

**Report to
Rapport au:**

**Ottawa Board of Health
Conseil de santé d'Ottawa
16 September 2019 / le 16 septembre 2019**

**Submitted on September 5, 2019
Soumis le 5 septembre 2019**

**Submitted by
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Ward: CITY WIDE / À L'ÉCHELLE DE LA VILLE File Number: ACS2019-OPH-PCS-0005

**SUBJECT: 2019 OPERATING BUDGET Q2 – BOARD OF HEALTH FOR THE CITY
OF OTTAWA HEALTH UNIT STATUS REPORT**

**OBJET: BUDGET DE FONCTIONNEMENT 2019 AU DEUXIÈME TRIMESTRE –
RAPPORT D'ÉTAPE DU CONSEIL DE SANTÉ DE LA
CIRCONSCRIPTION SANITAIRE DE LA VILLE D'OTTAWA**

REPORT RECOMMENDATION

That the Board of Health for the City of Ottawa Health Unit receive this report for information.

RECOMMANDATION DU RAPPORT

Que le Conseil de santé de la circonscription sanitaire de la ville d'Ottawa prenne connaissance du présent rapport à titre d'information.

BACKGROUND

The purpose of this report is to present to the Board the second quarter operating results for Public Health Programs. Ottawa Public Health (OPH) management actively reviews quarterly results to ensure that their respective spending and revenue balances are not indicative of any underlying issues needing to be highlighted or addressed.

The 2019 operating budget second quarter results present actual year-to-date revenues and expenditures against the amounts budgeted for the corresponding period.

DISCUSSION

Document 1 provides operating budget details on second quarter results for the various Ontario Public Health Standards and the 2019 forecast for year-end. Financial information is presented by program.

Document 2 provides compensation information showing the actual salary, benefits and overtime costs incurred by OPH during the corresponding period.

Document 3 provides a summary of the budget adjustments and transfers made in the second quarter of 2019, through the delegated authority given to the Medical Officer of Health (MOH). The Board of Health's Delegation of Authority By-law requires the reporting of these transactions for information purposes.

Q2 Operating Results

Based on the results to June 30, 2019, OPH is projecting a balanced financial position for the current fiscal year. Table 1 outlines expenditures and revenues by funding source and the year-to-date budget status.

Table 1 - Summary of Q2 2019 Results

2019 Q2 Status Report	Net Expenditures (\$000)	Revenue (\$000)	YTD Net Surplus / (Deficit) (\$000)
MOHLTC - Public Health Standards and Programs	26,903	26,880	(23)
MCYS - Healthy Babies Healthy Children	2,345	2,345	0
City and Miscellaneous Programs	1,389	1,389	0
Ottawa Public Health	30,637	30,614	(23)

Q2 Compensation Results

Document 2 shows the operating status for OPH compensation expenditures up to June 30, 2019. The current financial information shows OPH has spent 51% of its total compensation budget during the first half of 2019 operations but 121% of its overtime budget. Additional overtime is reflective of consumption and treatment requirements, school health immunization requirements and emergency response operations related to the spring flood and various infection prevention and control investigations.

Provincial Funding Update - Information Reported in Q1 Status Report

On April 11, 2019 the provincial government delivered its first [budget](#).

On April 29, 2019 the Chief Medical Officer of Health provided a letter to all provincial health units, which included additional clarity on the budget. Highlights of the letter included changes to the current cost shared funding formula as follows:

Provincial Fiscal Year	Cost Share
2018-2019	75% Provincial and 25% Municipal Cost-Shared
2019-2020 (Retroactive as of April 1, 2019)	70% Provincial 30% Municipal
2020-2021 (effective April 1, 2020)	70% Provincial 30% Municipal
2021-2022 (effective April 1, 2021)	60% Provincial 40% Municipal

The letter also indicated programs that are 100% provincially-funded would be moved to the above-referenced funding formula. These Programs include but are not limited to: Healthy Smiles Ontario, Infectious Diseases Control Initiative, and Smoke Free Ontario Strategy.

In releasing its budget, the Province announced its commitment to "modernizing public health" by establishing 10 regional public health units and 10 new regional boards of health with one governance model by 2020-21, replacing 35 local public health units and their corresponding boards of health.

On May 27, 2019 the Premier announced that the government had decided to maintain the in-year cost sharing adjustment for Public Health, reversing the proposed 2019 reductions.

Funding Update Since the Q1 Status Report

On May 13, 2019 Health Canada provided OPH with \$588K of one-time funding to support operation of its supervised consumption services. A report outlining the future of the services currently being provided will be brought forward to the Board of Health prior to the end of this calendar year.

On June 7, 2019 the Minister of Public Health and Long-Term Care announced additional base funding of up to \$2.768M for the 2019-20 funding year to support the new dental program for low income seniors. Additionally, on June 21 the Ministry of Health and Long-Term Care (MOHLTC) launched a capital funding application process to support the staged implementation of the Ontario Seniors Dental Care Program (OSDCP) and invited public health units to complete the application form. OPH submitted an application on August 7 to request funding for a new clinic (in a yet to be determined location), expansion of the Merivale clinic, establishment of a dental clinic at the Somerset Community Health Center and renovation of the aging Cobourg clinic. Adjustments for the new operating dental funding are not yet reflected in the financial schedules as OPH is awaiting additional details on the approved use of funds.

On August 20th OPH received its formal 2019 funding letter from the province. Along with the new base funding for Ontario Seniors Dental Care additional new base funding was provided for work with Indigenous Communities (\$297.5K), and 1-time funding was provided for Immunization Connect Ontario (\$150K) and the Needle Exchange Program (\$67K). Base funding of \$630K which was requested to cover the provincial portion of the 2% cost-of-living/compensation increase assumed in the 2019 budget was not approved. Anticipating that a 0% increase from the province was possible, OPH developed a contingency plan to account for this lack of funding and is still expecting to achieve a balanced budget at year-end.

Also in August, at the Association of Municipalities of Ontario conference, the Premier indicated that all public health units will be funded at a cost-sharing ratio of 70 percent provincial and 30 percent municipal for 2020. Transition funding was also promised for municipalities who will experience a greater than 10 percent increase in their contribution with this funding formula shift.

On August 29, the City of Ottawa released its proposed *Budget Directions and Timelines for Boards and Departments*, which indicates that the OPH Board will be

requested to develop the draft budget based on our pro-rated share of an up to 2% tax levy.

RURAL IMPLICATIONS

There are no rural implications associated with this information report.

CONSULTATION

The purpose of this report is administrative in nature and therefore no public consultation is required.

LEGAL IMPLICATIONS

There are no legal impediments to receiving the information in this report.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications associated with this information report.

FINANCIAL IMPLICATIONS

As outlined in the report.

ACCESSIBILITY IMPACTS

There are no accessibility implications associated with this report.

TERM OF COUNCIL PRIORITIES

There are no term of council priorities associated with this report.

SUPPORTING DOCUMENTATION

Document 1: Ottawa Public Health 2019 2nd Quarter Operating Status Report

Document 2: Ottawa Public Health 2019 2nd Quarter Compensation Status Report

Document 3: Budget Adjustments and Transfers

DISPOSITION

This report is provided for information.