



FINANCE MEETING

Wednesday, January 22, 2020

1:00 p.m. – 2:00 p.m.

**Hastings Prince Edward Public Health
Main Office - 179 North Park Street, Belleville
Douglas Room A, 1st Floor**

If you are **unable to attend**, and have not already done so,
please arrange for your alternate to attend and advise
Catherine Lovell at clovell@hpeph.ca.

Thank you!

Hastings Prince Edward Public Health 2019 - 2023 Strategic Plan

Our Vision

Healthy Communities,
Healthy People.

Our Mission

Together with our communities,
we help people become as
healthy as they can be.

Our Values Show We CARE



Collaboration



Advocacy



Respect



Excellence

Our Strategic Priorities



Community
Engagement



Staff
Engagement
and Culture



Population Health
Assessment and
Surveillance



Program
Standards



Health
Promotion



FINANCE COMMITTEE MEETING
A G E N D A

Wednesday, January 22, 2020

1. **CALL TO ORDER**
2. **DISCLOSURE OF PECUNIARY INTEREST AND THE GENERAL NATURE THEREOF**
3. **APPROVAL OF THE AGENDA (MOTION)**
4. **APPROVAL OF MINUTES OF PREVIOUS MEETING (MOTION)**
 - 4.1 Meeting Minutes dated July 24, 2019 [Schedule 4.1](#)
5. **BUSINESS ARISING FROM MINUTES**
6. **NEW BUSINESS**
 - 6.1 By-Law 2020-01 (MOTION) [Schedule 6.1](#)
 - 6.2 Budget 2020 Review (MOTION) [Schedule 6.2](#)
7. **CLOSED SESSION (MOTION)**

Move into Closed Session to approve previous closed meeting minutes only.
8. **DATE OF NEXT MEETING**

Wednesday, April 22, 2020 at 1:00 pm
9. **ADJOURNMENT (MOTION)**

Finance Committee Meeting
MINUTES

Wednesday, July 24, 2019 1:00 p.m.
Hastings Prince Edward Public Health
179 North Park Street, Belleville
Douglas Room A, 1st Floor

Present: Ms. Jo-Anne Albert, Mayor, Municipality of Tweed, County of Hastings, Board Chair
Ms. Jan O'Neill, Mayor, Municipality of Marmora and Lake, County of Hastings
Mr. Andreas Bolik, Councillor, County of Prince Edward
Mr. Stewart Bailey, Councillor, County of Prince Edward
Mr. Terry Cassidy, Councillor, City of Quinte West, Finance Chair
Mr. Sean Kelly, Councillor, City of Belleville
Mr. Bill Sandison, Councillor, City of Belleville
Prof. Douglas Lafreniere, Provincial Appointee

Also Present: Dr. Piotr Oglaza, Medical Officer of Health
Ms. Valerie Dunham, Director of Corporate Services/Associate CEO
Ms. Jenn Barrett, Executive Assistant to the MOH

Regrets: Dr. Craig Ervine, Provincial Appointee
Ms. Deborah Goulden, Provincial Appointee
Mr. Michael Kotsovos, Councillor, City of Quinte West
Ms. Joy Martin, Provincial Appointee

1. **Call to Order**
The meeting was called to order at 1:03 p.m. by Finance Chair Cassidy.
2. **Disclosure of Pecuniary Interest and the General Nature Thereof**
There was no disclosure of pecuniary interest.
3. **Approval of Agenda**
MOTION:
Moved by: Bill
Seconded by: Stewart
THAT the agenda of the July 24, 2019 Finance Committee be approved as distributed.
CARRIED
4. **Approval of Minutes of Previous Meeting**

4.1 General Minutes of April 24, 2019.

MOTION:
Moved by: Jo-Anne
Seconded by: Bill
THAT the Minutes of the April 24, 2019 Finance Committee meeting be approved as circulated.
CARRIED

5. Business Arising from Minutes – None

Schedule 4.1

6. Reports**6.1 The 2nd Quarter YTD results and Financial Update**

Val Dunham gave an overview of the year-to-date financials noting that we are progressing well with most variances being accounted for due to timing of revenues and expenses throughout the year. However, at present salaries and wages, and staff benefits are all under budget largely due to not hiring after the provincial budget announcements were made. This impact is cumulative, and although we have hired in areas that strategically make sense given the current environment, it will have an overall impact on the annual financials.

6.2 Terms of Reference Review

Val reviewed the new terms of reference and answered questions.

6.3 Accounting Practices Policy Review

Val reviewed the updated accounting practices policy with the Committee. It was noted that the policy should include a procedure that services such as Auditors' and bank services go through a Request For Proposal (RFP) process as per a pre-determined schedule.

6.4 Budget 2020 Assumptions

Using the briefing note, Dr. Oglaza gave an overview of the budget process, and the assumptions that the Executives are proposing when making the 2020 budget. The Committee discussed the previous Board's decision of municipal funding allocation based on Statistics Canada population figures. It was noted that Val will provide members with the document via email that was shared with previous BOH members in making the decision to switch to the new process. Terry requested that the most recent population numbers be reviewed and discussed at a future meeting.

MOTION:

Moved by: Bill

Seconded by: Jan

THAT the Finance Committee receive all reports and recommendations as presented in the agenda.

CARRIED

7. Closed Session**MOTION:**

Moved by: Sean

Seconded by: Douglas

THAT the Board convene in Closed Session for the purpose of a discussion of personnel issues in accordance with Section 239 (2) b personal matters about an identifiable individual, including municipal or local board employees.

CARRIED

As per the motion made at the Closed Session to return to the Open Session, the Board will now reconvene in Open Session at 2:59 pm.

MOTION:

Moved by: Jan

Seconded by: Terry

THAT the Board endorse the motions approved in the Closed Session and direct staff to take appropriate action.

CARRIED

8. **Date of Next Meeting**

Wednesday, October 23, 2019 at 1:00 pm.

Douglas Room A, 1st Floor

9. **Adjournment**

MOTION:

Moved by: Bill

Seconded by: Stewart

THAT the Finance Committee meeting be adjourned at 3:07 pm.

CARRIED

Terry Cassidy, Finance Chair

**THE BOARD OF HEALTH
FOR THE HASTINGS & PRINCE EDWARD COUNTIES HEALTH UNIT**

**BY-LAW NO. 2020-01
Annual By-Law to authorize the borrowing of up to \$1,000,000**

WHEREAS the Board of Health for the Hastings and Prince Edward Counties Health Unit (hereinafter called the "Board") deems it necessary to borrow the sum of up to \$1,000,000 to meet expenditures of the Board for the year until the municipal levies and government grants are received:

THEREFORE, the Board hereby enacts as follows:

1. The Chair of the Board and the Chair of the Finance Committee are hereby authorized on behalf of the Board to borrow from time to time by way of promissory note from the Canadian Imperial Bank of Commerce , a sum or sums not exceeding \$1,000,000 to meet the current expenditures of the Board for the year until the municipal levies and government grants are received, and to give on behalf of the Board, to the bank, a promissory note or notes and signed by the Chair of the Board and the Chair of the Finance Committee for the monies so borrowed, with interest at such rate as may be agreed upon from time to time with the Bank.
2. The interest costs for all sums borrowed pursuant to the authority of the by-law shall be charged as an expenditure against the revenues of the Board for the current year.
3. The Chair of the Finance Committee is hereby authorized and directed to apply in payment of all sums borrowed as aforesaid, together with the interest thereon, all of the monies hereafter collected are received either on account or realized in respect of levies and grants for the current year and preceding year or from any other source which may lawfully be applied for such purpose.

This by-law shall come into force and take effect immediately upon the approval thereof.

Jo-Anne Albert, Chair, Board of Health

Date

Dr. Piotr Oglaza, Medical Officer of Health

Date



HASTINGS PRINCE EDWARD
Public Health

2020 BUDGET PACKAGE

For Finance Committee Review January 22, 2020

HASTINGS PRINCE EDWARD PUBLIC HEALTH

2020 BUDGET- Executive Summary

For Finance Committee Review January 22, 2020

After a year of uncertainty and proposed changes to the entire Public Health system in Ontario, the HPEPH Management Team is pleased to present a balanced budget to the Board of Health for the 2020 operating year. The development of this budget has been highly influenced by the directions of the 2019-2023 Strategic Plan which identified priority action items of continuing to review and evaluate our programs and services, establishing processes to improve efficiencies, and optimizing the allocation of resources. These actions will help prepare HPEPH for the modernization of public health that we expect to unfold in the coming months and years. We are continuing work that was already underway, to ensure our staff resources are best aligned to meet organizational needs, while continuing to provide community services.

The 2020 budget reflects the following key changes in revenue:

- A change in the provincial/municipal cost sharing model - from a 75/25% formula to a 70/30% formula for all programs including those that were previously 100% funded by the province. This change results in a \$1,120,050 increase to the municipal contribution.
- The Province of Ontario has indicated mitigation funding will be provided to limit the municipal increase to 10% over 2019. Mitigation funding is expected to be \$837,570 leaving a balance of \$282,480 to be paid by municipalities. For the 2020 fiscal year, this will be drawn from the HPEPH operating reserves to lessen the immediate strain on municipalities and to allow more time for Public Health to receive clarity from the province about future funding.
- The 2020 budget will also account for year 2 of the 2-year adjustment plan to align municipal funding contributions with Statistics Canada population numbers. No further adjustments will be required.
- The Province of Ontario is providing 100% funding for the New Seniors Dental Program which amounts to \$931,300 for HPEPH. In addition, one-time funds for capital investments related to this program have been approved in the amount of \$847,900 to cover the cost of a mobile clinic as well as a full dental lab for the Belleville office.

The 2020 budget reflects the following key changes in expenditures:

- Changes and adjustments to the HPEPH staff complement have been implemented over the past year as part of efforts to ensure our staff resources align with organizational needs. Staffing changes resulted in an overall decrease of 3 Full-Time Equivalent positions. This change will help accommodate the cost of negotiated increases, increases in benefit costs, as well as provision for outstanding pay equity and job evaluation initiatives.
- The cost of employee benefits increased by 15% for health and dental.
- A significant increase in our training budget has been planned to support investment in our staff capacity and leadership skills.
- Significant increases in program materials, professional and purchased services and travel costs, as required to implement the new Seniors Dental Program.
- Planned provision for capital expenditures in the amount of \$847,900 for the Seniors Dental program.

Moving forward, the Management Team at HPEPH will continue ongoing work to ensure that our resources meet community public health priorities by actioning the 2019-2023 Strategic Plan, as approved by the Board of Health. Throughout 2020, we will continue to work closely with the Board of Health to respond to the modernization process, and plan proactively for future budgets.

HASTINGS PRINCE EDWARD PUBLIC HEALTH
2019 Actuals & 2020 Proposed BUDGET
For Finance Committee Review January 22, 2020

	2019 Forecast Actuals	2019 Board of Health Approved Budget	2019 Variance Budget vs Actual	2020 Proposed Budget	Variance (2020 Proposed Budget vs 2019 Approved Budget)	% Variance
REVENUES						
1 Ministry of Health						
a) Mandatory Programs - Cost shared	8,474,400	8,320,200	154,200	7,909,440	(410,760)	-5%
b) Related Programs - Cost shared	1,850,300	2,004,500	(154,200)	1,295,210	(709,290)	-35%
c) 100% Programs - Seniors Dental Program	440,000	-	440,000	931,300	931,300	
d) Annual Grants and one-time grants	128,502	153,700	(25,198)	977,900	824,200	536%
e) Mitigation Funding	-	-	-	837,570	837,570	
2 Municipal Levies	3,388,953	3,388,953	-	3,388,953	-	0%
3 Ministry of Children, Community & Social Services	1,160,543	1,160,543	-	1,160,543	-	0%
4 Public Health Agency of Canada	102,938	89,988	12,950	89,988	-	0%
5 Health Canada	51,056	39,000	12,056	39,000	-	0%
6 Expenditure Recoveries	349,129	210,000	139,129	280,000	70,000	33%
7 Transfer from Municipal Reserves	-	-	-	282,480	282,480	0%
TOTAL REVENUES	15,945,821	15,366,884	578,937	17,192,384	1,825,500	11.9%
EXPENSES						
1 Salaries & Wages	9,657,011	10,227,239	(570,228)	10,237,000	9,761	0.1%
2 Employee Benefits	2,501,379	2,607,370	(105,991)	2,699,384	92,014	3.5%
3 Staff Training	130,888	144,575	(13,687)	204,000	59,425	41.1%
4 Travel Expenses	180,391	196,800	(16,409)	221,500	24,700	12.6%
5 Building Occupancy	1,104,828	996,600	108,228	1,002,600	6,000	0.6%
6 Office Expenses, Printing, Postage	102,812	80,000	22,812	80,000	-	0.0%
7 Program Materials, Supplies	836,764	425,900	410,864	664,000	238,100	55.9%
8 Professional & Purchased Services	294,341	297,700	(3,359)	762,000	464,300	156.0%
9 Communication Costs	98,455	97,100	1,355	106,000	8,900	9.2%
10 Information Technology	444,327	293,600	150,727	368,000	74,400	25.3%
11 One Time Capital Expenditures	8,912	-	8,912	847,900	847,900	
12 Transfer to Capital/Operating Funds	350,588	-	350,588	-	-	
TOTAL EXPENSES	15,710,695	15,366,884	343,811	17,192,384	1,825,500	11.9%
SURPLUS/DEFICIT	235,126	-	235,126	0	0	

ANALYSIS OF SURPLUS BALANCE

Mandatory Programs	-
Related Programs	87,962
Seniors Dental Program	81,266
Ministry of Health Grants	1,188
Ministry of Health Grant Deferrals to March 31st	-
MCCS Programs Deferrals to March	8,843
Federal Programs Deferrals to March	55,867
	<u>235,126</u>

HASTINGS PRINCE EDWARD PUBLIC HEALTH
Budgeted Revenues - For the period January 1, 2020 to December 31, 2020
For Finance Committee Review January 22, 2020

Revenue Source	Ministry of Health		TOTAL Ministry of Health Programs	Other Grants & Contracts			TOTAL Other Grants & Contracts	Consolidated Budget
	Mandatory Programs	Related & 100% Programs		Ministry of Health	Healthy Babies Healthy Children	Federal Grants		
PROVINCIAL & MUNICIPAL FUNDING								
Ministry of Health								
Mandatory, Related and 100% Programs	7,909,440	2,226,510	10,135,950				-	10,135,950
Annual and one time grants			-	977,900			977,900	977,900
Mitigation Funding	837,570		837,570				-	837,570
Municipal Levy	2,833,863	555,090	3,388,953				-	3,388,953
Transfer from Municipal Reserves	282,480		282,480				-	282,480
Ministry of Children, Community & Social Services			-		1,160,543		1,160,543	1,160,543
TOTAL PROVINCIAL & MUNICIPAL GRANTS	11,863,353	2,781,600	14,644,953	977,900	1,160,543	-	2,138,443	16,783,396
FEDERAL FUNDING								
Public Health Agency of Canada						89,988	89,988	89,988
Health Canada						39,000	39,000	39,000
EXPENDITURE RECOVERIES								
Nicotine Replacement Therapy Sales	25,000		25,000				-	25,000
Contraceptive Sales	13,000		13,000				-	13,000
OHIP Payments	20,000		20,000				-	20,000
Food Handler Course Registrations	40,000		40,000				-	40,000
Shingrix Vaccine	60,000		60,000				-	60,000
Travel Vaccines	60,000		60,000				-	60,000
Menactra Vaccine	11,000		11,000				-	11,000
Human Papilloma Virus (HPV) Vaccine	16,000		16,000				-	16,000
Flu Vaccine	8,000		8,000				-	8,000
Seniors Dental Program - Denture Recoveries	15,000		15,000				-	15,000
Interest	12,000		12,000				-	12,000
	280,000	-	280,000	-	-	128,988	128,988	408,988
TOTAL REVENUES	12,143,353	2,781,600	14,924,953	977,900	1,160,543	128,988	2,267,431	17,192,384

HASTINGS PRINCE EDWARD PUBLIC HEALTH
2020 BUDGET - Explanatory Notes and Variance Analysis - REVENUES
For Finance Committee Review January 22, 2020

	<u>Budget 2020</u>	<u>Budget 2019</u>	<u>Variance 2020 vs 2019</u>
1. MINISTRY OF HEALTH			
a) <u>Mandatory Programs - Cost shared</u>	\$ 7,909,440	\$ 8,320,200	\$ (410,760)
The Ministry of Health issues an accountability agreement each year outlining the terms of transfer payments to public health. Programs covered through cost shared funding include the following 12 program areas:			
Foundational Standards			
Population Health Assessment			
Health Equity			
Effective Public Health Practice			
Emergency Preparedness, Response and Recovery			
Program Standards			
Chronic Diseases and Injury Prevention, Wellness and Substance Misuse			
Food Safety			
Healthy Environments			
Healthy Growth and Development			
Immunization			
Infectious and Communicable Diseases Prevention and Control			
Safe Water			
School Health			
b) <u>Related Programs - Cost shared</u>			
Enhanced Food Safety Initiative	17,500		
Enhanced Safe Water Initiative	10,850		
Harm Reduction Program Enhancement (Opioid program)	105,000		
Healthy Smiles Ontario	385,210		
Infectious Diseases Control Initiative	155,610		
Needle Exchange Program Initiative	35,700		
Nursing Initiatives	274,470		
Smoke Free Ontario Strategy	<u>310,870</u>		
	1,295,210	2,004,500	(709,290)
Total Ministry of Health - Mandatory and Related Programs	<u>9,204,650</u>	<u>10,324,700</u>	<u>(1,120,050)</u>
c) <u>100% Programs - Seniors Dental Program</u>			
<i>The seniors dental program was announced in April 2019. Funding was pro-rated in the amount of \$698,475 for the 9 month period of April - December, of which \$359,000 was spent up to December 31, 2019. The annualized amount for the program is \$931,300.</i>			
	931,300	0	931,300
Total Ministry of Health Accountability Agreement	<u>\$ 10,135,950</u>	<u>\$ 10,324,700</u>	<u>\$ (188,750)</u>

d) **Annual Grants and one-time grants**

A Medical Officer of Health (MOH) Compensation Grant is provided by the Ministry of Health on an annual basis. This Grant as well as a small amount for a Public Health Inspector Practicum Student is included in this budget. One time funding for the Seniors Dental Program was approved in 2019 for a Mobile Dental Clinic and upgrades at the Belleville dental office. Both amounts will be expensed in 2020 and are included in the budget. The Infoway grant received in 2019 was a one-time grant for the Panorama database and is not available in 2020.

MOH Compensation Grant	120,000	102,000	
Public Health Inspector Practicum Student	10,000	10,000	
Infoway grant (For Panorama database funding)	0	41,700	
Seniors Dental Care- Clinic Upgrades	252,900		
Seniors Dental Care- Mobile Dental Clinic	595,000		
Total Annual and one-time funding Ministry of Health Grants	977,900	153,700	824,200
e) 2020 MITIGATION FUNDING from Ministry of Health	837,570	-	837,570

One-time mitigation funding to limit cost increases resulting from the change in cost-sharing formula to 10% of existing municipal costs.

2. MUNICIPAL LEVY

The total municipal levy is the same as 2019, but the assignment of funding amounts has changed to reflect Statistics Canada population figures.

City of Belleville	1,083,324	1,057,039	26,285
City of Quinte West	930,757	908,531	22,226
Hastings County	846,453	870,246	(23,793)
Prince Edward County	528,419	553,137	(24,718)
	\$ 3,388,953	\$ 3,388,953	\$ -

3. MINISTRY OF CHILDREN, COMMUNITY & SOCIAL SERVICES

MCCSS funds the Healthy Babies, Healthy Children program; no increase is anticipated for this contract. Effective April 1, 2019, the fiscal year for this program was changed to the government year of April - March.

1,160,543	1,160,543	-
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4. PUBLIC HEALTH AGENCY OF CANADA (PHAC)

PHAC funds the Canada Prenatal Nutrition Program (CPNP); no increase is anticipated for this contract. This program has a March 31st fiscal year. Forecast actuals include the carry forward of funds at December 2019. This contribution assists in meeting the Ontario Public Health Standards for vulnerable populations.

89,988	89,988	-
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5. HEALTH CANADA

Health Canada funds the Children's Oral Health Program (COHP); no increase is anticipated for this contract. The program has a March 31st fiscal year. Forecast actuals include the carry forward of funds at December 2019.

39,000	39,000	-
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6. EXPENDITURE RECOVERIES

Expenditure recoveries include OHIP reimbursements, vaccine recoveries, food handler course registrations, contraceptives and nicotine replacement therapy recoveries and interest earnings on transfer payments. 2020 figures also include estimated recoveries of \$15,000 for denture payments in the Seniors Dental Program.

This area of revenue has varied significantly over the past five years due to changes in publicly funded vaccines (e.g. Shingles vaccines), the reduced demand for flu vaccines at public health (pharmacies now administer a large percentage of flu vaccines) and HPEPH changes in travel vaccines and TB testing. Recoveries for vaccines and food handler courses were higher than anticipated in 2019 which resulted in more revenues in this area. This pattern is expected to continue in 2020.

280,000	210,000	70,000
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7. TRANSFER FROM RESERVES

282,480	-	282,480
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TOTAL BUDGETED REVENUES

\$ 17,192,384	\$ 15,366,884	\$ 1,825,500
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HASTINGS PRINCE EDWARD PUBLIC HEALTH
Budgeted Expenses - For the period January 1, 2020 to December 31, 2020
For Finance Committee Review January 22, 2020

Expense Item	Ministry of Health	Other Grants & Contracts			TOTAL Other Grants & Contracts	Consolidated Budget
	Mandatory, Related and 100% Programs	Annual Grants and one-time grants	Healthy Babies Healthy Children	Federal Grants		
Salaries & Wages	9,160,404	129,044	870,218	77,334	1,076,596	10,237,000
Employee Benefits	2,450,450	956	227,025	20,954	248,934	2,699,384
Staff Training	201,700	-	2,300	-	2,300	204,000
Travel Expenses	188,500	-	30,000	3,000	33,000	221,500
Building Occupancy	1,002,600	-	-	-	-	1,002,600
Office Expenses, Printing, Postage	78,000	-	2,000	-	2,000	80,000
Program Materials, Supplies	636,300	-	-	27,700	27,700	664,000
Professional & Purchased Services	761,000	-	1,000	-	1,000	762,000
Communication Costs	95,500	-	10,500	-	10,500	106,000
Information Technology	350,500	-	17,500	-	17,500	368,000
Capital Expenditures		847,900		-	847,900	847,900
TOTAL EXPENDITURES	14,924,954	977,900	1,160,543	128,988	2,267,430	17,192,384

HASTINGS PRINCE EDWARD PUBLIC HEALTH
2020 BUDGET - Explanatory Notes and Variance Analysis - EXPENSES
For Finance Committee Review January 22, 2020

1. SALARIES & WAGES

During 2019, HPEPH experienced a high level of staffing changes with a total of 18 new staff joining the organization, multiple internal changes, 8 retirements and 6 leaves of absence. As noted in the Executive Summary, several staffing changes were implemented to address strategic priorities and optimize the allocation of resources.

Decreases in staff positions throughout 2019 included a Senior Public Health Inspector, Health Promoter, Registered Nurse, Dietitian, and Administrative Assistant. Staffing was increased for Dental Hygienists and Dental Assistants to meet the needs of the Seniors Dental Program and additional nursing and Public Health Inspector time was budgeted to cover planned leaves of absence. Additional staff time budgeted in 2019 for communications and IT support has continued in the 2020 budget.

The number of full-time equivalent positions has been reduced from 133 in 2019 to 130 FTEs in 2020. This reduction has allowed us to cover the negotiated increase of 1.75% in 2020 and provides a provision for outstanding pay equity and job evaluation initiatives.

It is important to note that several positions were held vacant during the 2019 year due to the uncertainty of the budget changes announced in the spring. As more details became available, positions were filled to align with service delivery needs. These delays, plus the high level of staff changes during the year resulted in significant salary savings and the resulting 2019 variance on salaries and wages.

2. EMPLOYEE BENEFITS

Employee benefits were under budget in 2019 due to position vacancies. Effective December 1, 2019, health and dental rates increased 15% resulting in a substantial increase in benefit costs. Overall, benefits amount to 26% of salaries. This includes statutory benefits (CPP, EI, EHT and WSIB), OMERS pension plan contributions, group health, dental and life insurance and a % in lieu for part-time and contract staff.

3. STAFF TRAINING

Staff turnover resulted in savings in the 2019 training budget. The budget for 2020 reflects a strategic direction to invest significantly in the training and development of our staff. A comprehensive leadership and capacity building training course has been budgeted as well as significant increases in many program budgets for training given the large number of new staff.

4. TRAVEL EXPENSES

Travel expenses account for staff travel throughout Hastings and Prince Edward Counties to deliver services including the inspection of food and water premises, immunization and dental clinics in the community and home visits. The increase in this area is due to the new requirement to maintain the Mobile Dental Clinic for the Seniors Dental Program. Without the Seniors Dental program, budgeted travel is consistent with 2019 travel costs which were underbudget.

5. BUILDING OCCUPANCY

Building occupancy expenses include the building loan, leases, maintenance costs, cleaning services and supplies for all locations of the organization. Building Occupancy costs were overbudget in 2019 due to \$56,000 related to the new Seniors Dental Program, as well as installation of a water softener and treatment system and upgraded flooring in the stairwells. The \$6,000 increase in the 2020 budget allows a provision for the pattern of high maintenance costs.

6. OFFICE EXPENSES, PRINTING, POSTAGE

Office expenses were over budget in 2019 due to a large file scanning project, which was completed in December. For 2020, we foresee no significant changes.

7. PROGRAM MATERIALS, SUPPLIES

Program materials and supplies were overbudget in 2019 due to significant expenditures for supplies in the new Seniors Dental Program as well as increased expenditures for program materials including nicotine replacement therapy (NRT) and vaccines. For 2020, the budget includes \$222,000 for the Seniors Dental Program which explains the increase in this area.

8. PROFESSIONAL & PURCHASED SERVICES

The budget for professional and purchased services was increased substantially for 2020 to reflect the needs of the Seniors Dental program. Dentist fees, denturist and lab fees and other related costs for the program are budgeted at \$410,000. Insurance costs have increased substantially due to an overall increase of 8% and the addition of Cyber insurance to the portfolio for an overall increase of \$16,000. Other budget increases include additional physician fees, a security audit and IT consulting fees.

9. COMMUNICATION COSTS

The communication budget for 2020 has been increased to cover the cost of public WIFI at the Belleville site as well as improved internet access at the Bancroft site in 2020.

10. INFORMATION TECHNOLOGY

Information Technology costs were overbudget in 2019 due to the replacement of all zero clients throughout the organization and investment in an additional server to address the needs of the Seniors Dental Program. For 2020, the budget approach has been changed to include a provision of \$55,000 for hardware replacements in the budget to ensure that funds are available for replacements and upgrades as required. This is increasingly important to ensure the security of assets and information.

11. ONE-TIME CAPITAL EXPENDITURES

In 2019, a grant of \$10,100 was received for the replacement of two vaccine refrigerators of which \$8,912 was spent. In 2020, the budget reflects one-time expenses to construct a full dental lab at Belleville and purchase a mobile dental clinic.

12. TRANSFER TO CAPITAL/OPERATING FUNDS

Transfers represent retainable funds that will be held for future building and/or critical service requirements as per the Accounting Practices policy. Ongoing investment in these funds helps ensure continuity of service and availability of funds for future capital costs.

HASTINGS PRINCE EDWARD PUBLIC HEALTH
2020 Budget - Calculation of Municipal Levy
For Finance Committee Review January 22, 2020

	2019 Actuals			2020 Budget				
	Total	Ministry	Municipal	Total	Ministry	\$ Change	Municipal	\$ Change
Cost Shared Mandatory Programs	11,299,200	8,474,400	2,824,800	11,299,200	7,909,440	(564,960)	3,389,760	564,960
Related Programs	1,850,300	1,850,300		1,850,300	1,295,210	(555,090)	555,090	555,090
100% Funded Related Programs (Seniors Dental Program)		440,000	-	931,300	931,300	491,300	-	
Total Related Programs	1,850,300	2,290,300	-	2,781,600	2,226,510	(63,790)	555,090	555,090
Total Costs	13,149,500	10,764,700	2,824,800	14,080,800	10,135,950	(628,750)	3,944,850	1,120,050
Additional Funding Required with 70/30 Funding							1,120,050	
Less: Ministry of Health Mitigation Funding							837,570	
Less: Municipal Transfer from Capital Reserves							282,480	
Net Increase from Municipalities							0	
Total Base Municipal Funding	13,149,500	10,764,700	2,824,800	14,080,800	10,135,950	(628,750)	2,824,800	
Plus Municipal Funding in excess of 25% for program and Building			564,153				564,153	
Total Municipal Funding			3,388,953				3,388,953	

Explanatory Notes

Total Municipal revenues for cost-shared mandatory and related programs have remained consistent with 2019 figures.

Mitigation funding calculated on base municipal share of \$2,824,800. 10% increase amounts to \$282,480 which will be drawn from reserves.

Excess Municipal Funding is built into the budget and includes loan/building commitment of \$260,000.

Allocation of municipal levy for 2020 based on Statistics Canada Calculations implemented over a two year period as approved by the Board of Health November 2018.

Contributing Municipalities	2019 (Based on Stats Canada Population)			2020 Levy Calculation (based on Statistics Canada Calculation over a two year period)					
	Population	% of Total	Tariff	Population	% of Total	2019 Levy	Remaining variance	Allocation 2020	% Change
	158,667	100.00%	3,388,953	158,667	100.00%	3,388,953	0		
City of Belleville	50,720	32.0%	1,083,324	50,720	32.0%	1,057,039	26,285	1,083,324	2.5%
City of Quinte West	43,577	27.5%	930,757	43,577	27.5%	908,531	22,226	930,757	2.4%
Hastings County	39,630	25.0%	846,453	39,630	25.0%	870,246	-23,793	846,453	-2.7%
Prince Edward County	24,740	15.6%	528,419	24,740	15.6%	553,137	-24,718	528,419	-4.5%
TOTAL			3,388,953			3,388,953	0	3,388,953	