



STAFF REPORT ACTION REQUIRED

Toronto Public Health 2008 – 2012 Capital Budget and Plan Submission

Date:	September 14, 2007
To:	Board of Health
From:	Medical Officer of Health
Wards:	All
Reference Number:	

SUMMARY

This report provides an overview of the Toronto Public Health (TPH) 2008 Capital Budget and 2009-2012 Capital Plan Submission for approval.

TPH is submitting a 2008 Capital Budget and 2009 - 2012 Capital Budget and Plan request of \$17.288 million, including a 2008 Capital Budget of \$6.726 million and a 2009 – 2012 Capital Plan of \$10.562 million. The Debt Affordability Target provided by the City for TPH is \$3.490 million in 2008, \$3.499 million in 2009 and 2010 and, \$3.400 million in 2011 and 2012 for a total of \$17.288 million.

The 5-Year Capital Budget and Plan request will provide funding for twelve Information and Technology (IT) projects that support TPH strategic plan of improving service delivery with the development and enhancement of systems while complying with provincial mandatory reporting system requirements. The associated operating impact of these twelve IT projects at the end of five years is \$2.018 million gross and \$0.616 million net for twelve new positions and ongoing costs for service and maintenance.

RECOMMENDATIONS

The Medical Officer of Health recommends that:

1. City Council approve a 2008 Capital Budget with a total project cost of \$1.929 million and a 2008 cash flow of 3.879 million and future year commitments of \$3.237 million as detailed in Appendix 3, “Toronto Public Health 2008 Capital Budget”. The 2008 Capital Budget Submission consists of the following:
 - a. new cash flow funding for:
 - i) four change in scope sub-projects with a 2008 total project cost of \$1.929 million that requires cash flow of \$0.693 million in 2008, \$0.450 million in 2009, (\$0.072) million in 2010, \$0.468 million in 2011 and \$0.391 million in 2012; and,
 - ii) four previously approved sub-projects with a 2008 cash flow of \$2.797 million and future year commitments of \$1.436 million in 2009 and \$0.564 million in 2010, totalling \$4.797 million.
 - b. 2007 approved cash flow for two previously approved sub-projects, with carry-forward funding from 2007 into 2008, totalling \$0.389 million;
2. City Council approve a 2009-2012 Capital Plan of \$10.562 million with future year estimates of \$1.614 million in 2009, \$3.007 million in 2010, \$2.932 million in 2011 and \$3.009 million in 2012 as outlined in Appendix 1;
3. the net operating impacts \$0.088 million for 2009 and \$0.057 million for 2010 emanating from the approval of the 2008 Capital Budget as detailed in Appendix 2, “Toronto Public Health 2009-2012 Operating Budget Impact of Capital” be considered within the future years’ Toronto Public Health operating budget submissions; and,
4. the Board of Health forward this report to the Budget Committee for its consideration during the 2008 budget process.

Financial Impact

TPH is submitting a 2008 Capital Budget and 2009 - 2012 Capital Plan request of \$17.288 million, including 2008 cash flow of \$3.490 million (excluding the carry forward funding from 2007), which is entirely financed from debt. The approved annual Debt Affordability Target for TPH is \$3.490 million in 2008, \$3.499 million in 2009 and 2010, and \$3.400 million in 2011 and 2012. The total requested amount for the 2008 Capital Budget and 2009 - 2012 Capital Plan meets the Debt Affordability Target of \$17.288 million as shown in the Table 1 below. The associated operating impact of these capital projects on the TPH Operating Budget at the end of five years will be \$2.018 million gross and \$0.616 million net for twelve new positions and ongoing costs for service and maintenance.

Table 1 Toronto Public Health 2008 Capital Budget and 2009 - 2012 Capital Plan Request (\$000's)						
	2008 Budget Request	Commitments/Plan				Total 2008 - 2012
		2009	2010	2011	2012	
2008 Budget & Future Year Commitments	3,490.0	1,885.5	491.8	468.3	390.6	6,726.2
2009 - 2012 Future Year Plan (Estimates)		1,613.5	3,007.2	2,931.7	3,009.4	10,561.8
Total Budget & Plan	3,490.0	3,499.0	3,499.0	3,400.0	3,400.0	17,288.0
Debt Affordability Target	3,490.0	3,499.0	3,499.0	3,400.0	3,400.0	17,288.0
Over/(under) Debt Target	0.0	0.0	0.0	0.0	0.0	0.0

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact statement.

DECISION HISTORY

At its meeting of March 7, 2007, City Council approved a 2008 – 2011 TPH Capital Plan totalling \$13.888 million in project commitments and estimates, with cash flow of \$3.490 million in 2008, \$3.499 million in 2009, \$3.499 million in 2010, and \$3.400 million in 2011.

At its meeting of April 16, 2007, the Board of Health requested the Board's Budget Sub-committee that projects scheduled on the TPH IT Capital Works Plan, specifically the installation of GPS System and Mobile Wireless Computers, be moved up to year 2008 from year 2010.

At its meeting of July 30, 2007, the Budget Sub-committee approved the TPH 2008 – 2012 Capital Budget and Plan for submission to the Board of Health by the MOH. This submission moves the installation of GPS System and Mobile Wireless Computers up to year 2009 from 2010.

<http://www.toronto.ca/legdocs/mmis/2007/hl/agendas/2007-04-16-hl03-as.pdf>
(Items HL3.11a and HL3.11b)

COMMENTS

The TPH 2008 Capital Budget and 2009 - 2012 Capital Plan request of \$17.288 million is comprised of a 2008 total project cost of \$6.726 million and a 2009 - 2012 Capital Plan of \$10.562 million including four Change in Scope IT projects for the 2008 Capital Budget and three new IT projects included in the 2009 – 2012 Capital Plan.

The City's Debt Affordability Target to fund capital projects for TPH is \$3.490 million in 2008, \$3.499 million in 2009 and 2010, and \$3.400 million in 2011 and 2012 for a total five-year funding target of \$17.288 million. This capital project request fully utilizes the available funding.

As of June 30, 2007, TPH spent \$1.121 million or 23 percent of the 2007 approved cash flow of \$4.880 million for capital projects. The year-end capital expenditure is projected to be \$4.491 million or 92 percent of the approved cash flow. The projected under expenditure of \$0.389 million requires a cash flow carry-forward into 2008 for the Dental Strategy and Implementation project (\$0.090 million) and the PH Surveillance and Management System project (\$0.299 million).

TPH is submitting the following four change in scope requests for IT projects and three new IT projects for the 2009 – 2012 Capital Plan described in Appendix 1 and Appendix 3 attached to this report.

Change in Scope for IT Projects:

1. *Dental Strategy and Implementation, 2008 – 2012 (\$0.915 million)* - The scope of this project has been increased to include the acquisition and rollout of digital x-ray equipment in dental clinics from 2010 to 2012.
2. *Public Health (PH) Surveillance and Management System, 2009 (\$0.002 million)* - Due to a change in the provincial project timeline, the scope of the work plan for 2009 will be increased slightly.
3. *HF/HL Mandatory Management Reporting, 2008 (\$0.316 million)* - In order to implement the reporting tool standard selected during the first phase of this project, the scope of this project has increased to include the technical training, threat risk and privacy impact assessments, and revised software costs.
4. *Personal Health Information Protection Act (PHIPA) System Compliance, 2008 (\$0.696 million)* - In order to conform with security best practices, this project has increased in scope to include the development of additional security standards prior to the initiation of threat risk assessments and privacy impact assessments on systems, and the implementation of technical tools to support identity management and user authentication.

New Projects:

1. *Health Emergency Information System, 2010 – 2011 (\$0.656 million)* - Implementation of this project will provide the ability to i) to manage and organize the scheduling assignment of staff in continued service delivery during an emergency situation; ii) ensure that staff are not "burnt out" due to overwork and over stress; iii) assess the public through assessment centres to alleviate the demand on emergency rooms, hospitals, and doctors offices and direct the public more appropriately to the

care they require; and iv) educate the public and respond to their concerns through assessment centres available in their communities during an emergency.

The project cost is \$0.655 million in 2010-2011 with an operating impact of \$0.038 million gross and \$0.010 net in 2011.

2. *Healthy Environment (HE) Inspection System, 2010 – 2012 (\$0.700 million)* - The Public Health Inspection Information System (PHIIS) is undergoing a review in light of the new Environmental Health Focus within the provincial Ministry of Health and Long Term Care (MOHLTC) and a strategy is under development to enhance PHIIS. Participating in the implementation of the strategy will: i) provide a single provincial database to capture client and inspection information which meets the requirements of TPH as well as MOHLTC; ii) eliminate the need to generate reports for the MOHLTC since they would be custodians of the data; iii) reduce the time to create and generate timely reports; iv) provide a reliable database structure for easy retrieval of records; v) provide timely capture of inspection information directly from the field into the system; and vi) improve reporting due to standardized data. This in turn will allow better strategic and tactical planning.

The project cost is \$0.700 million in 2010 - 2012 with no operating impact associated to this project.

3. *Health e-Services, 2009 – 2011 (\$0.814 million)* - The purpose of this project is to mitigate identified inefficiencies and inconsistencies in the delivery of health related services and information to the public. The enhancements proposed will facilitate the dissemination of daily beach water quality information and also allow secure payment services for the Food Handler Certification program and for bulk payments for animal licence registrations and renewals through the ePET system.

The project cost is \$0.814 million with an operating impact of \$0.008 million in 2011 gross and \$0.002 million net.

Recommended Changes to the 5-Year Capital Budget and Plan:

The 2008 - 2012 Capital Budget and Plan meets the Debt Affordability Target of \$17.288 million. TPH has achieved the capital target by making the following changes:

1. Deferring the HF/HL Point of Care project from 2009 to 2010 and extending the project completion to 2014;
2. Deferring the Document and Records Management project from 2008 to 2009 and extending the project completion to 2013;
3. Deferring the Healthy Environment (HE) Reporting project from 2008 to 2009;
4. Accelerating the Animal Services Electronic Communications project from 2010 to 2009; and,
5. Accelerating the HF/HL Systems Integration (formerly ISCIS TCHIS Integration) project from 2011 to 2010.

The recommended changes are illustrated in the Table 2 below.

Table 2
Toronto Public Health
Recommended Changes to 2008 - 2012 Capital Budget and Plan
(\$000's)

	2008	2009	2010	2011	2012	Total
2008 Capital Budget - Change In Scope:	693.0	449.5	(72.2)	468.3	390.6	1,929.2
2009 - 2012 Capital Plan						
Reallocation:						
HF/HL Point of Care	0.0	(1,095.0)	(686.0)	(1,330.7)	899.2	(2,212.5)
Document and Records Management	(259.0)	(422.1)	(548.3)	397.1	602.0	(230.3)
Healthy Environment Reporting	(434.0)	238.8	298.3	0.0	0.0	103.1
Animal Services Electronic Communications	0.0	607.0	(106.8)	(159.0)	0.0	341.2
HF/HL Systems Integration	0.0	0.0	342.8	(191.2)	1,148.5	1,300.1
New Projects:						
Health Emergency Information System	0.0	0.0	309.5	346.4	0.0	655.9
HE Inspection System	0.0	0.0	25.1	314.9	359.7	699.7
Health e-Services	0.0	221.8	437.6	154.2	0.0	813.6
Total Changes	0.0	0.0	0.0	0.0	3,400.0	3,400.0

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SIGNATURE

Dr. David McKeown
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ATTACHMENTS

- Appendix 1 – Toronto Public Health 2008 Capital Budget and 2009-2012 Capital Plan
- Appendix 2 – Toronto Public Health 2009 - 2012 Operating Impact of Capital
- Appendix 3 – Toronto Public Health 2008 Capital Budget (Including Change in Scope & 2007 Carry-forward projects)