



FINANCE MEETING

Wednesday, July 22, 2020

1:00 p.m. – 2:30 p.m.

**Hastings Prince Edward Public Health
Via Teleconference
Dial-In: 613-966-1257; Ext. 8300; PIN 4444**

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, July 22, 2020

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **DISCLOSURE OF PECUNIARY INTEREST AND THE GENERAL NATURE THEREOF**
4. **APPROVAL OF THE AGENDA (MOTION)**
5. **APPROVAL OF MINUTES OF PREVIOUS MEETING (MOTION)**
 - 5.1 Meeting Minutes dated April 22, 2020 [Schedule 5.1](#)
6. **BUSINESS ARISING FROM MINUTES**
7. **NEW BUSINESS (MOTIONS)**
 - 7.1 Second Quarter Year-to-Date Results [Schedule 7.1](#)
 - 7.2 Expenditures to December 31, 2020
 - 7.3 Pandemic Funding [Schedule 7.3](#)
 - 7.4 Pandemic Pay – Contract Letter [Schedule 7.4](#)
 - 7.5 2021 Budget Assumptions and Discussion [Schedule 7.5](#)
8. **DATE OF NEXT MEETING**

Wednesday, October 28, 2020 at 1:00 pm
9. **ADJOURNMENT (MOTION)**



Finance Committee Meeting
M I N U T E S

Wednesday, April 22, 2020 1:00 p.m.
Hastings Prince Edward Public Health
VIA TELECONFERENCE – 613-966-1257; Ext. 8300; PIN 4444

Present: Ms. Jo-Anne Albert, Mayor, Municipality of Tweed, County of Hastings, Board Chair
Mr. Stewart Bailey, Councillor, County of Prince Edward
Mr. Terry Cassidy, Councillor, City of Quinte West, Finance Chair
Mr. Craig Ervine, Provincial Appointee
Mr. Bill Sandison, Councillor, City of Belleville

Also Present: Dr. Piotr Oglaza, Medical Officer of Health
Ms. Valerie Dunham, Director of Corporate Services/Associate CEO
Ms. Amy Rankin, Manager Finance
Ms. Catherine Lovell, Executive Assistant to the MOH
Mr. Dan Coleman, Partner, Welch LLP

1. Call to Order

The meeting was called to order at 1:00 p.m. by Board Chair Albert.

2. Disclosure of Pecuniary Interest and the General Nature Thereof

There was no disclosure of pecuniary interest.

3. Approval of Agenda

MOTION:

Moved by: Stewart

Seconded by: Bill

THAT the agenda of the April 22, 2020 Finance Committee be approved as distributed.

CARRIED

4. Election of the Chair

Chair Albert opened voting to appoint a Chair of the Finance Committee. Bill Sandison nominated Terry Cassidy to be Chair. Chair Albert asked Terry Cassidy if he would be willing to have his name stand as the Chair. Councillor Cassidy agreed to be re-elected.

MOTION:

Moved by: Bill

Seconded by: Stewart

THAT Chair Cassidy be elected as Chair of the Finance Committee.

CARRIED

Chair Cassidy assumed his position as the Chair.

5. Approval of Minutes of Previous Meeting

5.1 General Minutes of January 22, 2020.

MOTION:

Moved by: Jo-Anne

Seconded by: Stewart

THAT the Minutes of the January 22, 2020 Finance Committee meeting be approved as circulated.

CARRIED

6. Business Arising from Minutes – None**7. New Business****7.1 1st Quarter Year-To-Date results**

Val Dunham presented the 2020 first quarter year-to-date results and reviewed key variances with the Committee. A few items of note:

- We have had discussions with the Public Health Agency of Canada (PHAC) around reimbursement of expenses associated with the CFB Trenton repatriation flights such as the provision of personal protective equipment (PPE), hand sanitizer, salaries of those involved and mileage. We have invoiced PHAC for approximately \$100,000.
- It was noted that Public Health closed its face-to-face client services on March 16, 2020. While it has only been a half month, most of the variances are due to COVID-19. An example would be professional training where we have only spent 19% of actuals as we have had to cancel all training that was set to commence in the first half of the year.
- A number of payables have not been reflected, such as the purchase of a number of laptops to enable staff to work from home to address the COVID-19 emergency situation.
- Salaries – there was a lot of overtime accrued because of the CFB Trenton repatriation flights of approximately \$50,000 to the end of March, 2020.
- Many line items were impacted by COVID-19.

There are no financial concerns at this point.

MOTION:

Moved by: Bill

Seconded by: Jo-Anne

THAT the Committee accept the first quarter year-to-date results as circulated.

CARRIED

7.2 Report to the Finance Committee

Mr. Dan Coleman, Partner at Welch LLP reviewed the Report for the Committee noting:

- It was a clean audit – met Canadian Audit Report Standards
- Received full cooperation by management
- Information Technology service contracts – because the amounts continue to get larger each year they should be set up as prepaid expenses going forward, where in the past the amounts have not been as significant and absorbed in the current year.
- Thanked Val, Amy and the remainder of the team at Public Health as the auditors were able to get in and out before COVID-19 really gained momentum.

MOTION:

Moved by: Bill

Seconded by: Jo-Anne

THAT the Report from the Auditors be forwarded to the Board of Health with the recommendation to approve as presented.

CARRIED

7.3 Review of draft audited financial statements

Mr. Coleman presented the draft 2019 audited financial statements to the committee reviewing each statement and associated notes to the financial statements.

One note Mr. Coleman made, was that a subsequent event note to the financial statements would need to be added regarding Public Health operations being changed to deal with the outbreak of COVID-19 but that the financial ramifications of this are not known at this time.

Chair Cassidy thanked Mr. Coleman and staff of Welch LLP for their hard work in getting this work done in such a timely manner.

MOTION:

Moved by: Stewart

Seconded by: Craig

THAT the 2019 draft audited financial statements be forwarded to the Board of Health with the recommendation to approve as presented.

CARRIED

8. Date of Next Meeting

Wednesday, July 22, 2020 at 1:00 pm.

Douglas Room A, 1st Floor

9. **Adjournment**

MOTION:

Moved by: Jo-Anne

Seconded by: Stewart

THAT the Finance Committee meeting be adjourned at 2:00 pm.

CARRIED

Terry Cassidy, Finance Committee Chair

HASTINGS PRINCE EDWARD PUBLIC HEALTH

DRAFT Summary of Revenues & Expenses for the period January 1 - June 30, 2020

For Committee Review July 22, 2020

	Ministry of Health - Accountability Agreement				Other Grants and Contracts			Totals and Budget Analysis			
	Mandatory Programs	COVID-19	Related Programs (Seniors Dental)	TOTAL Ministry of Health Programs	Ministry of Health Annual and one time Grants	HBHC (April-March)	Federal Grants (April-March)	YEAR TO DATE TOTAL	ANNUAL BUDGET	YTD Budget Variance	YTD Actuals as % of budget (6/12 = 50%)
REVENUES											
Ministry of Health Mandatory, Related and 100% Related	5,162,357		336,403	5,498,760				5,498,760	10,135,950	4,637,190	54%
Ministry of Health Annual and one time grants					60,685			60,685	977,900	917,215	6%
Ministry of Health Mitigation Funding								0	837,570	837,570	0%
Municipal Levies	1,694,353			1,694,353				1,694,353	3,388,953	1,694,600	50%
Ministry of Children, Community & Social Services						592,503		592,503	1,160,543	568,040	51%
Federal Grants							147,786	147,786	128,988	(18,798)	115%
Expenditure Recoveries	62,495			62,495				62,495	280,000	217,505	22%
Transfer from Reserves								0	282,480	282,480	0%
Total Revenues	6,919,205		336,403	7,255,608	60,685	592,503	147,786	8,056,582	17,192,384	9,135,802	47%
EXPENSES											
Salaries and Wages	4,226,624	85,592	82,348	4,394,564	56,713	422,386	50,864	4,924,527	10,237,000	5,312,473	48%
Staff Benefits	1,149,035	4,280	16,847	1,170,161	10,536	137,293	9,260	1,327,250	2,699,384	1,372,134	49%
Staff Training	27,797		430	28,227		650	264	29,141	204,000	174,859	14%
Travel Expenses	36,757	8,436	4	45,197	282	5,856	2,125	53,460	221,500	168,040	24%
Building Occupancy	486,391		12,398	498,789				498,789	1,002,600	503,811	50%
Office Expenses, Printing, Postage	31,508			31,508		500		32,008	80,000	47,992	40%
Materials, Supplies	111,910	67,001	4,394	183,306		(279)	3,925	186,952	664,000	477,048	28%
Professional & Purchased Services	165,738	9,865	16,924	192,527				192,527	762,000	569,473	25%
Communications Costs	46,255		3,000	49,255		5,250		54,505	106,000	51,495	51%
Information Technology	66,279	19,018	1,813	87,110		8,750		95,860	368,000	272,140	26%
Capital Expenditures	0			0	40,815			40,815	847,900	807,085	0%
Total Expenses	6,348,294	194,193	138,156	6,680,643	108,346	580,405	66,439	7,435,833	17,192,384	9,756,551	43%
VARIANCE	570,911	(194,193)	198,247	574,965	(47,661)	12,098	81,347	620,749	0	620,749	

Ministry of Health

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393 University Avenue, 21st Floor
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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

Ministry of Health

Office of the Deputy Premier
and Minister of Health

777 Bay Street, 5th Floor
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Ministère de la Santé

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et du ministre de la Santé

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JUN 15 2020

eApprove-182-2020-58

Ms. Jo-Anne Albert
Chair, Board of Health
Hastings & Prince Edward Counties Health Unit
179 North Park Street
Belleville ON K8P 4P1

Dear Ms. Albert:

Thank you for your continued partnership in supporting the effective delivery of essential public health programs and services during this unprecedented time.

I am pleased to advise you that the Ministry of Health will provide the Board of Health for the Hastings & Prince Edward Counties Health Unit up to \$106,500 in one-time funding for the 2020-21 funding year to support the temporary pandemic pay initiative as part of the COVID-19 response in the public health sector.

Dr. David Williams, Chief Medical Officer of Health, will write to the Hastings & Prince Edward Counties Health Unit shortly concerning the terms and conditions governing the funding.

Thank you for the important service that your public health unit provides to Ontarians, and your ongoing dedication and commitment to addressing the public health needs of Ontarians.

Sincerely,

A handwritten signature in cursive script that reads "Christine Elliott".

Christine Elliott
Deputy Premier and Minister of Health

c: Dr. Piotr Oglaza, Medical Officer of Health, Hastings & Prince Edward Counties Health Unit

Finance Committee - Briefing Note

To:	Hastings Prince Edward Board of Health
Prepared by:	Valerie Dunham, Director of Corporate Services/Associate CEO
Reviewed by:	Dr. Alexa Caturay, Acting Medical Officer of Health
Date:	Wednesday, July 22, 2020
Subject:	2021 Budget Assumptions
Nature of Board Engagement	<input type="checkbox"/> For Information <input checked="" type="checkbox"/> Strategic Discussion <input checked="" type="checkbox"/> Board approval and motion required <input checked="" type="checkbox"/> Compliance with Accountability Framework <input type="checkbox"/> Compliance with Program Standards
Action Required:	<p>Finance Committee to review funding assumptions for development of 2021 budget and make a recommendation to the Board of Health for approval at the September 2, 2020 meeting.</p> <p>Suggested Motion:</p> <p>THAT the Finance Committee recommend to the Board of Health the approval of additional funding of up to \$250,000.</p>
Background:	<p>Everyone is acutely aware of the uncertainty of how the pandemic will unfold over the next few months and the financial impact. In spite of the uncertainty of costs in future, the following assumptions are being used to develop the 2021 draft budget.</p> <p><u>Revenues</u></p> <ul style="list-style-type: none"> • Provincial funding based on a 70/30 cost-sharing formula with obligated municipalities for all mandatory and related programs. • Provincial funding at same levels as 2020 with the exception of one-time funding received in 2020 for the dental lab construction and purchase of a mobile dental lab. • Mitigation funding from the province will be the same as 2020. • Municipal levies for the <u>base</u> budget of 2021 to be the same amounts as 2020 (see Bottom Line note below). • Municipal funding amounts required to match the 70/30 cost-sharing formula to be drawn from operating reserves for the 2021 fiscal year. This assumption is consistent with the decision of the Board in 2020 and will require approximately \$282,000 to be drawn from operating reserves. • Additional funding may be available from the province to offset extraordinary costs related to COVID-19 (see Bottom Line note below). <p><u>Expenses</u></p> <ul style="list-style-type: none"> • Salaries and Wages – collective agreements expire December 31, 2020. Will need to explore negotiation parameters in the fall. For planning purposes the draft budget includes all current positions. During the year, we have not replaced 1.5 FTE positions in light of budgetary restrictions.

- To ensure sufficient staff to address COVID needs, we are recruiting an Immunization Manager and Communications Specialist and maintaining a budget line for all other current positions. Will continue to review and assess workloads and staffing requirements.
- Benefits – A three-year freeze on long-term disability (LTD) and life insurance rates will expire in December as part of the last benefit marketing plan and movement to Sun Life. Based on preliminary renewal information, assumptions for increase in benefit renewals are as follows:
 - 20% for LTD and Life Insurance,
 - 15% for Health Insurance, and
 - 5% for Dental Insurance.
- Budget for internet and communication costs has increased due to contracting for additional bandwidth to facilitate work from home and virtual service arrangements.
- Professional consulting fees have been significantly reduced in the draft budget.
- Discretionary expenses including program expenses, courier costs, travel and training will be addressed over the next few months as expenditure patterns are reviewed in relation to a “new normal” of service delivery.

Bottom Line

The initial budget for 2021 indicates a deficit balance of approximately \$250,000. This preliminary budget reflects the current level and costing of our COVID-19 response; if a second wave is more demanding, our costs will also be higher. Although efforts will be made to reduce discretionary costs where possible, Hastings Prince Edward Public Health (HPEPH) will not be able to manage the demands of COVID-19 without additional funding.

We are hopeful that funds will be available through the \$100 million fund announced on April 23, 2020 by the Ministry of Health for Extraordinary Expenses Associated with COVID-19. (Letter attached as Schedule 7.3). The application process for these funds has not been distributed to date but is expected shortly.

For planning purposes, HPEPH is requesting that the Board of Health approve up to \$250,000 in additional funding, as a prevention strategy and planning mechanism, to enable HPEPH to ensure adequate staffing is in place over the next year to deal with the ongoing pandemic. This funding would not be required if HPEPH is successful in obtaining funding through the Extraordinary Expenses Associated with COVID-19 funds. This \$250,000 represents approximately 1.5% of the total draft budget.

Guidelines under the Accountability Framework for Public Health do not allow the submission of a deficit budget to the Ministry of Health, so without the support of the Municipal sector to commit to additional funding, HPEPH could be in a potential layoff situation during a second wave of the pandemic.

The Finance Committee is being requested to review these funding assumptions and request for additional funds and make a recommendation to the Board of Health in September for discussion and approval.

	<p>A budget update will be presented to the Finance Committee during the October Meeting with the final budget presented to the Finance Committee in January 2021 for review and approval by the Board of Health.</p>
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