



## **FINANCE COMMITTEE MEETING**

**Wednesday, November 24, 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, November 24, 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 August 25, 2021 [Schedule 5.1](#)
6. **BUSINESS ARISING FROM MINUTES**
7. **NEW BUSINESS**  
7.1 2022 Proposed Budget [Schedule 7.1](#)
8. **DATE OF NEXT MEETING**  
Wednesday, February 16, 2021 (Tentative)
9. **ADJOURNMENT**



## FINANCE COMMITTEE MEETING MINUTES

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Wednesday, August 25 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 Health Promotion Programs  
Dr. Ethan Toumishey, Director of Clinical Programs  
Ms. Amy Rankin, Manager, Finance  
Ms. Catherine Lovell, Executive Assistant to the MOH

1. **CALL TO ORDER**

Meeting was called to order at 1:04 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 August 25, 2021 be approved as circulated.

**MOTION:**

Moved by: Craig

Seconded by: Stewart

**CARRIED**

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

5.1 Meeting Minutes dated April 28, 2021

Schedule 5.1

THAT the minutes of meeting held on April 28, 2021 be approved with one correction: under 7.1.2 to delete the third bullet due to incorrect information.

MOTION:

Moved by: Bill

Seconded by: Stewart

CARRIED

**6. BUSINESS ARISING FROM MINUTES****7. NEW BUSINESS****7.1.1 & 7.1.2 Second Quarter Revenues and Expenses Briefing Note and Report**

THAT the Finance Committee receive the report as presented and recommend submitting it to the Board of Health at its next meeting.

MOTION:

Moved by: Bill

Seconded by: Jo-Anne

CARRIED

- ♦ Val reviewed the briefing note noting that the \$480,000 surplus is misleading, there is \$200,000 of salary adjustments yet to be processed and there are many expenses where only 25% to 30% of those have been spent, such as staff training, travel and materials and supplies.
- ♦ The Seniors dental program is showing a \$48,000 surplus but with retroactive salary amounts paid out, it is just within budget.
- ♦ In Other Grants and Contracts there was a deficit of \$750,000 – there will be continued spending in this area
- ♦ We received about 50% of the funding requested for COVID-19 extraordinary expenses.
- ♦ With increase in cases there will be more overtime related to case and contact management
- ♦ Val mentioned the Ministry will provide more opportunities for reimbursement

## 7.2 2022 Budget/Funding Assumptions

THAT the Finance Committee receive this report as presented and recommend submitting it to the Board of Health at its next meeting.

MOTION:

Moved by: Bill

Seconded by: Stewart

CARRIED

Val reviewed the briefing note highlighting the process of coming up with the budget assumptions:

- ♦ Figures presented are a draft indication of the 2022 budget. In the fall, budget process will involve meetings with the managers to get their input as well as the directors regarding identifying priority areas and recovery plans
- ♦ Not the time to reduce positions given a pandemic; the number of positions are the same as the current year, just in a different configuration
- ♦ Made the decision to make 4 of 8 school health nurse positions permanent to address school needs
- ♦ Unless there is an influx of funding we cannot continue to do everything we have been doing.
- ♦ Program expenses were reduced in draft calculations, increased Nicotine Replacement Therapy by approximately \$25K because smoking cessation has been and continues to be a priority
- ♦ Revenues are at the same level of funding in 2022 as 2021.
- ♦ Assume Ministry/Province will continue to reimburse for costs related to COVID-19

Given the overview of assumptions there is a \$700K budget overage. Five additional RPNs to provide immunization services will cost \$350K and will most likely be covered by Ministry funding. This still results in a \$350K deficit. To cover this deficit we are recommending an increase in funding of 2% or \$69K and drawing the balance out of reserves of approximately \$280K.

Dr. Oglaza added to the discussions with a medical perspective. Because of the pandemic there is a significant backlog of at least two years for the school immunization program such as human papilloma virus (HPV) vaccine.

Throughout the province, this translates to more than 100,000 people who may not get sick this year, or next but in future years. If these youth leave the school system, they may never get that publicly funded vaccine. There is currently a resurgence of syphilis and gonorrhea which also needs to be addressed. Catch up work needs to be done in schools where we can influence the health of the population.

Through discussion it was agreed to limit the increase to levies to no more than 1.5% and increase the draw from reserves up to \$300K

Terry offered his thanks to staff for the quality of the work that has been produced in these extraordinary times.

10. **DATE OF NEXT MEETING**

- ♦ Wednesday, November 24, 2021 at 1:00 pm

11. **ADJOURNMENT**

That the Finance Committee meeting be adjourned at 2:12 p.m.

MOTION:

Moved by: Stewart

Seconded by: Craig

CARRIED

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Terry Cassidy, Finance Committee Chair

## Finance Committee - Briefing Note

<b>To:</b>	Hastings Prince Edward Board of Health
<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, November 24, 2021
<b>Subject:</b>	<b>2022 Budget</b>
<b>Nature of Board Engagement</b>	<input type="checkbox"/> For Information <input checked="" type="checkbox"/> <b>Strategic Discussion</b> <input checked="" type="checkbox"/> <b>Board approval and motion required</b> <input checked="" type="checkbox"/> <b>Compliance with Accountability Framework</b> <input type="checkbox"/> Compliance with Program Standards
<b>Action Required:</b>	Finance Committee to review Budget presented for 2022 and make a recommendation to the Board of Health for approval at the December 1, 2021 meeting.
<b>Background:</b>	<p>Over the past several months, HPEPH has continued to work on our COVID-19 response and start planning for recovery of programs and services. Our message has been consistent that we will not be able to continue all services with the level of base funding currently received. In August, we provided broad assumptions for the 2022 budget and advised the Board that there would be a significant deficit balance. It was agreed that the Board would support a 1.5% increase in municipal levies and would allocate up to \$300,000 from municipal reserves to offset expenses in the 2022 budget. These approvals are reflected in the proposed budget figures.</p> <p>In addition to base expenditures, the attached budget also includes anticipated revenues and expenses for COVID-19 extraordinary expenses. The amounts are very similar to 2021 and cover staffing costs that are above and beyond the base budget for COVID-19 vaccine rollout and case and contact management.</p> <p>The budget package is the culmination of a lot of planning and input from Managers related to recovery, continued COVID-19 responses and the related level of staffing that is required. The final amount for COVID-19 extraordinary expenses will be based on actual expenses which will reflect continued case counts and vaccine rollout efforts during the 2022 fiscal year. Similar to 2021, reports will be sent to the Ministry on a regular basis to request reimbursement for these costs. The Executive Summary in the budget package provides highlights of the budget presented. In addition, explanatory notes are provided to provide details on revenues and expenses and explain significant variances.</p>





HASTINGS PRINCE EDWARD  
**Public Health**

**2022 BUDGET PACKAGE**

*For Board Approval December 1, 2021*

**HASTINGS PRINCE EDWARD PUBLIC HEALTH****2022 BUDGET- Executive Summary****For Board Approval December 1, 2021**

As plans for the 2022 budget evolved, several factors were considered that greatly influenced the approach and finalization of the budget presentation.

**Strategic Directions** - In October 2021, strategic directions for a Recovery Plan for HPEPH were endorsed by the Board of Health. Key directions included the recovery, rebuilding and re-imagining of public health programs, the optimal use of human and financial resources and developing a comprehensive information technology and communications strategy.

**Recovery of Services** - The budget presented assumes a gradual recovery of most programs during the 2022 fiscal year focusing on priority services identified by the Ministry, critical operations such as inspections and imminent health threats, and the reopening of established programs with particular focus on equity and priority populations. In some cases, services may continue to be adapted to a virtual format for efficiency and to ensure health and safety during the continued uncertainty of the pandemic.

**COVID-19** – The pandemic response will continue as a priority service area in 2022 with emphasis on case and contact management and an immunization program that will provide children, aged five to 11, with the COVID-19 vaccine as well as booster shots for specific populations. In addition, the "catch up" of outstanding immunizations for school-aged children and babies that were not completed in 2020 and 2021 will be a priority. These two key areas of the budget are presented as COVID-19 extraordinary costs with a total cost of approximately \$1.5 million. The Ministry of Health has confirmed continued support in 2022 for these expenses.

**Key Revenue Highlights and Assumptions:**

- Revenues from the provincial ministries and federal agencies are anticipated to be consistent with the level of funding received in 2021. It is important to note that mitigation funding from the Ministry of Health continues in 2022 in the amount of \$1.1 million.
- Contract funding for the eight school focused nurses that work in our Healthy Schools Program concludes on July 31, 2022. These nursing positions have been invaluable in meeting the COVID-19 demands in local schools.
- Funding for COVID-19 extraordinary costs in 2022 is anticipated to be \$1.5 million, which is similar to the level of expenses in 2021. Assumptions for this funding include the creation of a dedicated team to respond to COVID-19 cases throughout the year and provide case and contact management work. If cases escalate, recovery efforts will be decreased, and staff will be redeployed to COVID-19 activities. This funding will also include a team of nurses to provide the continued vaccine roll out for COVID-19 and do catch up immunizations throughout the community.
- Municipal levies will be increased by 1.5% for the 2022 fiscal year. In addition, the budget assumes a transfer from municipal reserves in the amount of \$300,000. These increases will ensure that staffing levels are maintained, and recovery plans can be implemented.

**Key Expenditure Highlights and Assumptions:**

- Significant staffing changes have been implemented in 2021 and redeployments will continue well into 2022 to address COVID-19 demands. A key driver in the development of this budget is to ensure a sufficient level of staffing for COVID response and ensure the availability of staff to gradually return to recovery efforts and regular service delivery. Although many changes have been made throughout the year, a net increase of three Full Time Equivalents (FTEs) has been included in this budget bringing the total staff complement to 148 FTEs. This is a 15 per cent increase since the beginning of 2020.
- The negotiated economic increase of 1.5 per cent is built into salary costs
- Overtime and standby costs are projected to be considerably less than in 2021, which will result in lower staffing costs than what was incurred in 2021.
- Employee benefits have increased due to the total number of FTEs and ongoing maternity leave costs. Increases were offset by an overall reduction in group benefit costs by 7.6 per cent.
- Staff training has been increased significantly to provide a comprehensive leadership development course to management and invest in the professional development of staff as we return to traditional public health services. Many staff have been hired since 2020 and have never worked in their home position.
- Capital expenditures represents planned investments in IT equipment that will be leased over a period of time.
- Variances in discretionary costs reflect the differences between programming in 2021 that was primarily vaccine rollout versus 2022 that will offer a broader spectrum of services delivered.
- The transfer to capital/operating funds represents the annual transfer of funds to the building reserve for future maintenance and development.

Throughout 2022, we will continue to work closely with the Board of Health to implement our recovery plan, address COVID-19 demands and plan proactively for future budgets.

**HASTINGS PRINCE EDWARD PUBLIC HEALTH**  
**2021 Actuals & 2022 Proposed BUDGET**  
**For Board Approval on December 1, 2021**

	2021 Forecast Actuals	2021 Board of Health Approved Budget	2021 Variance Budget vs Actual	2022 Proposed Budget	Variance (2022 Proposed Budget vs 2021 Approved Budget)	% Variance
<b>REVENUES</b>						
<b>1 Ministry of Health</b>						
a) Mandatory Programs - Cost shared	9,204,700	9,204,700	-	9,204,700	-	0%
b) 100% Programs - Seniors Dental Program	931,300	931,300	-	931,300	-	0%
c) Annual Grants and one-time grants	937,527	701,500	236,027	623,400	(78,100)	-11%
d) Mitigation Funding	1,120,000	1,120,000	-	1,120,000	-	0%
e) COVID-19 Extraordinary Funding	1,594,000	1,560,000	34,000	1,520,000	(40,000)	-3%
<b>2 Municipal Levy</b>	3,439,788	3,439,788	-	3,491,385	51,597	1.5%
<b>Ministry of Children, Community &amp; Social</b>						
<b>3 Services</b>	1,179,801	1,160,543	19,258	1,160,543	-	0%
<b>4 Public Health Agency of Canada</b>	107,510	89,988	17,522	89,988	-	0%
<b>5 Health Canada</b>	53,667	39,000	14,667	39,000	-	0%
<b>6 Expenditure Recoveries</b>	32,299	98,000	(65,701)	138,700	40,700	42%
<b>7 Transfer from Municipal Reserves</b>		237,181	(237,181)	300,000	62,819	0%
<b>TOTAL REVENUES</b>	<b>18,600,591</b>	<b>18,582,000</b>	<b>18,591</b>	<b>18,619,016</b>	<b>37,016</b>	<b>0.2%</b>
<b>EXPENSES</b>						
1 Salaries & Wages	12,019,670	12,078,000	(58,330)	11,895,016	(182,984)	-1.5%
2 Employee Benefits	2,970,489	3,100,000	(129,511)	3,210,000	110,000	3.5%
3 Staff Training	54,412	120,000	(65,588)	159,000	39,000	32.5%
4 Travel Expenses	129,431	214,000	(84,569)	178,000	(36,000)	-16.8%
5 Building Occupancy	1,063,846	1,008,000	55,846	1,041,000	33,000	3.3%
6 Office Expenses, Printing, Postage	45,483	105,000	(59,517)	75,000	(30,000)	-28.6%
7 Program Materials, Supplies	480,611	801,000	(320,389)	442,000	(359,000)	-44.8%
8 Professional & Purchased Services	819,281	630,000	189,281	771,000	141,000	22.4%
9 Communication Costs	148,884	142,000	6,884	139,000	(3,000)	-2.1%
10 Information Technology	481,284	384,000	97,284	374,000	(10,000)	-2.6%
11 Capital Expenditures	-	-	-	75,000	75,000	
12 Transfer to Capital/Operating Funds	260,000	-	260,000	260,000	260,000	
<b>TOTAL EXPENSES</b>	<b>18,473,391</b>	<b>18,582,000</b>	<b>(108,609)</b>	<b>18,619,016</b>	<b>37,016</b>	<b>0.2%</b>
<b>SURPLUS/DEFICIT</b>	<b>127,200</b>	<b>-</b>	<b>127,200</b>	<b>(0)</b>	<b>(0)</b>	
<b>ANALYSIS OF SURPLUS BALANCE</b>						
MCCS Programs Deferrals to March	76,000					
Federal Programs Deferrals to March	51,200					
	<u>127,200</u>					

**HASTINGS PRINCE EDWARD PUBLIC HEALTH**  
**Budgeted Revenues - For the period January 1, 2022 to December 31, 2022**  
**For Board Approval December 1, 2021**

Revenue Source	Ministry of Health		TOTAL Ministry of Health Programs	Other Grants & Contracts			TOTAL Other Grants & Contracts	Consolidated Budget
	Mandatory Programs	100% Seniors Dental Program		Ministry of Health	Healthy Babies Healthy Children	Federal Grants		
<b>PROVINCIAL &amp; MUNICIPAL FUNDING</b>								
<b>Ministry of Health</b>								
Mandatory and 100% Programs	9,204,700	931,300	10,136,000				-	10,136,000
Annual and one time grants			-	623,400			623,400	623,400
Mitigation Funding	1,120,000		1,120,000				-	1,120,000
COVID-19 Extraordinary Funding	1,520,000		1,520,000					1,520,000
Municipal Levy	3,491,385		3,491,385				-	3,491,385
Transfer from Municipal Reserves	300,000		300,000				-	300,000
Ministry of Children, Community & Social Services					1,160,543		1,160,543	1,160,543
<b>TOTAL PROVINCIAL &amp; MUNICIPAL GRANTS</b>	<b>15,636,085</b>	<b>931,300</b>	<b>16,567,385</b>	<b>623,400</b>	<b>1,160,543</b>	<b>-</b>	<b>1,783,943</b>	<b>18,351,328</b>
<b>FEDERAL FUNDING</b>								
Public Health Agency of Canada						89,988	89,988	89,988
Health Canada						39,000	39,000	39,000
<b>EXPENDITURE RECOVERIES</b>								
Nicotine Replacement Therapy Sales	14,000		14,000					14,000
Contraceptive Sales	3,000		3,000				-	3,000
OHIP Payments	-		-				-	-
Food Handler Course Registrations	16,000		16,000				-	16,000
Shingrix Vaccine	10,200		10,200				-	10,200
Travel Vaccines	-		-				-	-
Menactra Vaccine	32,000		32,000				-	32,000
Human Papilloma Virus (HPV) Vaccine	25,000		25,000				-	25,000
Flu Vaccine	8,500		8,500				-	8,500
Seniors Dental Program - Denture Recoveries	4,000		4,000				-	4,000
Interest/Other	26,000		26,000				-	26,000
	138,700	-	138,700	-	-	128,988	128,988	267,688
<b>TOTAL REVENUES</b>	<b>15,774,785</b>	<b>931,300</b>	<b>16,706,085</b>	<b>623,400</b>	<b>1,160,543</b>	<b>128,988</b>	<b>1,912,931</b>	<b>18,619,016</b>

**HASTINGS PRINCE EDWARD PUBLIC HEALTH**  
**2022 BUDGET - Explanatory Notes and Variance Analysis - REVENUES**  
**For Board Approval December 1, 2021**

	Approved Budget 2021	Budget 2022	Variance 2022 vs 2021
<b>1. MINISTRY OF HEALTH</b>			
a) <b><u>Mandatory Programs - Cost shared</u></b>	\$ 9,204,700	\$ 9,204,700	\$ -
<p>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 program areas:</p>			
<p><b>Foundational Standards</b></p> <ul style="list-style-type: none"> <li>Population Health Assessment</li> <li>Health Equity</li> <li>Effective Public Health Practice</li> <li>Emergency Management</li> </ul>			
<p><b>Program Standards</b></p> <ul style="list-style-type: none"> <li>Chronic Disease Prevention and Well-being</li> <li>Food Safety</li> <li>Healthy Environments</li> <li>Healthy Growth and Development</li> <li>Immunization</li> <li>Infectious and Communicable Diseases Prevention and Control</li> <li>Safe Water</li> <li>School Health</li> <li>Substance Use and Injury Prevention</li> </ul>			
b) <b><u>100% Programs - Seniors Dental Program</u></b>	931,300	931,300	-
<b>Total Ministry of Health Accountability Agreement</b>	<b>\$ 10,136,000</b>	<b>\$ 10,136,000</b>	<b>\$ -</b>
c) <b><u>Annual Grants and one-time grants</u></b>			
<p><i>A Compensation Grant is provided on an annual basis to offset the total compensation of the MOH. Funding will be requested for one student to complete their PHI Practicum at HPEPH over the summer of 2022. The School-Focused Nurses Initiative grant will end on July 31, 2022.</i></p>			
<i>MOH Compensation Grant</i>	135,500	149,400	13,900
<i>Public Health Inspector Practicum Student</i>	10,000	10,000	-
<i>COVID-19 School-Focused Nurses Initiative</i>	556,000	464,000	(92,000)
<b>Total Annual and one-time funding Ministry of Health Grants</b>	701,500	623,400	(78,100)
d) <b>Mitigation Funding</b>	1,120,000	1,120,000	-
<p><i>One time funding to offset the increased costs of municipalities as a result of the 70% (provincial) and 30% (municipal) cost-sharing change for mandatory programs.</i></p>			
e) <b>COVID-19 Extraordinary Funding</b>	1,560,000	1,520,000	(40,000)
<p><i>One-time funding to offset extraordinary costs associated with COVID-10 Case and Contact Management and the vaccine roll-out.</i></p>			

**2. MUNICIPAL LEVY**

*Municipal levies have been increased in the 2022 budget by 1.5%. This is in accordance with discussions in the September 2021 Board of Health meeting.*

City of Belleville	1,072,895	1,088,988	16,093
City of Quinte West	922,159	935,991	13,832
Hastings County	883,300	896,550	13,249
Prince Edward County	561,434	569,856	8,422
	<u>3,439,788</u>	<u>3,491,385</u>	<u>51,597</u>

**3. MINISTRY OF CHILDREN, COMMUNITY & SOCIAL SERVICES**

*MCCSS funds the Healthy Babies, Healthy Children program; no increase is anticipated for this contract. The HBHC contract is based on a March 31st fiscal year. Forecast actuals include the carry forward of funds at December 2020.*

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 2020. 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 2020.*

39,000	39,000	-
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**6. EXPENDITURE RECOVERIES**

*Expenditure recoveries include OHIP reimbursements, vaccine recoveries, food handler course registrations, contraceptives, nicotine replacement therapy recoveries and interest earnings on transfer payments. Expenditure recoveries were significantly reduced in 2021 due to the cancellation of services. As programs resume in 2022, it is expected that recoveries will increase dramatically, most notably for HPV and Meningococcal vaccines due to the catch-up required in this area.*

98,000	138,700	40,700
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**7. TRANSFER FROM RESERVES**

237,181	300,000	62,819
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**TOTAL BUDGETED REVENUES**

<u>\$ 18,582,000</u>	<u>\$ 18,619,016</u>	<u>\$ 37,016</u>
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## HASTINGS PRINCE EDWARD PUBLIC HEALTH

Budgeted Expenses - For the period January 1, 2022 to December 31, 2022

For Board Approval December 1, 2021

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	10,431,989	562,543	819,841	80,643	1,463,027	11,895,016
Employee Benefits	2,900,337	60,857	227,202	21,605	309,664	3,210,000
Staff Training	152,400	-	5,000	1,600	6,600	159,000
Travel Expenses	148,000	-	22,000	8,000	30,000	178,000
Building Occupancy	996,000	-	45,000	-	45,000	1,041,000
Office Expenses, Printing, Postage	73,000	-	2,000	-	2,000	75,000
Program Materials, Supplies	419,860	-	5,000	17,140	22,140	442,000
Professional & Purchased Services	769,900	-	1,100	-	1,100	771,000
Communication Costs	128,000	-	11,000	-	11,000	139,000
Information Technology	351,600	-	22,400	-	22,400	374,000
Capital Expenditures	75,000	-	-	-	-	75,000
Transfer to Capital/Operating Funds	260,000	-	-	-	-	260,000
<b>TOTAL EXPENDITURES</b>	<b>16,706,086</b>	<b>623,400</b>	<b>1,160,543</b>	<b>128,988</b>	<b>1,912,930</b>	<b>18,619,016</b>



**HASTINGS PRINCE EDWARD PUBLIC HEALTH**  
**2022 BUDGET - Explanatory Notes and Variance Analysis - EXPENSES**  
**For Board Approval December 1, 2021**

**1. STAFF SALARIES**

*During 2021, many staffing decisions were made to align our human resources with community and service needs. These decisions have greatly influenced the development of the 2022 staffing budget and include the creation of four permanent nursing positions in the Healthy Schools program, the creation of a dedicated COVID-19 response team, the redeployment of staff where required and the recruitment of many contract staff to address recovery and COVID demands.*

*For the budget year 2022, the total number of full-time equivalent positions has been increased by three positions including nursing, program assistant time and an epidemiologist. The budget includes many contract staff who have been hired to support the School Focused Nursing Program, case and contact management and vaccine clinics. The 2022 figures include the negotiated wage increase of 1.5 per cent for all staff.*

*Compared to the 2020 budget, the staff complement has increased from 130 to 148 full time equivalents (FTEs) in a two year period. In addition, the organization is using temporary staffing agencies to provide approximately four staff for vaccine clinics throughout the first half of 2022. This translates to an increase of over 15 per cent in the number of FTEs; the actual number of staff employed is higher as many of our contract staff are part time.*

*Salary costs in 2021 include significant overtime expenses resulting from evening and weekend work. This pattern of work is not anticipated to continue leading to lower salary costs in 2022.*

**2. EMPLOYEE BENEFITS**

*Employee benefits are higher in 2022 due to the increased number of staff positions and maternity leave costs. Fortunately, some of these increased costs were reduced by a rate reduction of 7.6 per cent for the cost of group benefits. Overall, benefits amount to 27 per cent of salaries. This includes statutory benefits (CPP, EI, EHT and WSIB), OMERS pension plan contributions, group health, dental and life insurance and a per cent in lieu for part-time and contract staff.*

**3. STAFF TRAINING**

*Staff were not able to participate in training during the 2021 year. The budget for 2022 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. Although services are planned to resume in 2022, the use of virtual services is predicted to decrease the overall cost of travel thus explaining the decreased budget in this area. A delay in receiving the Mobile Dental Clinics is also affecting the travel expense budget in 2022. During 2021, service reductions led to minimal travel.*

**5. BUILDING OCCUPANCY**

*Building occupancy expenses include the building loan, leases, maintenance costs, cleaning services and supplies for all locations of the organization. Increases to ongoing maintenance costs, including a significant repair to the generator in early 2022, explains the increase of \$33,000 in this budget. For 2021, costs were higher than budgeted due to rental fees for the storage of mass immunization supplies as well as higher property insurance and unplanned building expenses.*

**6. OFFICE EXPENSES, PRINTING, POSTAGE**

*Office expenses have been reduced for 2022 to reflect the rate of current expenditures in this expense area. Postage costs have been dramatically reduced as well as printing and courier costs. The budget for 2021 included a provision for significant courier costs which ended up not being required leading to decreased expenditures.*

**7. PROGRAM MATERIALS, SUPPLIES**

*The 2021 budget included supplies for mass immunization and significant dental supplies for the mobile dental clinic. The Ministry provided the majority of supplies required for the vaccine rollout and the production of the mobile clinic has been delayed thus leading to savings. The budget for 2022 is consistent with the level of supplies purchased in the current year. An adequate supply of masks and related supplies is currently in storage for use in 2022.*

**8. PROFESSIONAL & PURCHASED SERVICES**

*The majority of the budget for professional and purchased services reflects dental, denturist and lab fees in the Seniors Dental program. Insurance costs are included in this area and are expected to increase by 15 per cent. A service agreement for information technology consulting is also included in the purchased services budget. In 2021, professional services include legal costs related to COVID enforcement activities, an increase of 14 per cent for liability insurance and IT consulting fees. The vast majority of expenses are for purchased services for the Seniors Dental program where services could be increased due to savings in supplies and travel.*

**9. COMMUNICATION COSTS**

*The communication budget is consistent with previous years. No significant change.*

**10. INFORMATION TECHNOLOGY**

*Information Technology costs escalated during the 2021 fiscal year due to ongoing pandemic related technology requirements. Although some of these increases will continue during 2022, the increases will be offset by infrastructure consolidation initiatives.*

**11. CAPITAL EXPENDITURES**

*A budget of \$75,000 is included for the purchase of IT infrastructure upgrades. A procurement process will be completed in 2022 with the expectation that equipment will be leased over a three to five year period. In the past, significant upgrades have been covered through one-time grants however, this is not a viable option at this time.*

**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.*