



REPORT FOR INFORMATION

Toronto Public Health Operating Budget Variance for the Twelve Months ended December 31, 2016

Date: May 3, 2017

To: Board of Health

From: Medical Officer of Health

Wards: All

SUMMARY

This report provides an update to the Board of Health on the Toronto Public Health (TPH) Operating Budget Variance for the twelve months ended on December 31, 2016.

The TPH operating budget was under-spent by \$2,235.7 thousand net or 3.8 percent for the twelve months ended on December 31, 2016.

Gross expenditures were under the 2016 approved budget by \$8,402.1 thousand or 3.4 percent. This was mainly the result of under spending of \$6,145.5 thousand in Salaries and Benefits and \$2,256.6 thousand in non-payroll. Revenue was under achieved by \$6,166.4 thousand due to under spending across various Provincially funded programs.

FINANCIAL IMPACT

There are no financial implications resulting from this report.

The Deputy City Manager & Chief Financial Officer have reviewed this report and agree with the financial impact information.

DECISION HISTORY

This report provides an update to the Board of Health on the TPH Operating Budget Variance for the twelve months of operation ending on December 31, 2016.

COMMENTS

The Toronto Public Health 2016 Approved Operating Budget is \$244,078.5 thousand gross and \$58,922.8 thousand net.

As of December 31, 2016, expenditures were under budget by \$8,402.1 thousand or 3.4 percent and revenues were under achieved by \$6,166.4 thousand or 3.3 percent.

Explanation of the variances in both gross expenditures and revenues are outlined below.

Table 1: Toronto Public Health 2016 Operating Budget Variance

AS OF DECEMBER 31, 2016				
	BUDGET	ACTUAL	VARIANCE	
			OVER / (UNDER)	
	(\$000s)	(\$000s)	(\$000s)	%
Gross Expenditure	244,078.5	235,676.4	(8,402.1)	(3.4)
Revenue	185,155.7	178,989.3	(6,166.4)	(3.3)
Net Expenditure	58,922.8	56,687.1	(2,235.7)	(3.8)

The TPH gross under spending was \$8,402.1 thousand or 3.4 percent. The gross under spending was: \$4,744.6 thousand in cost shared and City funded programs; \$3,357.3 thousand in 100 percent funded programs and \$300.0 thousand in Capital funded programs. Revenue was under budget by \$6,166.4 thousand or 3.3 percent mainly due to the under achievement of revenue from Provincially cost shared and 100 percent funded programs; and Capital Projects.

Gross Expenditures

For 2016, Salaries and Benefits were \$6,145.5 thousand or 3.4 percent under budget. At December 31, the TPH vacancy rate was 8.0 percent or 2.9 percent higher than its target of 5.1 percent. Increase in retirements, short term leaves and unfilled positions pending budget decisions were key drivers for the variance. Corporate Financial Planning was unable to process routine complement changes in a timely way, resulting in significant delays of up to two months in hiring to fill vacancies.

Underspending in 100 percent provincial funded programs of \$1,176.5 thousand was due to the receipt of provincial funding approval in late September restricting TPH's ability to spend these program funds by year-end.

Non-payroll expenditures were underspent by \$2,256.6 thousand gross or 3.7 percent. Under spending of \$972.4 thousand in 100 percent provincially funded programs was due to receipt of approved funding from the Province in late September which did not allow sufficient time to plan for program spending. The balance of under spending of \$1,284.2 thousand was incurred across a variety of non-payroll cost elements and programs.

Revenue

Actual revenue was under budget by \$6,166.4 thousand or 3.3 percent corresponding to the under spending in provincially funded and Capital funded programs.

Net Expenditures

The net variance at December 31, 2016 was \$2,235.7 thousand or 3.8 percent under budget.

CONTACT

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SIGNATURE

Dr. Barbara Yaffe
Acting Medical Officer of Health

Dr. Eileen De Villa
Incoming Medical Officer of Health

ATTACHMENT

Attachment 1: Toronto Public Health Operating Budget Variance Submission Year End Preliminary Results - December 31, 2016