

## **FINANCE COMMITTEE MEETING**

**Wednesday, August 25, 2021**

**1:00 p.m. – 2:30 p.m.**

**Hastings Prince Edward Public Health  
Virtual via ZOOM**

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](mailto: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, August 25, 2021

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1. **CALL TO ORDER**
2. **ROLL CALL**
3. **DISCLOSURE OF PECUNIARY INTEREST AND THE GENERAL NATURE THEREOF**
4. **APPROVAL OF THE AGENDA**
5. **APPROVAL OF MINUTES OF PREVIOUS MEETING**
  - 5.1 Meeting Minutes dated April 28, 2021 Schedule 5.1
6. **BUSINESS ARISING FROM MINUTES**
7. **NEW BUSINESS**
  - 7.1.1 Second Quarter Revenues and Expenses Briefing Note Schedule 7.1.1
  - 7.1.2 Second Quarter Revenues and Expenses Report Schedule 7.1.2
  - 7.2 2022 Budget/Funding Assumptions Schedule 7.2
8. **DATE OF NEXT MEETING**

Wednesday, November 24, 2021 at 1:00 pm
9. **ADJOURNMENT**



## **FINANCE COMMITTEE MEETING MINUTES**

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Wednesday, April 28 at 1:00 p.m.  
Hastings Prince Edward Public Health  
**Virtual Via ZOOM**

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**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. Bill Sandison, Councillor, City of Belleville  
Dr. Craig Ervine, Provincial Appointee

**Also Present:** Dr. Piotr Oglaza, Medical Officer of Health  
Ms. Valerie Dunham, Director of Corporate Services/Associate CEO  
Mr. Eric Serwotka, Director of Public Health Programs  
Ms. Amy Rankin, Manager, Finance  
Mr. David Johnston, Manager, HR and Organizational Development  
Ms. Catherine Lovell, Executive Assistant to the MOH  
Mr. Dan Coleman, Partner, Welch LLP

1. **CALL TO ORDER**

Meeting was called to order at 1:00 p.m. by Chair Cassidy.

2. **ROLL CALL**

3. **DISCLOSURE OF PECUNIARY INTEREST AND THE GENERAL NATURE THEREOF**

None

4. **APPROVAL OF THE AGENDA**

THAT the agenda for the Finance Committee held on April 28, 2021 be approved as circulated.

MOTION:

Moved by: Bill

Seconded by: Stewart

CARRIED

**5. APPROVAL OF MINUTES OF PREVIOUS MEETING**

5.1 Meeting Minutes dated November 25, 2020

Schedule 5.1

THAT the minutes of meeting held on November 25, 2020 be approved as circulated.

MOTION:

Moved by: Stewart

Seconded by: Craig

CARRIED

**6. BUSINESS ARISING FROM MINUTES**

None

**7. NEW BUSINESS****7.1 Draft Audited Financial Statements Briefing Note****7.1.1 Report to the Finance Committee**

THAT the Finance Committee recommend approval of the Report from the Auditors as presented to the Board of Health at its next meeting.

MOTION:

Moved by: Stewart

Seconded by: Bill

CARRIED

Mr. Dan Coleman, Partner at Welch LLP presented the Report from the Auditors noting there were no significant deficiencies, no new policies and nothing unusual. Mr. Coleman thanked management and staff for helping the auditors during what has been a challenging time.

**7.1.2 Draft Audited Financial Statements**

THAT the Finance Committee recommend approval of the 2020 draft audited financial statements as presented to the Board of Health at its next meeting.

MOTION:

Moved by: Craig

Seconded by: Bill

CARRIED

Mr. Coleman presented the draft audited financial statements noting a few items:

- ♦ letter on page 2 re Management's Responsibility is a requirement by the public sector
- ♦ Independent Auditor's Report on pages 3 and 4 is an opinion letter which shows the financial statements as clean and unqualified.

- ♦ the HST rebate due from the Province of Ontario is quite large as it includes the \$400K received on March 31 related to COVID-19 costs
- ♦ Salaries and benefits make up the largest portion of expenditures

There were no questions directed to Mr. Coleman.

## **7.2 Update on Mobile Dental Clinic**

THAT the Finance Committee receive this report as presented.

MOTION:

Moved by: Jo-Anne

Seconded by: Stewart

CARRIED

Val presented the briefing note noting that due to the vendor not having parts/products available to build the mobile dental clinics, we will not be making the agreed upon payments until such time as this situation changes.

Note: At this point of the meeting Mr. Coleman and Mrs. Rankin left the meeting (1:41 pm).

## **8. MOTION TO MOVE INTO CLOSED SESSION**

THAT the Board convene in Closed Session for the purpose of:

*a discussion of personnel issues in accordance with Section 239 (2) d labour relations or employee negotiations of the Municipal Act.*

MOTION:

Moved by: Craig

Seconded by: Bill

CARRIED

## **9. MOTIONS ARISING FROM CLOSED SESSION**

THAT the Finance Committee endorse the actions approved in the Closed Session and direct staff to take appropriate action.

MOTION:

Moved by: Bill

Seconded by: Craig

CARRIED

## **10. DATE OF NEXT MEETING**

- ♦ Wednesday, August 25, 2021 at 1:00 pm

**11. ADJOURNMENT**

That the Finance Committee meeting be adjourned at 1:56 p.m.

MOTION:

Moved by: Craig

Seconded by: Jo-Anne

CARRIED

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Terry Cassidy, Finance Committee Chair

## Finance Committee - Briefing Note

<b>To:</b>	Hastings Prince Edward Board of Health – Finance Committee
<b>Prepared by:</b>	Valerie Dunham, Director of Corporate Services/Associate CEO
<b>Date:</b>	Wednesday, August 25, 2021
<b>Subject:</b>	<b>2<sup>nd</sup> Quarter Revenues &amp; Expenses</b>
<b>Nature of Board Engagement</b>	<input checked="" type="checkbox"/> <b>For Information</b> <input type="checkbox"/> Strategic Discussion <input type="checkbox"/> Board approval and motion required <input type="checkbox"/> Compliance with Accountability Framework <input type="checkbox"/> Compliance with Program Standards
<b>Action Required:</b>	Review of second quarter revenues and expenses and presentation to the Board of Health during September 1 meeting.
<b>Notes regarding Revenues &amp; Expenses</b>	<p>The following notes are provided to assist in the review of the attached Summary of Revenues &amp; Expenses for the period from January 1 to June 30, 2021.</p> <ul style="list-style-type: none"> <li>Within the Accountability Agreement reporting, we have separated costs to provide information related to ongoing Mandatory programs, COVID-19 case and contact management, COVID-19 Vaccine Rollout costs and the Seniors Dental Program.</li> <li>Overall, as of June 30, we have a surplus balance of \$481,636 within the Accountability Agreement. Approximately \$200K of this balance is due to salary adjustments that had not been processed as of June 30. In addition, there have been considerable savings in travel, training and office expenses due to the focus on COVID-19 during the first six months of the year. Three retirements and the departure of a nurse in Bancroft has also contributed to this surplus. As salary rates are paid at the budgeted levels and retroactive payments are issued, this surplus will be dramatically reduced.</li> <li>The column labelled Ministry of Health Annual and One-Time Grants accounts for the costs of the eight (8) School-Focused Nursing positions, the MOH Compensation Grant plus extraordinary costs related to COVID-19 including security, additional nurses, casual and student labour costs, overtime and standby pay. As of June 30, 2021, there was a deficit balance of \$750,581 in this account.</li> <li>Please note that on August 9, extraordinary funding was advanced to public health units to offset costs. HPEPH received \$750,000 which is approximately half of our original funding request.             <ul style="list-style-type: none"> <li>More funding will be available for extraordinary costs based on future reporting of expenditures and utilization of 100% of the base budget for mandatory programs.</li> <li>HBHC has a small balance of \$23,042 as of June 30.</li> <li>The Federal Grants have provided 100% of their revenues which results in the surplus balance of \$75,029.</li> </ul> </li> </ul> <p>Overall, as of June 30, 2021, there is a shortfall of \$170,874 which will eventually be covered through extraordinary COVID-19 reimbursements.</p>



**HASTINGS PRINCE EDWARD PUBLIC HEALTH**
**Summary of Revenues & Expenses for the period January 1 - June 30, 2021**
*For Finance Committee Review August 25, 2021*

Schedule 7.1.2

	Ministry of Health - Accountability Agreement					Other Grants and Contracts			Totals and Budget Analysis			
	Mandatory Programs	COVID-19 CCM Costs	COVID-19 Vaccine Program	100% Seniors Dental Program	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%)
<b>REVENUES</b>												
Ministry of Health Mandatory and 100% Programs	4,602,349			465,649	5,067,998				5,067,998	<b>10,136,000</b>	5,068,002	50%
Ministry of Health Annual and one time grants					0	506,320			506,320	<b>701,500</b>	195,180	72%
Ministry of Health Mitigation Funding	560,002				560,002				560,002	<b>1,120,000</b>	559,998	50%
Municipal Levies	1,721,793				1,721,793				1,721,793	<b>3,439,788</b>	1,717,995	50%
Ministry of Children, Community & Social Services					0		599,535		599,535	<b>1,160,543</b>	561,008	52%
Federal Grants					0			128,988	128,988	<b>128,988</b>	0	100%
Expenditure Recoveries	28,062			2,219	30,281				30,281	<b>98,000</b>	67,719	31%
Transfer from Reserves					0				0	<b>237,181</b>	237,181	0%
<b>Total Revenues</b>	<b>6,912,206</b>	<b>0</b>	<b>0</b>	<b>467,868</b>	<b>7,380,074</b>	<b>506,320</b>	<b>599,535</b>	<b>128,988</b>	<b>8,614,916</b>	<b>17,022,000</b>	<b>8,407,084</b>	51%
<b>EXPENSES</b>												
Salaries and Wages	2,355,910	483,186	1,107,967	91,566	4,038,629	1,062,424	428,410	34,725	5,564,188	<b>10,758,000</b>	5,193,812	52%
Staff Benefits	716,123	149,788	343,470	28,385	1,237,766	182,562	117,960	11,072	1,549,360	<b>2,920,000</b>	1,370,640	53%
Staff Training	30,443				30,443				30,443	<b>120,000</b>	89,557	25%
Travel Expenses	17,912	7,889	35,406		61,207	1,007	2,373	347	64,934	<b>214,000</b>	149,066	30%
Building Occupancy	491,277	2,750	18,821	16,567	529,415		11,250		540,665	<b>1,008,000</b>	467,335	54%
Office Expenses, Printing, Postage	18,106				18,106		500		18,606	<b>105,000</b>	86,394	18%
Materials, Supplies	72,667	11,039	99,472	40,307	223,485			7,816	231,301	<b>751,000</b>	519,699	31%
Professional & Purchased Services	180,151	43,415	97	235,128	458,791		250		459,041	<b>630,000</b>	170,959	73%
Communications Costs	56,798		1,679	2,000	60,477	10,907	5,875		77,259	<b>132,000</b>	54,741	59%
Information Technology	181,532	28,960	24,464	5,163	240,119		9,875		249,994	<b>384,000</b>	134,006	65%
Capital Expenditures					0				0	<b>0</b>	0	0%
<b>Total Expenses</b>	<b>4,120,919</b>	<b>727,027</b>	<b>1,631,375</b>	<b>419,116</b>	<b>6,898,438</b>	<b>1,256,901</b>	<b>576,492</b>	<b>53,959</b>	<b>8,785,790</b>	<b>17,022,000</b>	<b>8,236,210</b>	52%
<b>VARIANCE</b>	<b>2,791,286</b>	<b>(727,027)</b>	<b>(1,631,375)</b>	<b>48,752</b>	<b>481,636</b>	<b>(750,581)</b>	<b>23,042</b>	<b>75,029</b>	<b>(170,874)</b>	<b>0</b>	<b>(170,874)</b>	

## Finance Committee - Briefing Note

<b>To:</b>	Hastings Prince Edward Board of Health – Finance Committee
<b>Prepared by:</b>	Valerie Dunham, Director of Corporate Services/Associate CEO
<b>Reviewed by:</b>	Dr. Ethan Toumishey, Acting Medical Officer of Health
<b>Date:</b>	Wednesday, August 25, 2021
<b>Subject:</b>	<b>2022 Budget Assumptions</b>
<b>Nature of Board Engagement</b>	<input type="checkbox"/> For Information <input checked="" type="checkbox"/> <b>Strategic Discussion</b> <input type="checkbox"/> Board approval and motion required <input type="checkbox"/> Compliance with Accountability Framework <input type="checkbox"/> Compliance with Program Standards
<b>Action Required:</b>	<p>Finance Committee to review budget assumptions for preparation of the 2022 Budget and make a recommendation to the Board of Health for approval at the September 2021 meeting.</p> <p><b><i>Draft Motion:</i></b></p> <p>THAT the Finance Committee recommend that Management prepare the 2022 budget with the assumption of a 2% increase from municipalities and allocation of up to \$280,000 to be drawn from municipal reserves to balance the budget.</p>
<b>Background:</b>	<p>HPEPH is well underway with the development of a draft budget for 2022. As anticipated, with increased labour costs, material costs and the backlog of services in the community, it is no surprise that our draft budget has a large deficit balance. For planning purposes, it is important to secure revenues, so we can plan accordingly and finalize the budget.</p> <p>During the Finance Committee meeting, we will review budget assumptions as follows.</p> <p><b><u>Revenues</u></b></p> <ul style="list-style-type: none"> <li>• Same level of funding for all Ministry, HBHC and Federal grant programs as in 2021.</li> <li>• Funding from Kingston Health Sciences Centre to cover the cost of one Public Health Inspector (this commenced in 2021 and is expected to continue)</li> <li>• A minor increase in expenditure recoveries reflecting increased reimbursements for HPV vaccines</li> <li>• Continuation of Mitigation Funding from the Ministry (announced during AMO conference)</li> </ul> <p><b><u>Expenses</u></b></p> <ul style="list-style-type: none"> <li>• Same FTE count as in 2021</li> <li>• Increased salaries negotiated by 1.5%</li> <li>• No increase incorporated for benefits</li> <li>• Decreased budget for program materials due to reduced need for mass immunization supplies</li> </ul> <p>The budget assumptions listed are very high level. Detailed program budgets will be completed with Manager input and consultations in September and October. Program priorities will continue to include COVID-19 Case and Contact Management to support the fourth wave</p>

	and vaccine promotion and will also address recovery and service backlog priorities.
<b>Recommendation:</b>	<p>Given the above assumptions, the current budget deficit is approximately \$700,000. Approximately \$350,000 of this amount represents the cost of five (5) Registered Practical Nurses to assist with the backlog of school vaccines. We are hopeful this cost will be covered by the Ministry as a COVID-19 extraordinary cost. Details from the Ministry should be forthcoming this fall.</p> <p>That leaves approximately \$350,000 as a deficit balance. To offset this balance, we are recommending municipal funding be increased by 2% (\$69,000). In addition, we are recommending the budget include a provision of up to \$280,000 to be drawn from operating reserves. As of December 31, 2020, a total of \$1,548,000 is available in operating reserves.</p> <p>As noted above, it is anticipated the Ministry of Health may reimburse HPEPH for extraordinary pandemic expenses which would impact the final amount required from operating reserves. However, for planning purposes, these funds need to be available to enable HPEPH to move forward on budget planning and execution of programs in 2022.</p>