

**Report to  
Rapport au:**

**Ottawa Board of Health  
Conseil de santé d'Ottawa  
21 September 2020 / 21 septembre 2020**

**Submitted on September 10, 2020  
Soumis le 10 septembre 2020**

**Submitted by  
Soumis par:**

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**Ward: CITY WIDE / À L'ÉCHELLE DE LA VILLE      File Number: ACS2020-OPH-PCS-0004**

**SUBJECT: 2020 OPERATING BUDGET Q2 – BOARD OF HEALTH FOR THE CITY OF OTTAWA HEALTH UNIT STATUS REPORT**

**OBJET: BUDGET DE FONCTIONNEMENT 2020 AU DEUXIÈME TRIMESTRE – RAPPORT D'ÉTAPE DU CONSEIL DE SANTÉ DE LA CIRCONSCRIPTION SANITAIRE DE LA VILLE D'OTTAWA**

#### **REPORT RECOMMENDATIONS**

**That the Board of Health for the City of Ottawa Health Unit:**

- 1. Receive the 2020 Q2 operating budget status report for information; and**
- 2. Approve the establishment of a new capital project for the retrofit of the Sexual Health Center at 179 Clarence Street and new capital spending authority of \$175,000, which will be 100% provincially funded.**

#### **RECOMMANDATIONS DU RAPPORT**

**Que le Conseil de santé de la circonscription sanitaire de la Ville d'Ottawa :**

- 1. prenne connaissance du rapport d'étape sur le budget de fonctionnement du T2;**
- 2. approuve la mise en place d'un nouveau projet d'immobilisation pour la rénovation du Centre de santé sexuelle au 179 Clarence Street et une nouvelle autorisation de dépenses en immobilisations de 175 000 dollars, qui sera financée à 100 % par la province.**

**BACKGROUND**

The purpose of this report is to provide the Board with 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 2020 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 2020 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 2020, 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, 2020, OPH is projecting an over-expenditure of \$12M for the current fiscal year. Additional pandemic response requirements including: leading the local response in collaboration with partners; ongoing increased pressures for evolving public communications; informing and guiding numerous stakeholders; supporting the testing strategy; maintaining new surveillance and reporting requirements; carrying out timely case management and contact tracing; leading outbreak investigation and management; implementing new information technology

systems; preparing for school immunizations; and catching up with core time-sensitive public health work, all contributed to additional costs and lost revenues. The forecast is still subject to change as a result of unknown factors such as school re-opening requirements, the effects of the fall influenza season, new provincial requirements, etc.

Now that the Ministry of Health has provided information about the funding process, it is anticipated that Provincial funding will fully offset the above-noted costs, therefore balancing the budget.

Final approval of the amount to be provided to OPH is expected later this year or early into 2021. A further update will be provided during budget deliberations in November.

Table 1 outlines expenditures and revenues by funding source and the year-to-date budget status.

**Table 1 - Summary of Q2 2020 Results**

2020 Q2 Status Report	Net Expenditures (\$000)	Revenue (\$000)	YTD Net Surplus / (Deficit) (\$000)
Ministry of Health - Public Health Standards and Programs	35,343	30,968	(4,375)
Ministry of Children & Youth Services - Healthy Babies Healthy Children	2,297	2,297	0
City and Miscellaneous Programs	1,212	1,212	0
Ottawa Public Health	38,852	34,477	(4,375)

### **Q2 Compensation Results**

Document 2 shows the operating status for OPH compensation expenditures up to June 30, 2020. The current financial information shows OPH has spent 56% of its total compensation budget during the first half of 2020 operations and overspent its overtime budget by \$1.3M. All overspending is directly related to the COVID-19 pandemic response and the need to scale up operations by increasing overtime requirements, onboarding new casual staff in various capacities and not meeting vacancy allowance targets incorporated in the approved budget.

## Provincial Funding Update

On March 25, 2020, the Provincial Government announced an increased investment of up to \$160M for the public health sector due to COVID-19. Of the \$160M, \$100M has been approved specifically for public health units and Public Health Ontario for extraordinary costs incurred.

As of the June 15<sup>th</sup> Board of Health meeting, no additional details had been provided and the Board approved a motion to request that the Ministry of Health:

- Provide 2020 funding letters as soon as possible, including details of processes for local health units to draw on one-time funds allocated to extraordinary COVID-19 costs; and
- Provide a commitment to increase local health unit base funding in 2021 to address ongoing COVID-19 operating requirements.

The motion further requested that the Province share this information with local health units before the end of Q3 2020 in order to inform 2021 budget deliberations.

To date, the Ministry has announced funding for:

- Pandemic pay for the April 24<sup>th</sup> to August 13<sup>th</sup> timeframe, for selected roles;
- Safe Re-opening of Schools School-Focused Nurses in Public Health Units, of which Ottawa Public Health has been allotted a total of 45 new nursing positions;
- 1-time funding of \$47M over 2020-21 to eliminate impacts municipalities may face due to the cost sharing formula change to 70/30.

The Ministry has also provided all Health Units with their individual 2020 funding letters and information about the COVID-19 Extraordinary Cost reimbursement request process.

The 2020 OPH funding letter contains the following specific details:

- Base funding for Cost Shared programs at 70% of \$35.7M.

Prior to 2020, these programs were funded at 75% provincial / 25% municipal, with select related programs being funded at 100% provincial. In total, this base funding represents a reduction of \$3.1M, however the province has provided mitigation funding to cover the gap for 2020 and 2021.

- Base funding for the Senior Dental program, MOH/AMOH compensation initiative and Indigenous Communities totaling \$3.5M.
- One-time funding of up to \$733K for Pandemic pay and clean needle distribution and retrieval.
- Capital funding of \$175,000 for the renovation of the Sexual Health Center at 179 Clarence Street.

The total provincial funding envelope of \$45.3M covered all assumptions contained in the approved 2020 budget, with additional increases for capital improvements as well as selected provisions related to COVID-19.

Pursuant to the capital funding referenced above, this report is recommending that the Board of Health approve the establishment of a new capital project for the retrofit of the Sexual Health Center at 179 Clarence Street and new capital spending authority of \$175,000.

### **Next Steps**

Tabling of the 2021 draft budget is scheduled for November 2nd. Final budget approval with the Board of Health is November 30th and with City Council December 9th.

### **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 approving the recommendations outlined 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.

## **SUPPORTING DOCUMENTATION**

Document 1: Ottawa Public Health 2020 2nd Quarter Operating Status Report

Document 2: Ottawa Public Health 2020 2nd Quarter Compensation Status Report

Document 3: Budget Adjustments and Transfers

## **DISPOSITION**

Recommendation 1 of this report is provided for information.

Upon approval of recommendation 2 the City's Finance department will create a new capital project and make all necessary adjustments.