



Budget04

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Health Unit



2004 Current Budget

SHARE OF PUBLIC HEALTH R.O.05.00.00.00 7010

Description
 THE BOARD OF HEALTH OF THE SUDBURY & DISTRICT HEALTH UNIT APPROVED A BUDGET INCREASE OF 5.5% FOR 2004. THE CITY, HOWEVER, SHOWS AN INCREASE IN PUBLIC HEALTH OF 10%. THE DIFFERENCE IN PERCENTAGE INCREASE ARISES BECAUSE THE HEALTH UNIT AMENDED ITS ORIGINAL 2003 BUDGET DURING 2003 TO INCLUDE A CONTINGENCY FOR WEST NILE VIRUS CONTROL MEASURES IN RESPONSE TO PROVINCIAL DIRECTIVES UNDER O.REG.199/03. BY AMENDING ITS BUDGET IN 2003, THE HEALTH UNIT CREATED A MECHANISM FOR MUNICIPALITIES TO ACCESS 50% FUNDING FOR THESE ACTIVITIES. THE AMENDMENT TO THE HEALTH UNIT BUDGET OCCURRED AFTER THE CITY HAD FINALIZED ITS 2003 BUDGET AND THEREFORE THE CITY'S INCREASE IN PUBLIC HEALTH IN 2004 INCLUDES THE 2004 INCREASE PLUS THE 2003 INCREASE FOR THE WEST NILE CONTINGENCY. THE WEST NILE VIRUS CONTINGENCY IS LEVIED ONLY FOR COSTS ASSOCIATED WITH WEST NILE VIRUS CONTROL ACTIVITIES (LARVACIDING AND INSECTICIDING) ORDERED BY THE MEDICAL OFFICER OF HEALTH. THERE WERE NO ORDERS IN 2003. THE LEVEL OF ACTIVITY REQUIRED FOR 2004 IS UNPREDICTABLE.

Description		2003 Actual	2003 Budget	2004 Basic Budget	% 2003 Budget
PERSONNEL	Full Time Positions				
	Temp. & Part Time Hours				
	Overtime Hours				
	Crew Hours				
	Volunteers				
EXPENDITURES	Salaries & Benefits				
	Materials & Operating Expenses				
	Equipment Expenses				
	Energy Costs				
	Purchased/Contract Services				
	Debt Service Costs / Insurance and Taxes				
	Professional Development & Training				
	Grants - Transfer Payments	5,710,209	5,694,149	6,265,339	10.0
Provisions to Reserves/Capital Internal Recoveries					
TOTAL EXPENDITURES	5,710,209	5,694,149	6,265,339	10.0	
REVENUES	Levies				
	Provincial Grants				
	Federal Grants				
	User Fees				
	Licensing & Lease Revenues				
	Investment Earnings				
	Contribution from Reserves Other Revenues				
TOTAL REVENUE					
NET BUDGET	5,710,209	5,694,149	6,265,339	10.0	



BRIEFING NOTE

To: Board of Health

From: Sandra Laclé, Acting Executive Director
Dr. Penny Sutcliffe, Medical Officer of Health and Executive Director

Re: 2004 Budget

Date: November 7, 2003

For Information

For Discussion

For a Decision

ISSUE:

The management of the Sudbury & District Health Unit (SDHU) is seeking approval of the 2004 operating budget for revenue-shared programs and services.

RECOMMENDED ACTION:

That the Sudbury & District Health Unit Board of Health approves the 2004 operating budget for revenue-shared programs and services in the amount of \$14,976,342 and further that the municipal share of the West Nile virus control measures budget of \$250,000 (50% of \$500,000) and included in the total proposed budget of \$14,976,342 be levied only if the control measures are required by the Medical Officer of Health and implemented in 2004.

BACKGROUND:

The proposed 2004 budget for revenue shared programs and services is \$14,976,342 and represents a 5.5% increase over 2003.

The budget includes a \$500,000 (\$500,000, 2003) contingency for West Nile virus control measures. It is proposed that the municipal share of \$250,000 be levied only if control measures are actually undertaken in 2004. No control measures were recommended for 2003. As the budgeted amount in 2004 is the same as 2003, the West Nile virus contingency does not contribute to the budget increase.

In September 2003, the Ministry of Health and Long-Term Care announced 100% funding for the equivalent of 3.5 full time equivalents for increased programming for the control of infectious diseases. This initiative has been undertaken as one response to the SARS outbreak in the spring of 2003. Although this initiative represents an opportunity to improve the SDHU response to infectious disease, the 100% funding for this program is available only until March 2004 at which point the enhanced programming reverts to a shared funding formula. As a result, this initiative adds \$220,202 to the 2004 budget and constitutes 1.6% of the 5.5% budget increase. Positions eligible for funding under this initiative include: physicians, inspectors, nurses and epidemiologists.

Without the infectious disease enhanced programming, the budget increase for 2004 would be 3.9%. Salaries and benefits constitute 80% of the entire SDHU budget and constitute 93% of the total proposed budget increase of \$782,107 (includes enhanced programming for infectious disease control of \$220,202).

The following paragraphs provide further detail on key budget items in the 2004 budget.

BUDGET HIGHLIGHTS:***Branch Operations***

The budget dollars assigned to the branch operations are found in three different cost centres; Corporate Services, Health Protection and Health Promotion. During 2003, there was a realignment of staff between Health Protection and Health Promotion and the budget dollars were realigned for 2004. The total branch operations budget in 2003 is \$624,951 and the proposed 2004 budget is \$660,289. There has been an increase in tobacco programming activities in the branch operations.

Tobacco By-law

In 2003, one of the priorities of the Board of Health was the development and implementation of tobacco by-laws in the SDHU geographic area. To achieve this priority a project manager was designated and a separate cost centre created. Staff were reassigned and budget dollars were made available to the Community Tobacco By-law cost centre from the Community Chronic Disease cost centre. In 2004, the Community Tobacco By-law cost centre has been budgeted as its own cost centre with a budget of \$93,800. These budget dollars were reassigned primarily from Community Chronic Disease (\$57,494) and the other Health Promotion cost centres.

Salaries

Other than the 3.5 full time equivalents budgeted for enhanced infectious disease control programming, the budgeted staffing compliment in 2004 remains at the 2003 and 2002 level of 177 full time equivalents. During 2003, both the ONA and CUPE collective agreements were renegotiated and have resulted in an average wage increase for all working groups of approximately 3%. Further details about salaries will be provided in camera at the Board of Health meeting of November 20, 2003.

The impact of contract negotiations, staff movement on the salary grids and a budgeted amount for corporate vacancy and leave without pay results in a \$351,824 increase over the previous year. This represents a 3.7% increase. The addition of the infectious disease control positions adds \$220,202 to the budget resulting in a total wage increase of 6%.

Corporate Vacancy Rate and Leave Without Pay

Due to the demographics of the staff, SDHU experiences an annual vacancy rate. While management attempts to fill these positions to ensure program and service continuity, they are not always successful. In addition, during any given year, staff seek and are granted leaves of absence without pay for various reasons.

In 2003, \$90,000 was budgeted for annual vacancy and leave without pay. Although the extent of vacancies and leaves is difficult to predict, SDHU's experience has exceeded the budgeted amount and therefore the 2004 budgeted amount is \$150,000. Management continues to monitor the vacancy rate and leave without pay closely to ensure that the mandatory programs are not jeopardized.

Benefits

Budgeted benefit costs for 2004 have increased by \$169,885 or 8.3% compared to 2003. The increase is the result of an increase in OMERS premiums from 7.5% to 8.8% for pensionable earnings in excess of \$40,500. Extended health care premiums have increased by 6.5% and

dental premiums by 19.7%. The 2004 budget includes \$12,000 (less than 1% of the increase) for an Employee Assistance Program.

Travel

The travel budget has increased from \$164,806 in 2003 to \$189,720 in 2004 (15.1%) due to an increase in the negotiated CUPE mileage rate from \$.22 per kilometer to \$.33 per kilometer.

Postage

Postage was under budgeted in 2003 and we have adjusted the 2004 budget to more accurately reflect the cost. SDHU has significantly increased program activities in compliance with mandatory program requirements in the last three years and therefore the amount of mailing has increased. The 2004 budget is \$56,500 compared to the 2003 budget of \$27,950.

Photocopiers

The 2004 budget is \$114,800 (\$72,735, 2003). This expense item was also under budgeted in 2003. In addition, the significant increase in program activities to comply with mandatory program requirements has generated a higher volume of printed materials produced on SDHU in house photocopiers.

Media & Advertising

A decrease in media and advertising of \$63,555 is due to the removal of one-time costs that were budgeted in 2003 for the Corporate Communications Campaign (\$40,000) and the grand opening of our newly renovated facility (\$5,000). The balance of the reduction is a realignment of the budget to actual expenditures in the program areas.

Physician and Dental Fees

The increase of \$20,500 (9%) is payment to physicians for increased hours worked in SDHU clinics.

Insurance

Initial indications from SDHU's insurance company indicate that premiums are expected to rise by 20% in 2004 to \$70,800 (\$59,000, 2003).

Building Maintenance

Building maintenance has increased from \$113,560 in 2003 to \$133,981 in 2004 or \$20,421. The budget in 2003 represents a maintenance cost of \$2.52 per square foot. The 2004 budget is a maintenance cost of \$2.35 per square foot and this is 7% lower than 2003. The total square footage being maintained is now 57,000 square feet compared with 45,000 square feet in prior years. The tenants pay for their share of building maintenance costs.

Sudbury Soils Study

The work of the Sudbury Soils Study group is entering its fourth year. The group anticipates that the study will be completed in 2005. As the study approaches its conclusion, SDHU requires more outside expertise and hence a budget of \$25,000.

SUBBURY & DISTRICT HEALTH UNIT
2004 Budget - Revenue Shared Programs & Services

	2003 Budget	2004 Budget	Increase (Decrease) from Previous Yr	% Change Inc/(Dec)
Revenue				
Ministry of Health Grant	6,213,010	6,485,388	272,378	4.38%
Ministry of Health Grant - PHRED	267,864	267,864	-	0.00%
MOHLTC - Unorganized Territories	457,297	457,297	-	0.00%
MOHLTC - WNV	18,795	18,795	-	0.00%
Municipal Levies	6,395,610	6,685,138	289,528	4.53%
Municipal Levies - PHRED	267,864	267,864	-	0.00%
Municipal Levies - WNV	18,795	18,795	-	0.00%
Sundry Revenue	5,000	5,000	-	0.00%
Interest Earned	50,000	50,000	-	0.00%
Municipal Levies - WNV Contingency	250,000	250,000	-	0.00%
MOHLTC - WNV Contingency	250,000	250,000	-	0.00%
MOHLTC - Infectious Disease Control				
MOHLTC - Infectious Disease Control	-	110,101	110,101	n/a
Levies - Infectious Disease Control	-	110,101	110,101	n/a
Expenditures				
Corporate Services				
Corporate Services Unallocated	2,006,356	2,019,765	13,409	0.67%
Print Shop	324,799	281,036	(43,763)	-13.47%
Espanola	35,330	35,411	81	0.23%
Mindemoya	31,770	32,212	442	1.39%
Chapleau	16,850	14,550	(2,300)	-13.65%
Sudbury East	10,200	6,550	(3,650)	-35.78%
Risk Reduction	106,851	111,851	5,000	4.68%
Total Corporate Services	2,532,156	2,501,375	(30,781)	-1.22%
Health Protection				
Health Protection General	694,606	836,627	142,021	20.45%
Environmental	1,553,269	1,618,733	65,464	4.21%
Clinic Services	1,423,434	1,515,784	92,349	6.49%
Branches	-	222,889	222,889	n/a
WNV Contingency	500,000	500,000	-	0.00%
Total Health Protection	4,171,310	4,694,033	522,723	12.53%
Health Promotion				
Health Promotion General	1,158,172	1,179,637	21,465	1.85%
School	1,566,876	1,613,153	46,277	2.95%
Workplace	547,078	581,094	34,016	6.22%
Branches	530,801	348,677	(182,124)	-34.31%
Community - Chronic Disease	1,007,670	950,176	(57,494)	-5.71%
Community - Injury	376,721	394,525	17,803	4.73%
Community - Tobacco By-Law	-	93,800	93,800	n/a
Family	427,392	418,086	(9,307)	-2.18%
Family - Reproduction/Child Health	410,701	432,663	21,962	5.35%
Family Nutrition	184,710	176,096	(8,614)	-4.66%
Volunteer Resources	53,848	60,465	6,617	12.29%
Total Health Promotion	6,263,969	6,248,370	(15,599)	-0.25%
Resources, Research, Evaluation, Development (RRED)				
Education/Resources	691,074	776,635	85,561	12.38%
PHRED	535,728	535,728	-	0.00%
Total RRED	1,226,802	1,312,362	85,561	6.97%
Add: Infectious Disease Control				
	-	220,202	220,202	
Net Surplus (Deficit)				n/a

The opening 2003 budget was \$13,656,645. This amount has been restated to reflect a subsequent budget adjustment of \$37,590 for WNV planning and promotion and a \$500,000 contingency budget for WNV control measures that was approved during 2003.

SUDBURY & DISTRICT HEALTH UNIT
2004 Budget - Revenue Shared Programs & Services
Expenditures by Category

Description	2003 Budget	2004 Budget	Change (\$) Inc/(Dec)	Change (%) Inc/(Dec)
Salaries	9,461,033	9,872,857	411,824	
Vacancy rate & leave without pay	(90,000)	(150,000)	(60,000)	
Net salaries	9,371,033	9,722,857	351,824	3.75%
Fringe benefits	2,269,833	2,552,869	283,036	
Fringe benefits recoverable	(236,774)	(349,925)	(113,151)	
Net Benefits	2,033,059	2,202,944	169,885	8.36%
Information technology	301,440	298,830	(2,610)	-0.87%
Telephone, voice and data transmission	128,695	113,820	(14,875)	-11.56%
Travel	164,806	189,720	24,914	15.12%
Staff development	111,484	116,753	5,269	4.73%
Postage	27,950	56,500	28,550	102.15%
Courier	14,050	14,850	800	5.69%
Program supplies	289,789	273,410	(16,379)	-5.65%
Photocopiers	72,735	114,800	42,065	57.83%
Office supplies	210,541	213,122	2,581	1.23%
Books & subscriptions	16,754	16,754	-	0.00%
Media & advertising	260,510	196,955	(63,555)	-24.40%
Translation	33,224	29,433	(3,791)	-11.41%
Physician and dentist fees	228,000	248,500	20,500	8.99%
Professional fees	58,000	48,600	(9,400)	-16.21%
Insurance	59,000	70,800	11,800	20.00%
Furniture and equipment	13,000	13,000	-	0.00%
Building maintenance	113,560	133,981	20,421	17.98%
Rent	96,811	90,019	(6,792)	-7.02%
Utilities	126,500	130,250	3,750	2.96%
Memberships	11,510	16,150	4,640	40.31%
Environmental study (soils)	-	25,000	25,000	n/a
West Nile virus - planning	37,590	37,590	-	0.00%
West Nile virus - control measures contingency	500,000	500,000	-	0.00%
Interest & principal on municipal loan	200,000	200,000	-	0.00%
Rent revenue	(156,660)	(156,660)	-	0.00%
Rent surplus transferred to reserve	127,339	109,662	(17,677)	-13.88%
Miscellaneous revenue	(256,485)	(271,500)	(15,015)	5.85%
Sub-total	14,194,235	14,756,140	561,905	3.96%
Add: Infectious disease control	-	220,202	220,202	n/a
Grand Total	14,194,235	14,976,342	782,107	5.51%

SUDBURY & DISTRICT HEALTH UNIT

2004 Municipal Levy

	2003	2004
Total Budget (excluding WNV contingency)	13,694,235	14,476,342
WNV Contingency (to be billed separately)	500,000	500,000
Total Budget	14,194,235	14,976,342
Municipal Levy	6,395,610	6,685,138
Municipal Levy - WNV Planning	18,795	18,795
Municipal Levy - Infectious Disease Control	-	110,101
Municipal Levy PHRED	267,864	267,864
Total Levy**	\$6,682,269	\$7,081,898

	2000 Census Population*	% Population*	2003 Levy	2004 Levy**	Difference
Assiginack	803	0.44%	29,121	30,863	1,742
Baldwin	592	0.32%	21,469	22,753	1,284
Barrie Island	47	0.03%	1,704	1,806	102
Billings	508	0.28%	18,423	19,525	1,102
Burpee	331	0.18%	12,004	12,722	718
Ccntral Manitoulin	1,775	0.96%	64,371	68,221	3,850
St. Charles	1,294	0.70%	46,927	49,734	2,806
Chapleau	2,671	1.45%	96,865	102,658	5,793
French River	2,856	1.55%	103,574	109,768	6,194
Espanola	5,187	2.82%	188,109	199,359	11,250
Gordon	444	0.24%	16,102	17,065	963
Gore Bay	842	0.46%	30,535	32,362	1,826
Markstay-Warren	2,843	1.54%	103,103	109,269	6,166
Northeastern Manitoulin & the Islands	2,322	1.26%	84,208	89,244	5,036
Nairn & Hyman	427	0.23%	15,485	16,411	926
Killarney	460	0.25%	16,682	17,680	998
Sables-Spanish River	3,060	1.66%	110,972	117,609	6,637
Tehkummah	342	0.19%	12,403	13,145	742
Sub-total	26,804	14.55%	972,059	1,030,192	58,133
City of Greater Sudbury	157,456	85.45%	5,710,210	6,051,706	341,495
TOTAL	184,260	100.00%	6,682,269	7,081,898	399,629
Per Capita Rate			36.27	38.43	2.17

* Population data per September, 2000 Municipal Property Assessment Corporation
Current rates are not yet available. Schedule to be revised when data is received.

** The above levy excludes WNV Control Measures Contingency

**SUDBURY & DISTRICT HEALTH UNIT
2004 West Nile Virus Contingency Levy ****

	2003	2004
Total Budget - WNV Control Measures	\$500,000	\$500,000
Municipal Share	\$250,000	\$250,000

	2000 Census Population*	% Population*	Levy
Assiginack	803	0.44%	1,089
Baldwin	592	0.32%	803
Barrie Island	47	0.03%	64
Billings	508	0.28%	689
Burpee	331	0.18%	449
Central Manitoulin	1,775	0.96%	2,408
St. Charles	1,294	0.70%	1,756
Chapleau	2,671	1.45%	3,624
French River	2,856	1.55%	3,875
Espanola	5,187	2.82%	7,038
Gordon	444	0.24%	602
Gore Bay	842	0.46%	1,142
Markstay-Warren	2,843	1.54%	3,857
Northeastern Manitoulin & the Islands	2,322	1.26%	3,150
Nairn & Hyman	427	0.23%	579
Killarney	460	0.25%	624
Sables-Spanish River	3,060	1.66%	4,152
Tehkummah	342	0.19%	464
City of Greater Sudbury	157,456	85.45%	213,633
Total	184,260	100.00%	250,000
Per Capita Rate			1.36

* Population data per September, 2000 Municipal Property Assessment Corporation
Current rates are not yet available. Schedule to be revised when data is received.

** West Nile virus contingency only to be levied if control measures are implemented in 2004.