



OPERATING VARIANCE SUBMISSION
YEAR END PRELIMINARY RESULTS - DECEMBER 31, 2016

OVERVIEW

TITLE **Toronto Public Health**

YEAR END PRELIMINARY RESULTS - DECEMBER 31, 2016

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

APPROVED COMPLEMENT

	APPROVED COMPLEMENT			
	COMPLEMEN	STRENGTH	VARIANCE OVER/(UNDER)	
	No.	No.	No.	%
Operating Positions	1,843.5	1,700.7	(142.8)	(7.7%)
Capital Positions	21.1	14.4	(6.7)	(19.5%)
Total Positions	1,864.6	1,715.1	(149.5)	(8.1%)

Signature – Head of Program/Agency/Board/Commission



**OPERATING VARIANCE SUBMISSION
YEAR END PRELIMINARY RESULTS - DECEMBER 31, 2016**

EXPLANATIONS / COMMENTARY

TITLE **Toronto Public Health**

PART I: 2016 Year-End Preliminary Results

A. Year Ended December 31, 2016

I. Gross Expenditures

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.

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 the 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. Approval of the provincial budget was not received until late September.

Underspending in 100 percent provincially 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.

II. 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.

B. Concise Summary

(Include pertinent information that best explains the preliminary year ended surplus)

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 mainly due to under spending across various Provincially funded programs.

C. Corrective Action

Staffing activity has resumed and is being managed to fill vacancies in line with the 2017 gapping target and budget. TPH continues to work with the City's Financial Planning Division and Human Resources Organization Management for more timely processing of routine complement changes which are required prior to any staffing activity being initiated.

A nursing pool has been re-established to enable hiring of Public Health Nurse position in a shorter time frame.