

# TORONTO STAFF REPORT

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To: Board of Health

From: Dr. Barbara Yaffe, Acting Medical Officer of Health

Subject: Toronto Public Health - Operating Budget Variance Report for the year ended 2003

Purpose:

To apprise the Board of Health of Toronto Public Health's operating budget variance for the year ended 2003.

Financial Implications and Impact Statement:

For the year-ended December 31, 2003, Public Health's gross expenditure is under-spent by \$14,535.2 thousand or 8.4%. Revenues are under-achieved by \$11,063.1 thousand or 10.6%. In terms of net expenditure, Public Health is under-spent by \$3,459.9 thousand or 5.0%.

The Chief Financial Officer and Treasurer has reviewed this report and concurs with this financial impact statement.

Recommendation:

It is recommended that this report be received for information.

Background:

The Approved Adjusted 2003 Public Health operating budget is \$173,733.5 thousand (gross) and \$69,651.9 thousand (net). This includes in-year budget adjustments of \$3,632.6 thousand (gross) and \$35.2 thousand (net). The major in year adjustments are:

- a) Enhanced West Nile Virus (WNV) Prevention and Control Program of \$2,693.4 thousand (gross) and zero (net); and

- b) Communicable Diseases Liaison Unit or CDLU (formerly known as Hospital Infectious Diseases Unit) of \$904.1 thousand (gross) and zero (net).

Comments:

The TPH Corporate Operating Budget Variance Report for the year-end 2003 is attached to this report for detailed information.

1. Gross Expenditures

Public Health experienced an overall underexpenditure of \$14,535.2 thousand for the year-ended 2003. This is attributed to the following:

- a) SARS outbreak which necessitated the redirection of resources to respond to the emergency;
- b) Freeze imposed by the Corporation on hiring and discretionary spending.

Key items contributing to this variance in terms of expenditure items are:

- a) Salaries and Benefits \$7,328.9 thousand; and
- b) Services and Rents \$6,493.6 thousand.

2. Revenues

Revenue is under-achieved by \$11,063.1 thousand due to the following:

- a) Grants and Subsidies shortfall \$9,115.9 thousand;
- b) Interdepartmental recoveries \$1,633.6 thousand; and
- c) Fees, Service Charges and Other Revenues \$313.6 thousand.

3. Cost-Shared Programs

Public Health submitted a request in the amount of \$62,350.2 thousand (including \$1,450.0 thousand for capital projects) to the Ministry of Health and Long-Term Care (MOHLTC) for the funding of cost-shared programs in 2003. The MOHLTC has approved a funding of \$60,900.2 thousand. TPH's funding request for capital projects was not approved.

#### 4. SARS Expenditures

Incremental and extraordinary expenditures and corresponding revenue relating to SARS are recorded in non-program corporate accounts and are therefore not reflected in Public Health's operating budget.

#### 5. Enhanced West Nile Virus (WNV) Prevention and Control Plan

Public Health forwarded a request to the MOHLTC in the amount of \$2,493.4 thousand for 100% funding of the Enhanced WNV Prevention and Control Plan for 2003. The MOHLTC approved a funding subsidy of only 50%. The shortfall of \$1,246.7 thousand was offset by underspending in WNV Program and other public health program.

#### Conclusion:

TPH has a gross underexpenditure for the 2003 year end of \$14,535.2 thousand or 8.4%. In addition, revenues are underachieved by \$11,063.1 thousand, resulting in a net favourable variance of \$3,459.9 thousand. This is primarily a result of reallocation of staff to respond to the SARS outbreak and the freeze on hiring and discretionary spending imposed by the Corporation.

#### Attachment:

Attachment 1 - Public Health Operating Budget Variance Submission for the Year ended December 31, 2003

#### Contacts:

Liz Janzen  
Regional Director  
Tel: (416) 332-7458  
Fax: (416) 392-0713

Riyaz Kachra  
Manager of Finance  
Tel: (416) 338-8106  
Fax: (416) 392-7418

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Dr. Barbara Yaffe  
Acting Medical Officer of Health



**OPERATING VARIANCE SUBMISSION  
FOR THE YEAR ENDED DECEMBER 31, 2003**

**OVERVIEW**

**PROGRAM**    Toronto Public Health

**DECEMBER 31, 2003 YEAR-END**

*("ACTUAL" is Adjusted Actual from  
Accrual Worksheet - Schedule 4)*

Gross Expenditure:

	ACTUAL	BUDGET	VARIANCE OVER/(UNDER)	
	(\$000's)	(\$000's)	(\$000's)	%
Consulting Costs	0.0	0.0	0.0	0.0%
Utility Costs <i>(cost elements 2215, 2220, 2230, 2250)</i>	276.6	264.4	12.2	4.6%
Other Expenditures	158,933.9	173,469.1	(14,535.2)	(8.4%)
<b>Total Gross Expenditure</b>	159,210.5	173,733.5	(14,523.0)	(8.4%)
Revenue	93,018.4	104,081.6	(11,063.1)	(10.6%)
<b>NET EXPENDITURE</b>	<b>66,192.0</b>	<b>69,651.9</b>	<b>(3,459.9)</b>	<b>(5.0%)</b>

**Approved Positions at December 31, 2003:**

	APPROVED POSITIONS	CHANGE TO APPROVED POSITIONS	TOTAL POSITIONS	
Permanent / Full Time	1,524.1	0.0	1,524.1	0.0%
Permanent / Part Time	111.4	0.0	111.4	0.0%
Temp / Seasonal / Casual Full Time	76.8	65.8	142.6	85.8%
Temp / Seasonal / Casual Part Time	13.5	0.0	13.5	0.0%
	1,725.8	65.8	1,791.6	3.8%

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Signature – Head of Program/Agency/Board/Commission