be posted on the website.
 - Elimination of the management on-call premium.
 - Decrease in the amount for casual caretaking and casual AA coverage, and use existing staff to cover absences.
 - Decrease in the support to community partnerships and facilitate other agencies to provide partnership activities.
 - Decrease in the nutritionist support for the Healthy Growth and Development program.
- **Operating Expenses** – All operating expenses were reviewed by each Department. Savings were found in the travel/mileage/training, advertising and surveillance operating budgets. Increases in the Building/Occupancy category are due to increases in rent, grounds maintenance, and utilities.

OTHER PROGRAM/SERVICES BUDGET

Revenue

- **Reserve** - In 2018, the Board approved the use of Municipal Reserve funding (\$156,725) to purchase the IntraHealth Electronic Medical Record (EMR). We have decided instead to use our current FileHold Electronic Storage Platform rather than purchasing an expensive EMR platform. The additional one-time costs to create an Electronic Clinical Record in FileHold and to purchase tablets for clients to use are \$59,155. On-going costs can be managed within the 2019 IT operating budget.
- **Allocations Recovered and Rental Income** –This includes the rent and human resources, finance and IT services charged to Land Control and the Preschool Speech and Language Program which are funded through other sources.
- **Ontario Works Revenue** - This is the revenue received from the Ontario Works Dental Program for the United Counties of Leeds and Grenville and Lanark County. Most of the revenue goes to pay dentists and we retain 8% as an administration fee.
- **Purchase/Sale of Vaccine** – The revenue for the sale of travel vaccines is increased for 2019 because we will add a cost (\$25) for travel consultation.

Expenses

- The Salaries and Benefits and Operating Costs are directly tied to the Revenue outlined above.

HEALTHY BABIES HEALTHY CHILDREN (HBHC) BUDGET

The Ministry of Community and Youth Services provides 100% funding for the Healthy Babies Healthy Children Program (\$1,060,739). While an additional \$50,000 was provided to the Health Unit in 2013 when new requirements were added to the program, this program has not received an increase in its base funding since 2007. Program staffing has had to be reduced over time as negotiated wages increased.

Submitted by:

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November 15, 2018

| LEEDS, GRENVILLE AND LANARK DISTRICT HEALTH UNIT | | | | | | |
|--|--|--------------------------------------|---|--|-----------|------------------|
| General Public Health Program Programs | | | | | | |
| STATEMENT OF EXPENSES | | | | | | |
| | 2019 Budget | | | | | |
| | Ontario Public Health Standards OPHS Budget 2019 | Other Programs/ Services Budget 2019 | Total Budget (OPHS & Other Prog/Ser) Budget 2019 | | | |
| REVENUE | | | | | | |
| Municipal Levies | \$ 3,098,847 | \$ - | \$ 3,098,847 | Ministry of Health - Other Base Funding | | |
| Reserve | \$ 30,000 | \$ 59,155 | \$ 89,155 | MOH Top Up (Formula Based) | \$ | 128,029 |
| Ministry of Health PH Funding | 7,044,500 | - | \$ 7,044,500 | Chief Nursing Officer (100%) | | 121,500 |
| Ministry of Health - Other Base Fundin | 1,943,629 | - | \$ 1,943,629 | Small Drinking Water Systems (75 | | 94,600 |
| Influenza Grants | 250 | - | \$ 250 | Vector Borne Disease (75%) | | 22,100 |
| Meningitis Grants | 12,000 | - | \$ 12,000 | Priority Population Nurses (100%) | | 180,500 |
| HPV Grants | 18,000 | - | \$ 18,000 | Needle Exchange Program (100%) | | 30,000 |
| Alllocations Recovered | - | 75,516 | \$ 75,516 | Enhanced Food Safety (100%) | | 37,600 |
| Rental Income | - | 14,899 | \$ 14,899 | Enhanced Safe Water (100%) | | 15,500 |
| Food Handlers Courses | 49,720 | - | \$ 49,720 | Infection Control | | 420,800 |
| Interest Revenue | 6,000 | - | \$ 6,000 | Healthy Smiles Ontario | | 327,400 |
| Purchase/Sale Vaccine | - | 35,528 | \$ 35,528 | Harm Reduction | | 150,000 |
| Sale of Contraceptives | 10,000 | - | \$ 10,000 | Smoke Free Ontario | | 415,600 |
| Ontario Works Revenue | - | 234,000 | \$ 234,000 | Total | \$ | 1,943,629 |
| Triple P | 6,750 | - | \$ 6,750 | | | |
| Walking School Bus fund | 30,842 | - | \$ 30,842 | | | |
| Other Revenue | 5,000 | 0 | \$ 5,000 | | | |
| TOTAL REVENUE | \$ 12,255,538 | \$ 419,098 | \$ 12,674,636 | 2019 Budget Healthy Babies Healthy Children | | |
| | | | | REVENUE | | 1,060,739 |
| | | | | | | |
| EXPENSES | | | | EXPENSES | | |
| Salaries/Wages | \$8,410,073 | \$86,649 | \$8,496,722 | SALARIES & BENEFITS | | |
| Benefits | \$2,354,821 | \$24,261 | \$2,379,082 | Salaries/Wages | | 784,952 |
| TOTAL SALARIES/BENEFITS | \$10,764,894 | \$110,910 | \$10,875,804 | Benefits | | 219,787 |
| | | | | TOTAL SALARIES & BENEFITS | | 1,004,739 |
| Purchased Services | \$ 202,000 | \$ 254,219 | \$ 456,219 | | | |
| Travel/Mileage/Training | 328,010 | - | 328,010 | Purchased Services | | |
| Materials & Supplies | 577,844 | 39,070 | 616,914 | Travel/Mileage/Training | | 48,000 |
| Building/Occupancy Costs | 382,790 | 14,899 | 397,689 | Materials & Supplies | | 8,000 |
| GENERAL OPERATING EXPENSES | \$ 1,490,644 | \$ 308,188 | \$ 1,798,832 | GENERAL OPERATING EXPENSES | | 56,000 |
| | | | | | | |
| TOTAL EXPENSE | \$ 12,255,538 | \$ 419,098 | \$ 12,674,636 | TOTAL EXPENSES | | 1,060,739 |
| | | | | | | |
| SURPLUS (DEFICIT) | \$ - | \$ 0 | \$ (0) | SURPLUS (DEFICIT) | \$ | - |

| | Table 1 - 2019 Municipal Levy | | | | | | |
|-------------------------------|--------------------------------------|------------------|---------------|-----------------|---------------------|------------------------|--------------------|
| | BROCKVILLE | GANANOQUE | LANARK | PRESCOTT | SMITHS FALLS | UNITED COUNTIES | GRAND TOTAL |
| 2014 MPAC Population | 17,732 | 4,535 | 50,382 | 3,445 | 7,055 | 59,457 | 142,606 |
| 2018 Levy | \$377,763 | \$96,614 | \$1,073,341 | \$73,392 | \$150,300 | \$1,266,675 | \$3,038,085 |
| 2018 MPAC Population | 16,990 | 4,214 | 49,978 | 3,260 | 6,911 | 56,156 | 137,509 |
| no increase | \$375,372 | \$93,103 | \$1,104,200 | \$72,026 | \$152,690 | \$1,240,695 | \$3,038,085 |
| 2019 2% increase | \$382,880 | \$94,965 | \$1,126,284 | \$73,466 | \$155,743 | \$1,265,509 | \$3,098,847 |
| 2019 3% increase | \$386,633 | \$95,896 | \$1,137,326 | \$74,186 | \$157,270 | \$1,277,916 | \$3,129,228 |
| 2016 Census Population | 21,346 | 5,159 | 59,918 | 4,222 | 8,780 | 69,819 | 169,244 |
| No increase | \$383,180 | \$92,609 | \$1,075,583 | \$75,789 | \$157,609 | \$1,253,315 | \$3,038,085 |
| 2019 2% increase | \$390,844 | \$94,461 | \$1,097,095 | \$77,305 | \$160,761 | \$1,278,381 | \$3,098,847 |
| 2019 3% increase | \$394,676 | \$95,387 | \$1,107,851 | \$78,062 | \$162,337 | \$1,290,915 | \$3,129,228 |