

**Toronto Public Health  
Operating Budget Request  
2012**



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# PART I: EXECUTIVE SUMMARY

## 2012 Operating Budget Request

The Toronto Public Health (TPH) 2012 Operating Budget Request totals \$228,226.7 thousand gross / \$41,137.4 thousand net. This request is \$6,242.8 thousand gross and \$3,639.9 thousand net below the 2011 Operating Budget. The net decrease of \$3,639.9 thousand over the 2011 Operating Budget is comprised of base budget increases for the negotiated collective agreement of \$818.5 thousand net and reduction options of 10.0% or \$4,458.4 thousand net.

Table 1  
Toronto Public Health  
2012 Operating Budget Request

	2011 Budget	2012 Base	2012 Reductions	2012 Request	Change from 2011 Budget	
(\$000s)	\$	\$			\$	%
<b>GROSS EXP.</b>	234,469.5	236,469.3	(8,242.6)	228,226.7	(6,242.8)	(2.7)
<b>REVENUE</b>	189,692.2	190,873.5	(3,784.2)	187,089.3	(2,602.9)	(1.4)
<b>NET EXP.</b>	44,777.2	45,595.8	(4,458.4)	41,137.4	(3,639.9)	(8.1)
<b>Positions</b>	1,925.0	1,914.9	(58.3)	1,856.7	(68.3)	(3.6)

The City Manager issued guidelines and directions for development of the 2012 Operating Budget to all City Programs, Agencies, Boards and Commissions (ABCs). Included in these directions are the expectations that all City Programs and ABCs:

- achieve the 2012 operating budget reduction target of ten percent of the Council Approved 2011 Net Operating Budget;
- review all services for efficiencies, conformance to and/or possibly changes in service level standards, and in particular service effectiveness and relevance;
- continue to control expenditures through cost savings measures;
- do not introduce any new initiatives for 2012; and
- COLA for all employees will be budgeted corporately.

Table 2  
TPH 2012 Recommended Budget Reduction  
(\$000s)

TARGET COMPARISON	10% Reduction Target	2012 Recommended Reduction	2012 Recommended Reduction vs 2012 10% Reduction Target	%
2012 Reductions	(4,457.8)	(4,458.4)	0.6	10.0%

TPH has reviewed its services and costs and where achievable absorbed expected inflation increases and reduced costs significantly in the 2012 budget request. TPH has reviewed the 2012 Request with Director of Corporate Financial Planning. Corporate Financial Planning is recommending the TPH 2012 Operating Budget Request except for the planned reduction in corporate overhead charges. This recommended reduction of \$790.0 thousand gross/\$197.5 thousand net was rejected because the provincial funding from the overhead charge benefits the City by offsetting costs for other City programs.

The corporate overhead charge from the City is for general municipal services provided to TPH. This is a third annual planned reduction based on a review of this cost allocation by the City's Internal Audit Division. The revised corporate charge was reviewed and validated by Corporate Accounting and the City's Internal Auditor in 2008 and a schedule was initiated in the 2009 operating budget cycle to allocate the full reduction required over five years. There is no impact on public health service to the community from this reduction although the funding could be reallocated to delivering services. Due to the City's current fiscal position, the City's Financial Planning Division is not recommending this reduction.

Public health services include 100 percent provincially funded programs and cost shared programs that receive provincial funding for 75 percent of the cost. Every \$1 of city funds invested in cost shared programs is matched by \$3 of provincial funding. While this allows TPH to leverage \$1 of city investments in cost shared programs into \$4 of increased service the flip side is any \$1 reduction in city funding will result in \$4 less service. As a result the requested 10% reduction in net operating budget has a more dramatic impact on TPH services as significant provincial funding is lost when city funds are cut to cost shared programs. In order to minimize the impact on provincial funding and public health services, the 2012 budget includes proposals to shift some services currently funded 100% municipally to cost shared funding. Despite, this the requested budget would result in a loss of \$5.3 million in potential provincial funding for 2012 alone.

The Medical Officer of Health provided a verbal report on the 2012 Operating Budget request to the Board of Health Budget Subcommittee on July 6, 2011. The report was received for information.

Since 2004 the City's contribution to TPH Budget has declined as the Province has increased the funding of cost shared mandatory programs from 50 percent in 2004 to 75 percent in 2007. The City's funding to public health has decreased by \$22.9 million between 2004 and the 2012 Budget Request due to the change in the cost-share ratio and other efficiencies.

In 2010, 2011 and as requested for 2012, total provincial funding of \$9.5 million will be lost for public health services due to the City's fiscal constraints. The opportunity to invest in and build public health programs and services in areas such as communicable disease control and chronic disease prevention is lost when available provincial funding is not maximized.

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## RECOMMENDATIONS

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The Medical Officer of Health recommends that:

1. City Council approve the Toronto Public Health 2012 Operating Budget request of \$228,226.7 thousand gross / \$41,137.4 thousand net as summarized in Table 1, “2012 Operating Budget Request”;
2. City Council approve the list of base budget adjustments included in Table 6, “Overview of 2012 Operating Budget Request” of this report totaling an increase of \$1,999.8 thousand gross and \$818.5 thousand net;
3. City Council approve 2012 Reduction Options of \$8,242.6 thousand gross and \$4,458.4 thousand net as outlined in Table 7, "2012 Requested Reduction Options Budget "; and
4. The Board of Health forward this report to the City's Budget Committee for its consideration during the 2012 budget process.

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## **PART II: TORONTO PUBLIC HEALTH OVERVIEW**

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### **Legislation**

The Health Protection and Promotion Act (HPPA) provides the legislative mandate for boards of health<sup>1</sup>. Section 5 of the HPPA specifies that boards of health must provide or ensure the provision of a minimum level of public health programs and services in specified areas as follows:

- Community sanitation and the prevention or elimination of health hazards
- Provision of safe drinking water by small drinking water systems
- Control of infectious and reportable disease, including providing immunization services to children and adults
- Health promotion, health protection, and disease and injury prevention

Boards of health can and do provide additional programs and services in response to local needs identified in their communities (Section 9 of the HPPA)

There are over 40 other provincial statutes that identify specific duties for boards of health and medical officers of health.

### **Program Standards**

There are currently 21 different Regulations under the HPPA, including those that govern food safety, swimming pool health and safety, rabies control, school health, board of health composition and communicable disease control. Under Section 7 of the HPPA, the Minister of Health and Long-Term Care has the authority to publish guidelines for the provision of mandatory public health programs and services to which all 36 boards of health across Ontario must comply – these are known as the Ontario Public Health Standards (OPHS). These are minimum standards. The OPHS address programmatic expectations articulated in 147 requirements in 6 specific areas as well as 26 detailed protocols with further requirements.

### **Accountability Agreements**

The Ministries of Health and Long-Term Care and Health Promotion and Sport first introduced Accountability Agreements in 2011 to provide a framework for setting specific performance expectations and establishing reliable and valid data reporting requirements. The Agreements delineate obligations with respect to provincial funding, reporting and performance.

As part of the Agreements, boards are required to comply with the Ontario Public Health Organizational Standards. These Organizational Standards set out a number of management and governance requirements outlining the expectations for both the board of health as the governing body and the public health unit as the administrative body. There are 44 requirements in the Organizational Standards.

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<sup>1</sup> Under the HPPA the health unit refers to the geographic area covered by the board of health

The Accountability Agreements include 12 Performance Indicators that are based on Program Standards; targets will be set in collaboration with the province in 2011. These Performance Indicators are in addition to existing legislation, regulations and transfer payment agreements.

## **City Service Review**

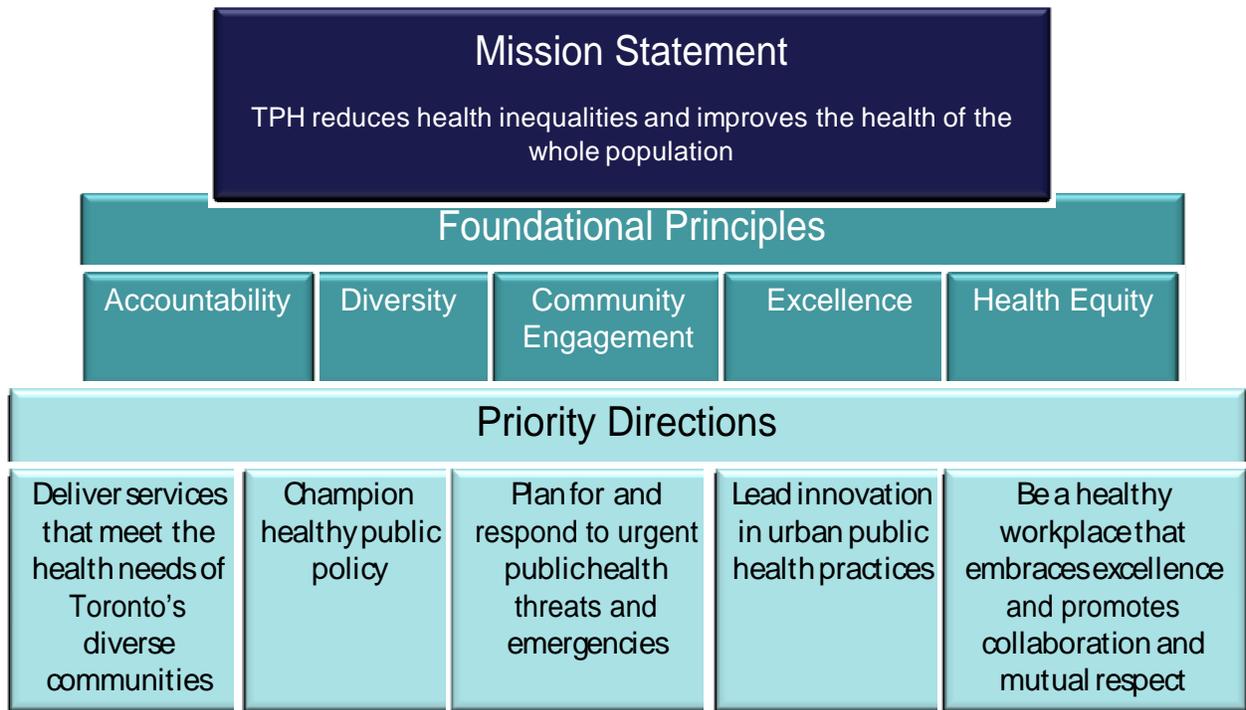
In 2012 a Core Service Review was conducted for all City Divisions & ABCs by KPMG at the direction of City Council. The overall findings of the Core Service Review for Toronto Public Health are broadly consistent and reflect the current legislative basis for the programs delivered by TPH.

All legislatively required programming, as set out in the Health Protection and Promotion Act, and the range of other statutes under which Board of Health programs and services are provided, were accurately described in the report by KPMG as mandatory with service levels either at standard or slightly below standard.

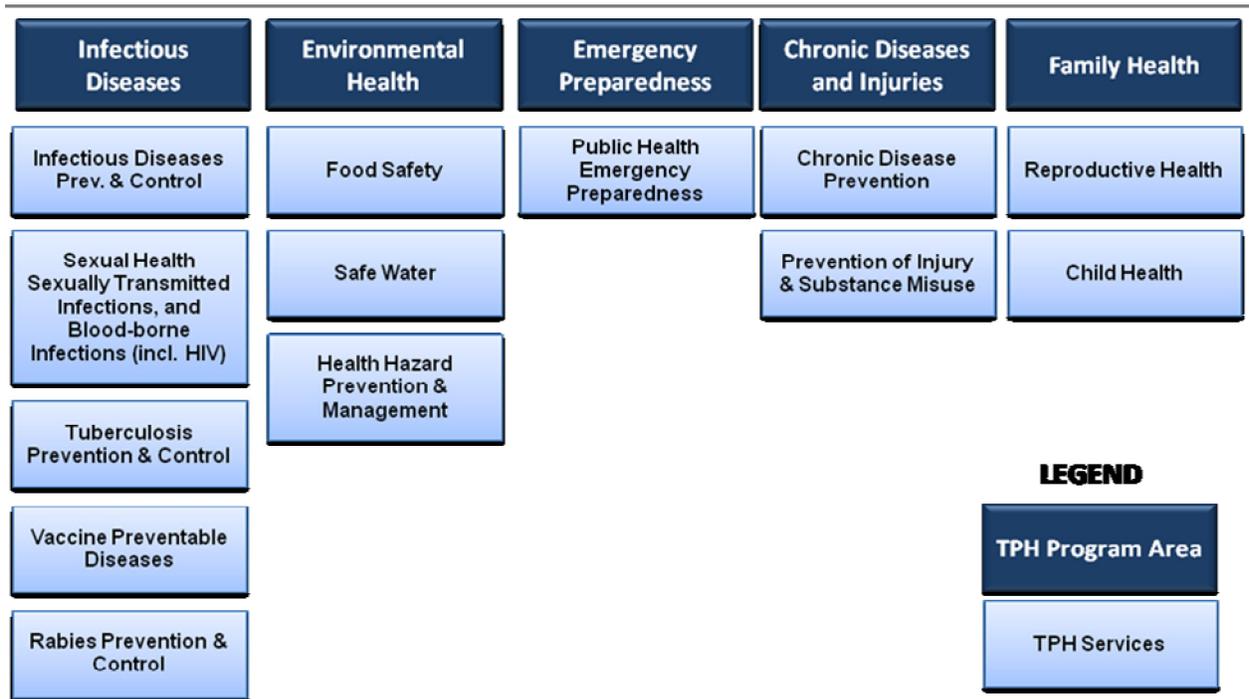
For all legislatively mandated areas of programming, the report makes the observation that the manner in which the legislatively mandated programs are implemented is "discretionary in some cases". The common comment across all mandated services is to "continuously review decisions on the execution of the program delivery (volume, resource allocation, strategy) to seek and generate efficiencies and cost savings." These observations are consistent with the approach taken by TPH including the 2012 budget process to generate the reduction options required to meet the the 2012 operating budget reduction target.

The KPMG report identified the following four areas of programming as non-essential and non-legislative and therefore potential areas for elimination or reduction: Student Nutrition Program, AIDS and Drug Prevention Community Investment Program, municipally funded dental program, and Investing in Families. The Board of Health has adopted the recommendation of the Medical Officer of Health to maintain current funding for the Student Nutrition Program, explore alternate sources of funding for AIDS and Drug Prevention grants, and advocate to the Province for an expansion of the scope and eligibility of Provincially funded dental services.

# TPH Strategic Plan 2010-2014



## TPH Program Map



## Program Overviews

**Infectious Diseases Program** provides services that reduce the occurrence and transmission of infectious diseases through public education, surveillance, case and contact management, immunization and outbreak response. Major activities include:

- The Vaccine Preventable Diseases (VPD) program annually assesses immunization records for all students enrolled in Toronto schools. The VPD program offers Hepatitis B and Meningitis C vaccine to grade 7 students and immunizes thousands of residents annually as part of the provincial Universal Influenza Immunization Program.
- The Sexually Transmitted Infection (STI) case management program provides comprehensive assessment, counseling, referral and partner notification of sexually transmitted infections annually.
- The AIDS and Sexual Health Information Line provides telephone counseling.
- Fifteen Sexual Health (SH) clinics provide services in clinics across the city. Services include STI testing and free treatment, provision of low cost birth control and pregnancy testing and referral.

**Environmental Health (EH) Program** promotes safety of food and beverages in restaurants and processing plants including inspection of over 15,000 food premises in the City of Toronto to ensure compliance with provincial food safety standards. Other EH services include education, training and certification on safe food preparation, handling and processing for food premise

operators as well food safety education for the general public. EH monitors drinking water and recreational water quality (beaches, spas, pools) to ensure compliance with provincial standards, and notifies stakeholders in the event of adverse water quality conditions.

**Emergency Preparedness Program** aims to develop a culture of preparedness. The successful resolution of an emergency depends on the readiness of an organization at the beginning of the crisis. If people know their roles and are well versed on what to do, valuable time is gained in dealing with the emergency instead of losing time because of confusion and uncertainty. Major activities include:

- Developing and maintaining emergency response plans which include arrangements and processes to respond to and recover from a variety of public health emergencies such as an influenza pandemic or large scale infectious disease outbreak.
- Conducting exercises and training courses on emergency preparedness, response and recovery including the Incident Management System (IMS).

**Chronic Disease and Injuries Prevention Program** promotes behaviors that reduce the risk of chronic disease and provides support to low income Torontonians to eat sufficient and nutritious food given income inadequacies. This program delivers promotion and prevention campaigns and services focusing on Cancer Prevention and Early Detection, Nutrition Promotion, Physical Activity Promotion, Tobacco Use Prevention and Cessation, and Injury/Substance Abuse Prevention.

**Family Health Program** promotes and supports healthy behavior for people in their childbearing years, pregnant women, their partners and youth. Public health professionals, including public health nurses, dietitians, and speech language pathologists provide education and outreach on reproductive health. The program also supports proper oral health by providing screening of school aged children, preventive dental services, basic dental treatment for low income children and seniors, administration of Children in Need of Treatment (CINOT) and Ontario Works, and dental services for seniors in collective living centers.

Family Health services include activities that promote and support:

- Healthy behaviors and environments, healthy birth outcomes and readiness to parent for people in their reproductive years.
- Healthy attachment and early learning through positive parenting strategies.
- Physical, cognitive, communicative and psycho-social development of children.
- Effective parenting in high-risk families.
- Oral Health for low income children and seniors

## TPH Operating Budget by Program

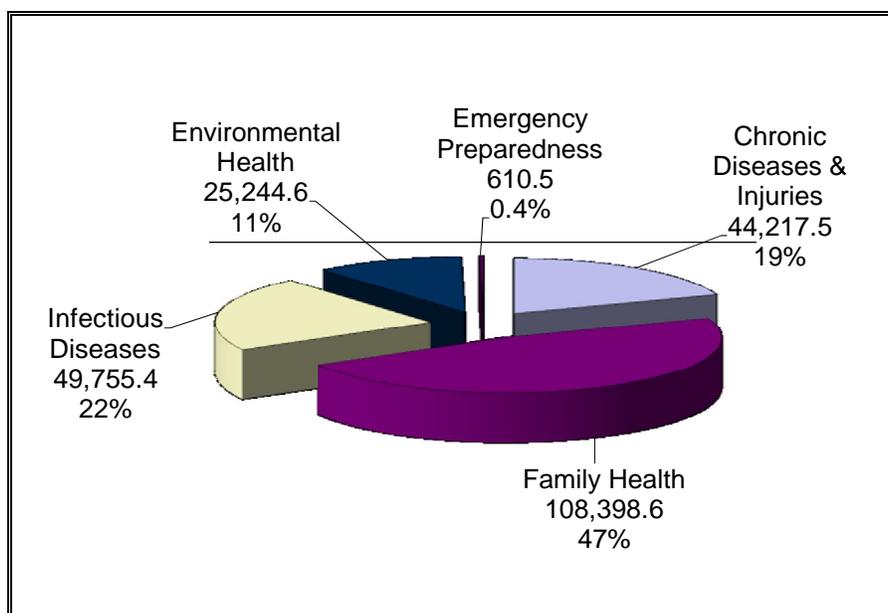
The operating budget that funds the TPH Programs is outlined below in Table 3 which compares budgeted expenditures between the 2011 Budget and the 2012 Request. In Chart 1 – 2012 TPH Operating Budget Request by Program Gross Expenditure, the relative service dollars available by each Program is illustrated.

**Table 3**  
**Operating Budget Expenditure Allocation by Program**

Toronto Public Health	2011 (\$000s)		2012 Request (\$000s)	
	Gross	Net	Gross	Net
Chronic Diseases & Injuries	45,389.6	10,356.3	44,217.5	8,212.0
Family Health	108,992.8	17,869.9	108,398.6	17,164.7
Infectious Diseases	51,656.8	10,636.8	49,755.4	10,218.1
Environmental Health	27,834.4	5,767.3	25,244.6	5,390.8
Emergency Preparedness	595.9	146.9	610.5	151.7
<b>Total</b>	<b>234,469.5</b>	<b>44,777.3</b>	<b>228,226.7</b>	<b>41,137.4</b>

Note: TPH has several 100% provincially funded programs which include: Healthy Smiles Ontario, Communicable Disease Liaison Unit, AIDS Hotline, Healthy Babies/Healthy Children, Preschool Speech & Language, Infant Hearing, Diabetes Strategy, and Smoke Free Ontario. TPH also has one 100% City funded program: Dental treatment for seniors and children.

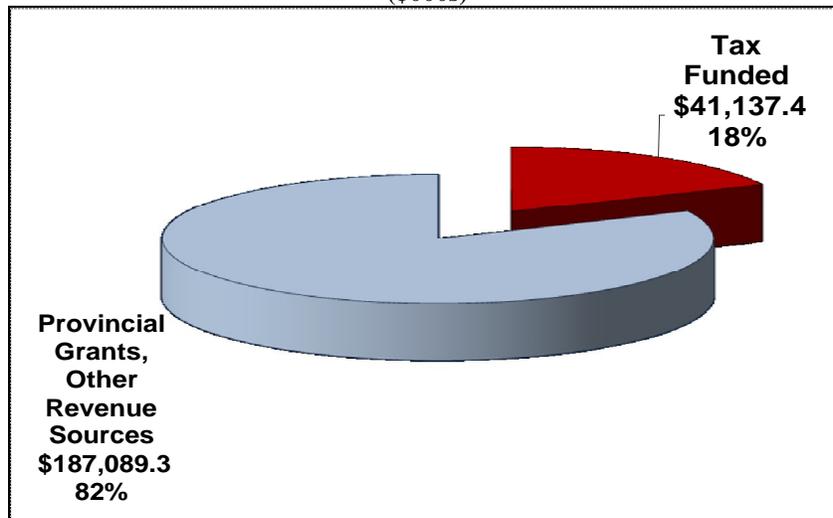
**Chart 1**  
**2012 TPH Operating Budget Request by Program Gross Expenditure (\$000s)**



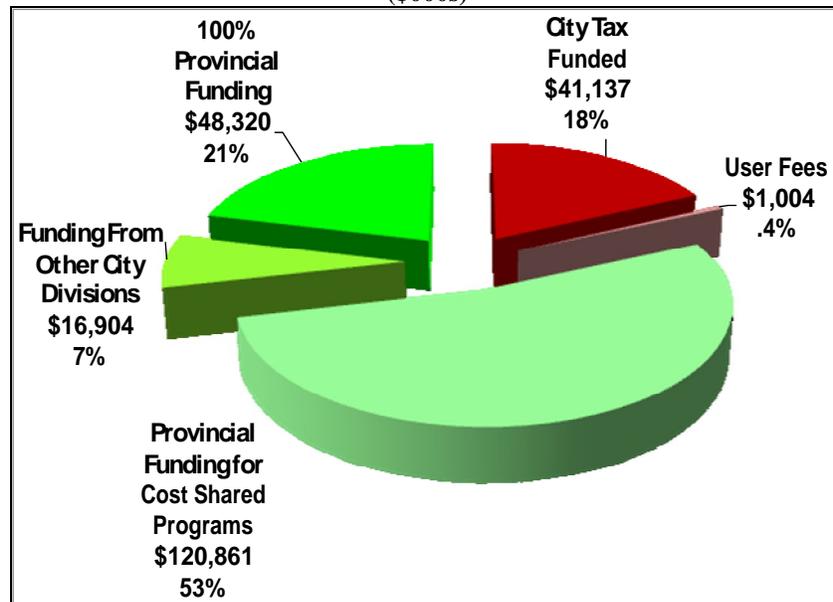
## TPH Operating Budget by Funding Sources

The Province of Ontario provides funding for 74 percent of the TPH gross operating budget with 18 percent contributed from the City and the remaining 8 percent from user fees and other levels of government or external partners, and other City Divisions. From the 74 percent provincially funded programs, 53 percent are cost shared programs at 75:25; and 21 percent are 100 percent funded by the Province.

**Chart 2**  
**Breakdown of TPH 2012 Operating Budget by Funding Source**  
 (\$000s)



**Chart 3**  
**Breakdown of TPH 2012 Operating Budget by Detailed Funding Source**  
 (\$000s)



## Provincial Funding for Cost Shared Programs

The 2012 Operating Budget request for the provincial mandatory cost shared programs, including both the provincial share of 75 percent and the City's share of 25 percent, is \$158,894.4 thousand gross / \$39,105.2 thousand net expenditures, which is a decrease from the 2011 Operating Budget of \$3,216.8 thousand gross and \$1,433.7 thousand net expenditures, or 1.2 percent, mainly related to reduction options which are offset by negotiated compensation costs.

The provincial funding formula will continue at 75 percent in 2011. The cost sharing formula of 75:25 means that funding for every \$4 of public health services requires only \$1 of investment by the City. Conversely, a reduction of \$1 to the net City funded budget would require a \$4 cut in provincial cost-shared programs.

In 2011, the Ministries of Health and Long-Term Care and Health Promotion and Sport provided \$535.0 million to all Ontario Public Health Units to meet the Ontario Public Health Standards. The TPH allocation of the 2011 grant was \$121,302.8 thousand or 22.7 percent for a population of 2.6 million.

In 2011, the Ministry of Health and Long-Term Care (MOHLTC) and the Ministry of Health Promotion and Sport (MHPS) offered increases of up to 3 percent over the 2010 approved funding level to Ontario Boards of Health to meet the Ontario Public Health Standards. For Toronto Public Health, the available allocation was \$3.6 million in 2011. Due to the City's financial constraints, Toronto received only 2.2 percent or \$2.6 million of the available funding over the 2010 approved provincial funding, losing the opportunity to leverage an additional \$1.0 million for needed public health services with the required investment of \$0.250 million from the City.

**Table 4**  
**TPH Provincial Funding for 75% Cost Shared Programs**  
**2007-2012**

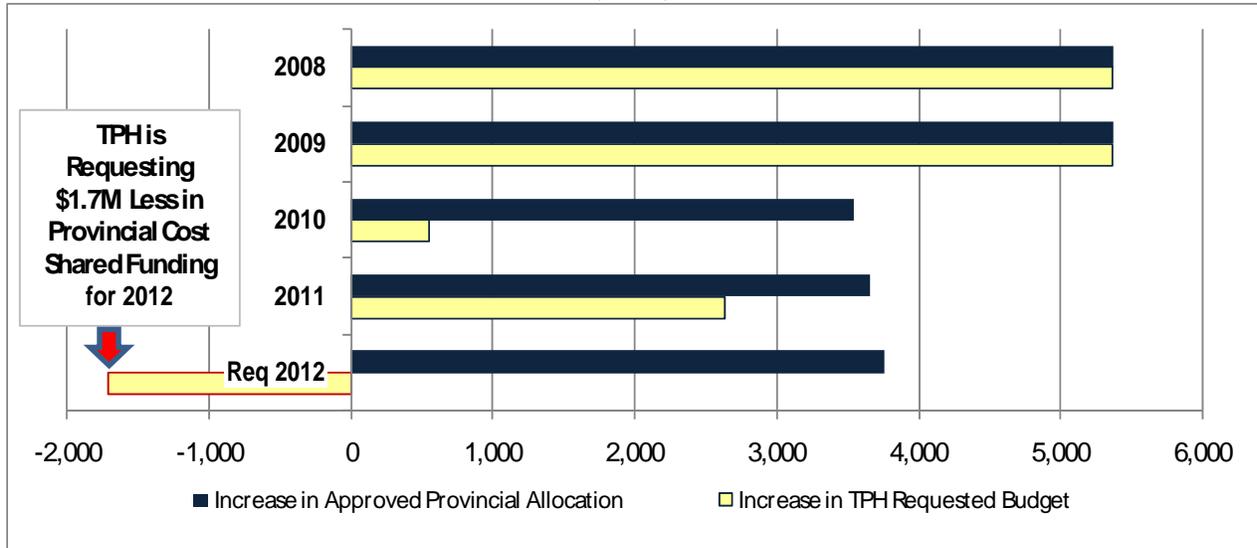
YEAR	PROVINCIAL ALLOCATION			TPH REQUEST			CUMULATIVE REVENUE FOREGONE
	APPROVED PROVINCIAL ALLOCATION	\$ INCREASE	% INCREASE	TPH REQUESTED BUDGET	\$ INCREASE	% INCREASE	
2007	107,383,013			107,383,013			0
2008	112,752,164	5,369,151	5.0%	112,752,164	5,369,151	5.0%	0
2009	118,118,431	5,366,267	4.8%	118,118,431	5,366,267	4.8%	0
2010	121,661,984	3,543,553	3.0%	118,672,157	553,726	0.5%	2,989,827
2011	125,311,843	3,649,859	3.0%	121,302,814	2,630,657	2.2%	4,009,029
2012 Req	129,071,198	3,759,355	3.0%	119,598,630	-1,704,184	-1.4%	9,472,568

Note: Only the Provincial Funding portion of the budget for Cost Shared programs is represented in the table.

In 2012, the Province of Ontario has announced that Ontario Boards of Health will qualify for funding increases of up to 3 percent over the 2011 approved funding level. The available

allocation would have been \$3.8 million if Toronto accepted the maximum annual increases. Again in 2012, due to the City's financial constraints, Toronto Public Health is requesting a decrease of \$1.7 million or 1.4 percent of the available provincial funding, losing the opportunity to leverage an additional \$5.5 million for needed public health services with a required investment from the City of \$1.375 million.

**Chart 4**  
**Comparison of TPH Requested Funding Increase and Eligible Provincial Allocation**  
**For 75% Cost Shared Programs 2008-2012**  
 (\$000s)



In 2010, 2011 and as requested for 2012, total provincial funding of \$9.5 million will be lost to the City for public health services due to fiscal constraints. The opportunity to invest in and build public health programs and services in areas of such as communicable disease control and chronic disease prevention is lost when available provincial funding is not maximized.

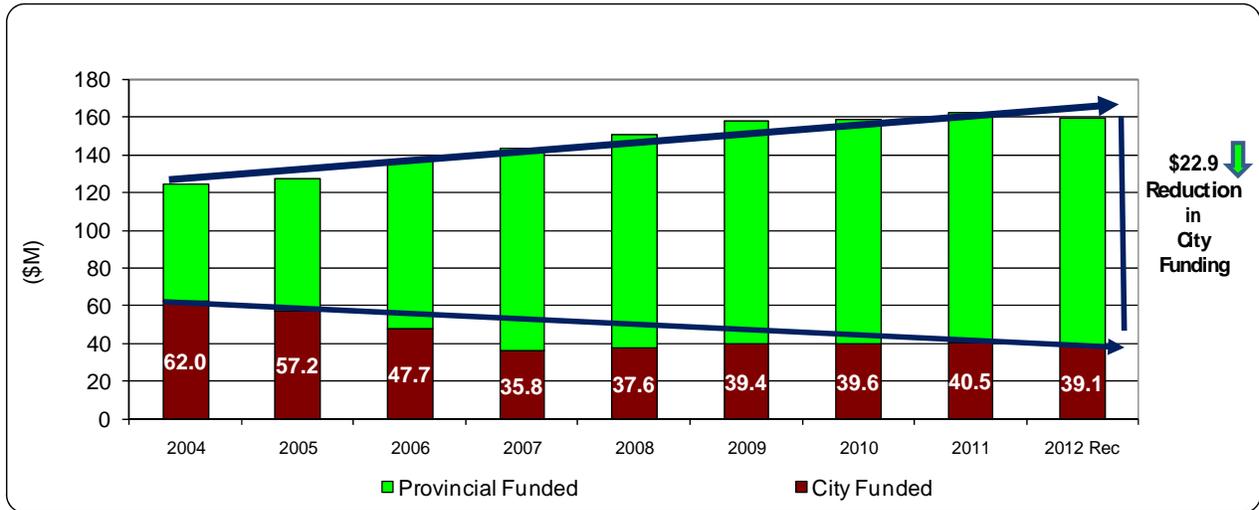
In 2004, Operation Health Protection was announced by the Ontario government to increase the provincial share of public health funding from 50 percent to 75 percent by 2007 as follows:

- January 1, 2005 – 55 percent
- January 1, 2006 – 65 percent
- January 1, 2007 – 75 percent

The plan to rebuild the public health infrastructure in Ontario was developed using the lessons learned from Walkerton, West Nile virus and SARS was drawn from the recommendations of the National Advisory Committee on SARS and Public Health chaired by Dr. David Naylor, the Expert Panel on SARS and Infectious Disease Control chaired by Dr. David Walker, and the Interim Report of Mr. Justice Archie Campbell.

The shift in funding from the City to the Province from 2005 to 2007 reduced the City's investment in TPH from \$62 million in 2004 to \$35.8 million in 2007, with savings to the City of \$26.2 million.

**Chart 5**  
**City Savings Due to Change in Provincial Funding Ratio for Cost Shared Programs**

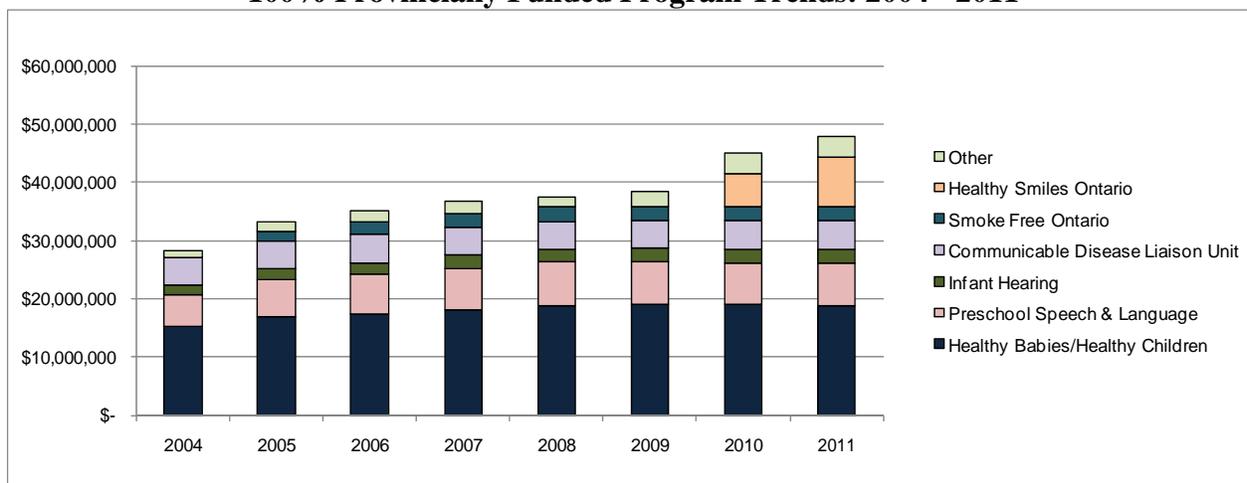


Since 2004 the City's contribution to TPH Budget has declined as the Province has increased the funding of cost shared mandatory programs from 50 percent in 2004 to 75 percent in 2007. The City's contribution towards funding of the TPH operating budget since 2004 is illustrated in Chart 4 above.

## 100% Provincially Funded Programs

Several programs offered by TPH are funded 100 percent by the Province including Healthy Babies/Healthy Children, Preschool Speech and Language and Communicable Disease Liaison Unit as outlined below in Table 5 – 100% Provincially Funded Program Trends: 2004 - 2011. Over the past eight years the amount of 100 percent funding has increased by almost 70 percent from \$28.3 million in 2004 to \$47.9 million in 2011.

**Chart 6**  
**100% Provincially Funded Program Trends: 2004 - 2011**



**Table 5**  
**100% Provincially Funded Program Trends: 2004 - 2011**

100% Funded Programs	2004	2005	2006	2007	2008	2009	2010	2011
Healthy Babies/Healthy Children	\$ 15,264,657	\$ 17,011,762	\$ 17,492,832	\$ 18,140,795	\$ 18,931,125	\$ 18,972,925	\$ 18,972,925	\$ 18,872,925
Preschool Speech & Language	\$ 5,446,763	\$ 6,276,042	\$ 6,724,208	\$ 7,172,373	\$ 7,411,373	\$ 7,443,373	\$ 7,303,373	\$ 7,271,373
Infant Hearing	\$ 1,595,714	\$ 1,865,185	\$ 1,994,545	\$ 2,188,905	\$ 2,161,505	\$ 2,309,180	\$ 2,305,945	\$ 2,430,945
Communicable Disease Liaison Unit	\$ 4,777,650	\$ 4,854,384	\$ 4,854,384	\$ 4,854,384	\$ 4,854,400	\$ 4,854,400	\$ 4,854,400	\$ 4,854,400
Smoke Free Ontario		\$ 1,592,307	\$ 2,132,532	\$ 2,419,294	\$ 2,549,233	\$ 2,339,694	\$ 2,327,376	\$ 2,328,344
Healthy Smiles Ontario							\$ 5,738,206	\$ 8,546,427
Other	\$ 1,245,616	\$ 1,582,746	\$ 1,935,915	\$ 2,036,617	\$ 1,689,849	\$ 2,524,046	\$ 3,531,039	\$ 3,597,126
<b>Total</b>	<b>\$ 28,330,400</b>	<b>\$ 33,182,426</b>	<b>\$ 35,134,416</b>	<b>\$ 36,812,368</b>	<b>\$ 37,597,485</b>	<b>\$ 38,443,618</b>	<b>\$ 45,033,264</b>	<b>\$ 47,901,540</b>

2011 Budget for 100% funded programs only includes official funding letters from the Province

2012 Budget for 100% funded programs not yet approved

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## PART III: PROGRAM DETAILS

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The Program Details section provides an overview of each of the five major programs that makeup TPH. The Service Highlights section summarizes significant achievements during the past year. Program Challenges and Opportunities describes any significant challenges that could limit the program's ability to meet its key strategic directions and any opportunities that might be available to the Program in contributing to the achievement of its strategic directions and service objectives. This year TPH introduced a new section called Program Efficiencies and Savings to provide information on the recommended reduction options that are required to meet the 2012 Operating Budget reduction target.

<b>INFECTIOUS DISEASES</b> (in \$000s)		<b>Gross Budget</b>	<b>Net Budget</b>
	<b>2012 Rec</b>	<b>49,755.4</b>	<b>10,218.10</b>
	<b>2011</b>	<b>51,656.8</b>	<b>10,636.8</b>
	<b>Difference</b>	<b>-1,901.4</b>	<b>-418.7</b>

### ***Program Overview***

***The Infectious Diseases Program*** provides services that reduce the occurrence and transmission of infectious diseases through public education, surveillance, case and contact management, immunization and outbreak response. Major activities include:

- The Vaccine Preventable Diseases (VPD) program annually assesses immunization records for all students enrolled in Toronto schools. The VPD program offers Hepatitis B, Meningitis C, and Human Papilloma Virus (HPV) vaccine to grade 7 students and immunizes thousands of residents annually as part of the provincial Universal Influenza Immunization Program.
- The Sexually Transmitted Infection (STI) case management program provides comprehensive assessment, counseling, referral and partner notification of sexually transmitted infections annually.
- The AIDS and Sexual Health Information Line provide telephone counselling.
- Fifteen Sexual Health (SH) clinics provide services in clinics across the city. Services include STI testing and free treatment, provision of low cost birth control and pregnancy testing and referral.
- Provide treatment and follow up (including Directly Observed Therapy) to 300 new TB cases annually

## 2011 Service Highlights

- ☑ Sexual Health, Sexually Transmitted Infections: Over 50,000 client visits to sexual health clinics annually; wait times for new clients for clinic services 2-3 weeks; Tracked and investigated over 12,800 confirmed cases of Chlamydia, gonorrhea, syphilis and HIV; Provincially funded medication for treatment for reportable STI treatment provided to all requesting community physicians.
- ☑ Infectious Disease Prevention & Control: 24/7 availability. Receive, assess and review 80,000 notifications of infectious diseases annually and report infectious disease surveillance information to the Ministry of Health and Long-Term Care daily using the Integrated Public Health Information System (iPHIS) within designated timelines. Responded to approximately 40,000 confirmed cases of reportable/communicable diseases. Inspected 2,700 critical and semi-critical personal services settings. Responded to all infection prevention and control complaints in settings where services are provided by regulated health professionals. Worked with 7,750 community partners and health care providers including: hospitals, long-term care and retirement homes, regional infection control network, health care providers (community health centres, family physicians), shelters and correctional facilities. As well, worked with other partners including 986 schools (public and private), 50 laboratories (public and private), 876 licensed child care operators, and other levels of government.
- ☑ Tuberculosis (TB) Prevention & Control: TB education sessions were provided to over 500 newcomers; 300 health care professionals; and 500 persons at their school or workplace. Followed up 298 active TB cases representing a 9% increase from 2009 but remains below the previous 5 and 10 year incidence rates for active TB in Toronto. Over 80% of eligible clients with active TB were placed on directly observed therapy (DOT) and 98% of all cases completing treatment in 2010 completed appropriate and adequate treatment according to the Canadian TB Standards. In addition over 2000 persons identified as a contact of a person diagnosed with active TB were followed up. TB staff assessed and followed up 1482 clients placed on TB Medical Surveillance by Citizenship and Immigration Canada as part of a condition of their immigration process.
- ☑ Vaccine Preventable Diseases: Provided approximately 80,000 vaccinations for Hepatitis B, Meningococcal, meningitis, and human papillomavirus (HPV) to grades 7&8 students; provided approximately 35,000 vaccinations for seasonal flu and organized 1,500 immunization clinics (flu, school immunizations, homeless shelters, and school-aged children who are under vaccinated) annually. 440 at risk Toronto residents were vaccinated against Hepatitis A after being exposed to the virus in a restaurant. The VPD program supported the launch of the new Provincial Publicly-Funded Vaccination Schedule by creating and updating fact sheets and the TPH website. A summary of the new vaccines and schedule changes was delivered to all relevant physicians during vaccine storage and handling visits. The VPD program completed an updating of the TPH mass vaccination contingency plan using lessons learned from the 2009 H1N1 influenza pandemic.

## ***Program Challenges and Opportunities***

- ☑ The VPD program has multiple provincially mandated components including assessment of immunization status of school children and children attending licensed day nurseries, vaccination clinics for Influenza, Meningitis, Hepatitis B and HPV, cold chain inspections where publicly funded vaccines are stored as well as education of health care providers and the public. Current demands exceed resource capacity. Specifically, the VPD program is unable to implement the assessment of immunization status of day nursery children, has had to reduce the intensity of its assessment of school children's immunizations to alternating between elementary and secondary school cohorts each year, with anticipated increased time for data entry with the introduction of a new provincial information system, Panorama, in 2012/13.
- ☑ Sexual Health, Sexually Transmitted Infections, and Blood-borne Infections (including HIV): Current wait times for new clients at sexual health clinics are 2-3 weeks. STI rates continue to increase in Toronto and demand for services exceeds program capacity.
- ☑ In the fall of 2011 the TB program is embarking on a pilot of Video Directly Observed Therapy (DOT) whereby a TB nurse observes a client with TB taking their TB medications by using a video phone instead of an on-site home visit. If successful this will result in increased efficiency and flexibility of DOT services.
- ☑ Infectious Disease Prevention & Control: In fall 2011 will conduct stakeholder consultation regarding potential licensing of personal services settings and disclosure of inspection results.

## ***Program Efficiencies and Savings***

- ☑ Redesign of TB service delivery will improve the efficiency of case management/contact follow-up by streamlining processes and using new technologies. Video DOT (VDOT), to be implemented in July 2012, will reduce staff time required to perform daily Directly Observed Therapy (DOT) for predetermined clients while maintaining current service levels.
- ☑ A new staffing model for the Immunization program has been developed that will allow the skill sets of staff to be utilized to the fullest in the delivery of immunization clinics, cold chain inspections and investigations, investigation of adverse vaccine reactions; and the Immunization Information Line.
- ☑ Redesign of TPH Sexual Health Clinics (hours, use of MDs), and expansion of partnership clinics in NW Toronto will result in service delivery efficiencies.
- ☑ The cost of operating the Influenza Vaccination Clinics will be reduced through a redesigned that decreases the number of clinics from the current 65 to 40. The remaining clinics will be expanded and have the capacity to immunize the same number of clients. Community impact will be limited since the influenza vaccine is available in a growing number of locations including pharmacies and physician offices.
- ☑ Transfer funding for Methadone from 100% City funded to Provincial Cost Shared.

- ☑ TPH is proposing to eliminate immunization clinics for Hepatitis B, Meningitis and HPV vaccines in schools that have 25 or fewer students enrolled in grade 7. TPH will continue to make these three vaccines available at evening community catch-up clinics in close proximity to such schools and/or by facilitating vaccine delivery to a student's family physician. This would reduce the number of school visits and increase efficiency of the program.

<b>ENVIRONMENTAL HEALTH</b> (in \$000s)		<b>Gross Budget</b>	<b>Net Budget</b>
	<b>2012 Rec</b>	<b>25,244.6</b>	<b>5,390.8</b>
	<b>2011</b>	<b>27,834.4</b>	<b>5,767.3</b>
	<b>Difference</b>	<b>-2,589.8</b>	<b>-376.5</b>

### ***Program Overview***

***Environmental Health (EH) Program*** promotes safety of food and beverages in restaurants and processing plants including inspection of over 17,000 food premises in the City of Toronto to ensure compliance with provincial food safety standards. Other EH services include education, training and certification on safe food preparation, handling and processing for food premise operators as well food safety education for the general public. EH monitors drinking water and recreational water quality (beaches, spas, pools) to ensure compliance with provincial standards, and notifies stakeholders in the event of adverse water quality conditions.

### ***2011 Service Highlights***

- ☑ Food Safety: 7,414 food handlers trained, 7,145 food handlers certified, and 286 food handler training sessions conducted; Conducted about 20 public education campaigns (trade shows, events, special education sessions, etc).
- ☑ Safe Water: System in place to receive and respond to adverse drinking water events. Up to 1,000 adverse drinking water events reported and investigated annually.
- ☑ Safe Water: All 11 public beaches monitored daily (from June to September); with 61 beach water samples taken and assessed/analyzed daily and reported on the public web site. Completed approximately 3,500 recreational water facilities inspections; Issued 143 Section 13 (HPPA) Closure Orders for swimming pools, spas, and wading pools as conditions were found to cause a health hazard.

### ***Program Challenges and Opportunities***

- ☑ Water: Recreational water inspections (spas, wading pools, swimming pools) not being met as resources are being diverted to address needs of vulnerable clients, heat alerts, as well as responding to bed bugs complaints and emergencies. (i.e. Service Standards are not being consistently achieved) These service impacts have been partially offset by one-time 100% provincial funding for safe water programs.

- ☑ Food Safety: Low risk food premises (approximately 4,319 in 2010) are not being inspected as per Ontario Public Health Standards and Protocol requirements i.e. Service Standards are not being consistently achieved (Reasons for not meeting Public Health Standards are same as in bullet #1)
- ☑ Health Hazard Prevention & Management: Not complying with annual inspections of arenas, schools, lodging homes, boarding homes and retirement homes. i.e. Service Standards are not being consistently achieved (Reasons for not meeting Public Health Standards are same as in bullet #1)

**Program Efficiencies and Savings**

- ☑ The implementation of shift change options in dealing with afterhours/on-call work, and a reduction in the number of special events that receive after hour inspections will reduce overtime costs.
- ☑ Elimination of funding provided to Toronto Animal Services for the purpose of conducting education and outreach activities regarding rabies control (bite prevention) which are above the required provincial standard.
- ☑ The Vector Borne Disease Program will be redesigned in response to the lower level of viral activity over the past three years.
- ☑ The delivery of the Hot weather response is being redesigned to replace the alert notification system (Find Help Contract) and the heat information line (CRC contract) with internal alternate solutions (311 and TPH). There will also be a reduction in pro-active education and outreach to landlords or vulnerable tenants. Capacity to provide assistance and response in extreme heat events will be retained and drawn upon as required.

<b>EMERGENCY PREPAREDNESS</b> (in \$000s)		<b>Gross Budget</b>	<b>Net Budget</b>
	<b>2012 Rec</b>	<b>610.5</b>	<b>151.7</b>
	<b>2011</b>	<b>595.9</b>	<b>146.9</b>
	<b>Difference</b>	<b>14.6</b>	<b>4.8</b>

**Program Overview**

*The Emergency Preparedness Program aims* to develop a culture of preparedness. The successful resolution of an emergency depends on the readiness of an organization at the beginning of the crisis. If people know their roles and are well versed on what to do, valuable time is gained in dealing with the emergency instead of losing time because of confusion and uncertainty. Major activities include:

- Developing and maintaining emergency response plans which include arrangements and processes to respond to and recover from a variety of emergencies.

- Conducting exercises and training courses on emergency preparedness, response and recovery including the Incident Management System (IMS).

### **2011 Service Highlights**

- ☑ Public Health Emergency Preparedness: Respiratory Fit Testing completed for all TPH staff (by the end of 2011)
- ☑ Public Health Emergency Preparedness: Assigned and trained 204 TPH non-union staff on Incident Management System and their role

### **Program Challenges and Opportunities**

- ☑ Public Health Emergency Preparedness: Working with partner agencies to exercise emergency plan
- ☑ Public Health Emergency Preparedness: Training all Toronto Public Health staff on the Incident Management System (IMS)

<b>CHRONIC DISEASES AND INJURIES</b> (in \$000s)		Gross Budget	Net Budget
	<b>2012 Rec</b>	<b>44,217.5</b>	<b>8,212.0</b>
	<b>2011</b>	<b>45,389.6</b>	<b>10,356.3</b>
	<b>Difference</b>	<b>-1,172.1</b>	<b>-2,144.3</b>

### **Program Overview**

*Chronic Disease and Injuries* (CDI) promotes behaviors that reduce the risk of chronic disease and provides support to low income Torontonians to eat sufficient and nutritious food given income inadequacies. This program delivers promotion and prevention campaigns and services focusing on Cancer Prevention and Early Detection, Nutrition Promotion, Physical Activity Promotion, Tobacco Use Prevention and Cessation, and Injury/Substance Abuse Prevention.

### **2011 Service Highlights**

- ☑ Responded to 2,574 intake referrals for CDI (healthy eating, physical activity, tobacco use prevention, cancer prevention/screening and injury prevention) services
- ☑ 29,028 people were reached through 328 cancer prevention/screening interventions
- ☑ 1,450 adults reached through the diabetes assessment and prevention programs
- ☑ 219,595 children and youth in schools and the broader community were reached by CDI initiatives building positive health behaviours (healthy eating, active living, tobacco use prevention and UVR/sun safety)

- ☑ Completed 7,555 tobacco enforcement inspections (in food premises, tobacco vendors and work/public places); laid 435 charges; and issued 2,717 warnings.
- ☑ Conducted several joint enforcement operations (related to contraband tobacco) with the RCMP, Toronto Police, Alcohol and Gaming Commission Ontario, Municipal Licensing and Standards and Ontario Ministry of Revenue (over 200 referrals of contraband tobacco to the Ontario Ministry of Revenue); and over 120 premises inspected for contraband tobacco products as of April 2011.
- ☑ Conducted 300 Individual (seniors) visits for falls prevention; worked with 16 community partners and trained 170 Health and Allied Health Professionals in Falls Prevention that serviced 88,000 seniors; reached 75,100 seniors through public awareness activities (fall prevention)
- ☑ 213 youth leaders and 204 youth serving agencies received peer leadership/education training in areas of youth engagement, healthy eating, active living, tobacco use prevention, self esteem and resiliency

### ***Program Challenges and Opportunities***

- ☑ High demand for services in schools and limited staff result in the inability to deliver comprehensive services to schools. Current school nurse liaison ratio is 30:1 versus a provincial average of 15:1.
- ☑ Of the 767 publicly funded schools in Toronto, 302 schools/school communities, representing 228,754 students, do not have access to a municipally subsidized school feeding program. Schools with feeding programs have an opportunity to strengthen their learning environment with integrated healthy eating messages and have direct access to TPH registered dietitians supporting the feeding programs.
- ☑ Expand the Diabetes Prevention Programming to targeted communities in Toronto, using education, peer leaders and social marketing to increase the awareness of the risk factors of Type 2 Diabetes and increase opportunities to reduce these risk factors resulting in reaching 335,000 individuals at high risk
- ☑ Expand partnerships with CHCs (41% to 75%) and Family Health Teams (0 to 20%) to increase the number of smokers who are offered cessation treatment and increase the number of women who are screened for early detection of cancer.

### ***Program Efficiencies and Savings***

- ☑ Redesign of the Injury Prevention Program through integration into other life stage program areas within TPH will result in efficiencies.
- ☑ The Telephone Nutrition Counseling redesign will take advantage of changing needs and existing complementary services. Calls regarding general nutrition information will be redirected to Eat Right Ontario. Efficiencies have been realized through the implementation of the TCHIS system last year which decreased the time for record searching, documentation and distribution of the requests. The creation of the nutrition portal on TPH Website has made it easier to direct callers to the nutrition information.

- ☑ The Workplace Health Promotion redesign will place increased emphasis on more indirect services such as web based interventions and newsletter distribution.

<b>FAMILY HEALTH</b> (in \$000s)		<b>Gross Budget</b>	<b>Net Budget</b>
	<b>2012 Rec</b>	<b>108,398.6</b>	<b>17,164.7</b>
	<b>2011</b>	<b>108,992.8</b>	<b>17,869.9</b>
	<b>Difference</b>	<b>-594.2</b>	<b>-705.2</b>

### ***Program Overview***

***Family Health*** promotes and supports healthy behavior for people in their childbearing years, pregnant women, their partners and youth. Public health professionals, including public health nurses, dietitians, and speech language pathologists provide education and outreach on reproductive health. The program also supports proper oral health by providing screening of school aged children, preventive dental services, basic dental treatment for low income children and seniors, administration of Children in Need of Treatment (CINOT) and Ontario Works, and dental services for seniors in collective living centers.

Healthy Families services include activities that promote and support:

- Healthy behaviors and environments, healthy birth outcomes and readiness to parent for people in their reproductive years.
- Healthy attachment and early learning through positive parenting strategies.
- Physical, cognitive, communicative and psycho-social development of children.
- Effective parenting in high-risk families.
- Oral Health for low income children and seniors.

### ***2011 Service Highlights***

- ☑ Child Health: Provided postpartum contact to 22,794 mothers provided 26,644 visits to 2,500 high risk families. Provided 11,200 families with breastfeeding telephone counselling and face to face breastfeeding support and delivered 244 group parenting programs reaching 3000 parents.
- ☑ Child Health Peer Nutrition Program: Delivered 165 education sessions (6 weeks, 2 hours per week) reaching 1400 parents and caregivers. The education sessions are delivered by Community Nutrition Educators in 34 languages/cultures.
- ☑ Reproductive Health: Provided 1,950 group sessions at 39 sites (Canadian Prenatal Nutrition Partnerships) for 3,000 high risk women. Provided nutrition counselling services for 733 high risk pregnant mothers.

- ☑ Reproductive Health: Provided prenatal screening to 864 women (and provided assessment, counseling, education, and referral to 336 high risk women).
- ☑ Toronto Preschool Speech and Language System: Provided speech & language intervention to 6,990 preschool children in 340 community sites, their families, and caregivers with 1300 children on an eight month wait list; Performed hearing screening tests on 37,130 newborns born in Toronto hospitals (all infants born in Toronto hospitals regardless to where the live); provide assessment, counseling, referral, and service co-ordination for the 4 in 1000 children who are identified with a hearing loss; New referrals per year: 3,890. Average age of referral: 28 months. Education programs delivered to 2,000 parents. Trained 520 professionals on caregiver services; Infant Health: operate in 17 community clinics in partnerships with Ontario Early Year Centres and hospitals; provided 61 family support referrals as part of the Blind Low Vision program.
- ☑ Dental Health: Children in Need of Treatment (CINOT) program: a total of 7,029 children received treatment; and over 19,000 children received preventive services (cleaning, fluoride); CINOT expansion (14-17 years of age) provided preventive and oral health services to 590 clients; Healthy Smiles Ontario program – a full range of preventive and early treatment dental services including check-ups, cleaning, fillings, x-rays, and scaling; Lead and coordinated partnerships with dentists and dental hygienists for program access and delivery: Provided dental services to 13,000 seniors and caregivers in long-term care homes and treated 7,164; Treated 7,536 children and youth; and 605 peri-natal clients. Service Standards are not being consistently achieved
- ☑ Student Nutrition Program: 465 (out of 800 eligible) school communities (representing 685 student nutrition programs) received grant funding through the municipal subsidy administered by the two public school board foundations reaching 132,246 children and youth (105,624 children and 26,622 youth).

### ***Program Challenges and Opportunities***

- ☑ Reproductive Health/Child Health: Unable to meet Service Standards related to Disease Prevention (screening, assessment, home visiting, home services coordination and system integration, referral), that are components of the Healthy Babies, Healthy Children (HBHC) program 100% funded by Ministry of Children and Youth Services with current staffing levels and demand for services.
- ☑ Unable to meet components of the Preschool Speech & Language, Infant Hearing and Blind Low Vision programs –100% funded by Ministry of Children and Youth Services with current staffing levels and demand for services.
- ☑ Child Health Breastfeeding program: development of community based breastfeeding clinics as an alternate service delivery model to meet community demand for services
- ☑ Working to achieve internationally recognized Baby-Friendly (BFI) designation

## ***Program Efficiencies and Savings***

- ☑ The redesign of the Prenatal Group Education program will discontinue the delivery of TPH group prenatal education throughout the City. Several different alternate service delivery strategies will be developed to continue to meet the needs of prenatal women currently being served including: referral of at risk prenatal women to the HBHC program, an e-learning prenatal module and purchase of service arrangements with community prenatal education programs for low income women who cannot afford to pay the fees.
- ☑ The efficiencies gained through the Healthy Families reorganization will no longer be reinvesting into increased child health service levels (i.e., expansion of specific programs) and services will be maintained at 2010 levels.
- ☑ The 100% provincially funded Healthy Families Healthy Children (HBHC) Program will no longer receive in-kind staff contribution from the cost shared budget. As a result the program will need to focus resource more on high risk families.
- ☑ Eliminate City funding for dentures and require seniors receiving denture services involving laboratory fees to pay 100% of the lab costs rather than 50%. City charges for dentures will remain significantly below those charged in the private sector. Clients who cannot pay for the full lab fee will be referred to Toronto Employment and Social Services (TESS) hardship fund where they may apply for funding to cover the cost of the denture lab fee.
- ☑ The redesign of the Mobile Geriatric Dental Service will restructure the team in order to provide preventive services in a more efficient manner. The teams will provide dental hygiene screening, oral hygiene care, and denture cleaning and labeling to institutionalized seniors. As well the teams will provide instructions to staff and caregivers on customized oral health care for institutionalized seniors.
- ☑ The Breastfeeding Service Redesign will reduce in home visiting support to women who are experiencing difficulty in establishing and sustaining breastfeeding. Individual support to an equivalent number of women will be provided through the alternate delivery strategy of community based clinics. Limited home visiting will remain available for postpartum women who are unable to attend a community clinic.
- ☑ The City of Toronto has 39 federally-funded Canada Prenatal Nutrition Programs (CPNP) for high risk pregnant women. TPH works in partnership with each program to provide dietitian and public health nursing support to program participants. Efficiencies can be generated through a review of the current level of TPH service at each of the programs. A needs-based approach to allocating resources will ensure that all 39 programs continue to receive both dietitian and public health nursing support, but at a more harmonized and, in some cases slightly reduced, level.

## PART IV: OPERATING BUDGET DETAILS

### Overview of 2012 Operating Budget

Table 6  
Toronto Public Health  
Summary of 2012 Operating Budget Request

<b>Overview of the 2012 Operating Budget Request</b>				
	Summary of 2012 Operating Budget Request			
	Approved Positions	Gross Expenditures	Revenues	Net
(\$000s)		\$	\$	\$
2011 Council Appr. Operating Budget as at February 28, 2011	1,925.2	233,667.8	189,089.8	44,578.0
In-year approvals and technical adjustments	(0.3)	801.7	602.5	199.2
<b>2011 Operating Budget</b>	<b>1,925.0</b>	<b>234,469.5</b>	<b>189,692.2</b>	<b>44,777.2</b>
Reversal of Non Recurring items & Capital Projects	(39.3)	(5,098.5)	(5,000.2)	(98.3)
Prior Year Impacts / Annualizations	0.2	0.0	0.0	0.0
Economic Factors - Non Payroll	0.0	0.0	0.0	0.0
Step, Progression Pay, Benefits	0.0	3,403.1	2,634.0	769.1
<b>PART 1: Adjusted Base Budget</b>	<b>1,885.9</b>	<b>232,774.1</b>	<b>187,326.1</b>	<b>45,448.0</b>
Other Base Changes	(4.0)	335.2	187.4	147.8
Salaries & Benefits Related to Capital Projects	33.0	3,360.0	3,360.0	0.0
<b>PART 2: 2012 Base Budget Request</b>	<b>1,914.9</b>	<b>236,469.3</b>	<b>190,873.5</b>	<b>45,595.8</b>
Over (Under) 2011 Operating Budget	(10.1)	1,999.8	1,181.3	818.5
% Over (Under) 2011 Final Budget	(0.5)	0.9	0.6	1.8
<b>Requested Reduction Options</b>	<b>(58.3)</b>	<b>(8,242.6)</b>	<b>(3,784.2)</b>	<b>(4,458.4)</b>
<b>PART 3: 2012 Request Including Reduction Options</b>	<b>1,856.7</b>	<b>228,226.7</b>	<b>187,089.3</b>	<b>41,137.4</b>
Over (Under) 2011 Final Operating Budget	(68.3)	(6,242.8)	(2,602.9)	(3,639.9)
% Over (Under) 2011 Final Budget	(3.6)	(2.7)	(1.4)	(8.1)

## Budget Impact on Toronto Taxpayers

The Province of Ontario provides funding for 76 percent of the TPH gross operating budget with 17 percent contributed from the City and the remaining seven percent from user fees and other levels of government or external partners. The cost sharing formula of 75:25 means that every \$4 of public health services requires only \$1 of investment by the City.

The table below shows the annual cost of public health services per Toronto resident since 2001. The shift in the provincial formula starting in 2005 from 50 percent to 75 percent funding for cost-shared programs has allowed the City to move significant property tax dollars from public health into other City programs. The 2012 Operating Budget request includes \$22.9 million less in municipal funding than in 2004. The 2012 Operating Budget request would cost each Toronto resident \$15.82 in property taxes.

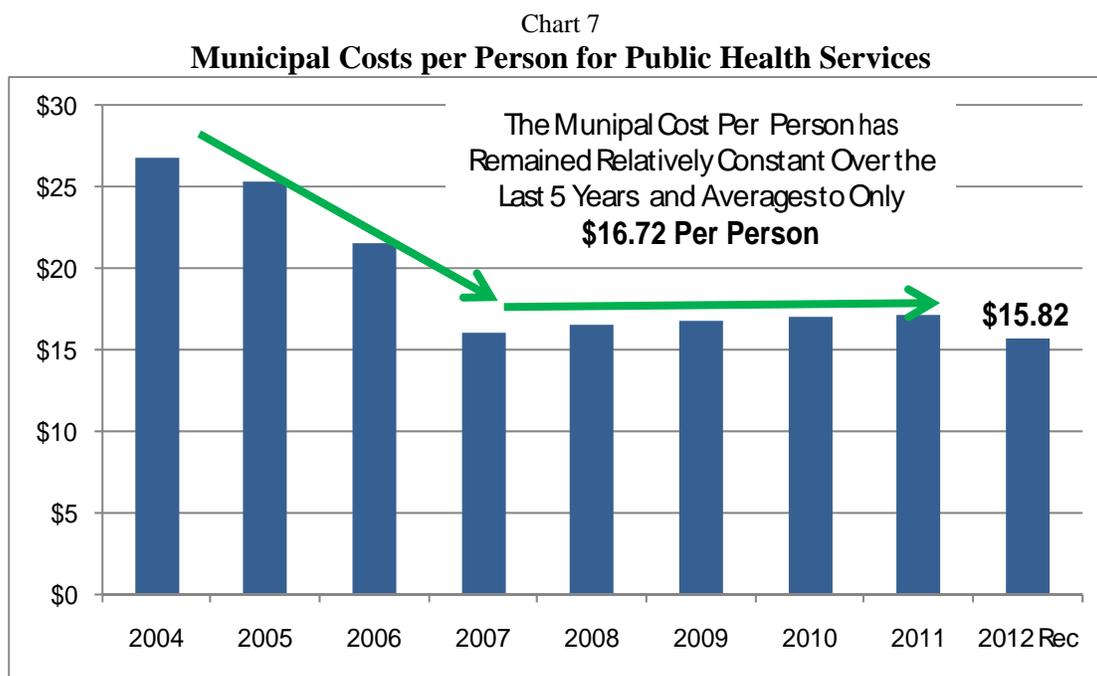


Table 7  
**Municipal Costs per Person for Public Health Services**

2004	2005	2006	2007	2008	2009	2010	2011	2012 Rec
26.74	25.38	21.59	16.07	16.50	16.85	16.99	17.22	15.82

## Section A: Base Budget

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### PART 1: Adjusted Base Budget

The net Adjusted Base Budget of \$45,448.0 thousand, that is \$670.8 thousand above the 2011 net budget, includes an increase of \$769.1 thousand for 2011 salaries and benefits for progression pay, step and benefits, a decrease of \$98.3 thousand for previously approved operating budget impacts of capital projects, and reversal of non-recurring items.

### PART 2: Base Budget Request

The increase of \$3,695.2 thousand gross and \$147.8 thousand net is in the Base Budget Request. It is comprised of other base changes, and salaries and benefits related to capital projects. These adjustments are explained below:

#### Other Base Changes

- An increase of \$603.8 thousand gross and \$144.2 thousand net is due to the increase of one day pay in 2012 for City Employees
- Gapping represents savings in the funding requirement for salaries and benefits realized as a result of planned and unplanned staff position vacancies that occur during the year. Positions fully funded by the Province or that are fully funded through other services or agencies are not gapped in order to maximize 100 percent Provincial and Other funding. The gapping adjustment as a result of increases in salaries and benefits results in a budget reduction of \$183.5 thousand gross and \$47.7 thousand net to maintain the TPH average gapping rate of 4.3 percent.
- An increase of \$232.7 thousand gross and \$51.3 thousand net is due to non payroll economic factor increases including contractual obligations and increases in interdepartmental charges (IDC) from other divisions
- A decrease of \$317.8 thousand gross expenditure and revenue due to reallocation of staff resources from 100 percent City Funded programs to the new 100 percent funded Healthy Smiles Ontario (HSO) program. The equivalent savings of \$350.0 thousand net was approved in the 2011 Operating budget.

#### Salaries and Benefits Related to Capital Projects

- Included in the TPH 2012 Capital Budget Request are Information Technology projects that require staff resources. The salaries and benefits of staff supporting these Capital Projects are fully recoverable from capital budget debt funding and is included in the 2012 Operating Budget Request per the City's Budget Guidelines.

## Section B: Reduction Options

The City Manager issued guidelines and directions for development of the 2012 Operating Budget to all City Programs, Agencies, Boards and Commissions (ABCs). Included in these directions is the expectation that all City Programs and ABCs achieve the 2012 operating budget reduction target of ten percent of the Council Approved 2011 Net Operating Budget. The target was to be achieved by using the following strategies as part of the budget process:

- Line by line review
- Efficiency and continuous improvement initiatives
- Cost effective service delivery options
- User fees and other non-tax revenue increases
- Service level reduction and service elimination

TPH was able to achieve a 10.0% reduction through a number of reduction options that include items discussed in the Program Details Section. Non program specific proposals include: reductions to non payroll expenditures such as training, changes to the administrative support model, a corporate charge reduction discussed below, and funding changes through shifting some services currently funded 100% municipally to cost shared funding.

In particular, TPH is proposing transferring the AIDS and Drug Prevention Community Investment Program budget which is currently 100 percent municipally funded through the Community Partnership and Investment Program (CPIP) budget into the cost-shared TPH funded programs budget. This program is already administered by TPH, and the change in funding will save the City \$1.8 million.

**Table 8**  
**2012 Operating Budget Reduction Target**

TARGET COMPARISON	10% Reduction Target	2012 Recommended Reduction	2012 Recommended Reduction vs 2012 10% Reduction Target	%
2012 Reductions	(4,457.8)	(4,458.4)	0.6	10.0%

### Corporate Charge Reduction

A reduction of \$790.0 thousand gross and \$197.5 thousand net in the corporate charge from the City of Toronto for general municipal services to Toronto Public Health is the third annual planned reduction based on a review of cost allocation by the City's Internal Audit Division to a reasonable amount for overhead charges. The revised corporate charge was reviewed and

validated by Corporate Accounting and the City's Internal Auditor in 2008 and a schedule was initiated in the 2009 operating budget to allocate the full reduction required over five years. There is no impact on TPH's service to the community. The Financial Planning Division did not recommend the reduction of \$650.0 thousand gross and \$162.5 thousand net in 2010. If the 2012 reduction is not accepted then the net percentage decrease over 2011 budget would be 7.6 percent instead of the 8.1 percent currently requested. The provincial funding from this charge benefits the City by offsetting costs for other City programs.

The City of Toronto has charged TPH a fee for general municipal services, or Corporate Overhead Charges to fund a portion of its corporate administrative expenditures, since 1999. The Ontario Ministry of Health and Long-Term Care will cost share a reasonable amount of justifiable general municipal charges that support the delivery of mandatory, cost-shared public health programs. The Ministry has requested that a service level agreement be established with the municipality to ensure that costs included in the general municipal charge are justifiable and eligible for reimbursement.

Corporate Overhead includes indirect City of Toronto costs for services that do not touch the public directly and are provided by: corporate purchasing and material management; accounting services; pension, payroll and employee benefits administration; information and technology; human resources; legal services; facilities and real estate management; and the City Clerk's division. The Corporate Overhead Charge allocation also includes an amount for depreciation and general operating costs in City owned facilities occupied fully or partially by TPH.

In 2007, the City Auditor engaged the City's Accounting Services Division in its review of eligible costs that can be recovered from the Province through the TPH operating budget. In 2007, Accounting Services developed a full costing model framework. The purpose of this model is to capture and identify all relevant costs associated with the provision of a service for all City programs. Based on this review the City Auditor recommended a reasonable and accountable amount of Corporate Overhead Charges attributable to the delivery of mandatory health programs eligible for Provincial subsidy be charged to TPH by the city.

## **Section C: New and Enhanced Services**

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There are no New and Enhanced Services in the 2012 TPH Operating Budget Request.

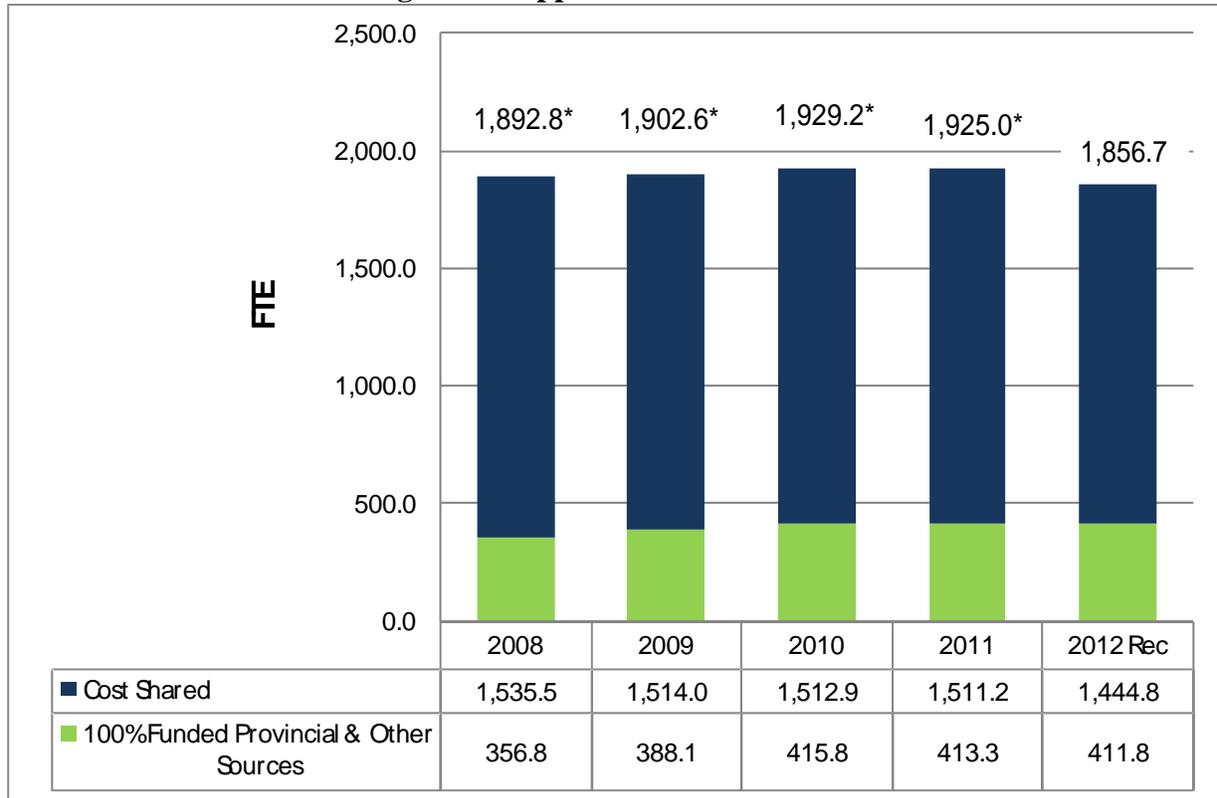
## **Section D: Impact of Capital Projects on Future Operating Budgets**

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Approvals of the 2012-2021 Recommended Capital Plan have no impact on future year Operating Budgets

## Section E Staffing Trends

**Chart 8  
Staffing Trend Approved Positions 2008-2012**



\*Note: The total FTE position includes a 100% City Funded 0.5 FTE which is too small to properly represent in the graph.

TPH approved positions have remained relatively stable over the past five years. However, due to the requirement of achieving budget reductions target of 10 percent of 2011 Net Operating Budget, TPH is recommending reduction of 58.25 FTE positions net in 2012 Recommended Operating Budget.

## Section F: 2011 Operating Budget Variance

**Table 9**  
**2011 Operating Budget Variance Review (\$000s)**

(In \$000s)	2010 Actuals	2011 Approved Budget **	2011 Projected Actuals*	2011 Appvd. Budget vs Projected Actuals Variance	
	\$	\$	\$	\$	%
<b>GROSS EXP.</b>	215,554.7	233,992.9	226,192.9	(7,800.0)	(3.3)
<b>REVENUES</b>	172,169.8	189,215.6	182,457.6	(6,758.0)	(3.6)
<b>NET EXP.</b>	43,384.9	44,777.2	43,735.2	(1,042.0)	(2.3)
<b>Approved Positions</b>	1,902.5	1,925.0	1,925.0	0.0	0.0

\* Based on the Second Quarter Operating Budget Variance Report.

\*\* The 2011 Approved Budget was as of June 30, 2011 and includes several budget adjustments that will be approved once the 2nd Quarter Budget Variance Report is approved by City Council

The 2011 Operating Budget Variance Review presented in Table 9 is based on the six months that ended on June 30, 2011. During the second quarter of 2011, several funding announcements were made to reflect the approval of 100 percent base, carry-forward and one-time funding from the Province as well as reductions to match Provincial budget with City budget. These programs include Best Practice Continuous Quality Improvement, Smoke Free Ontario, and Safe Water programs. The adjusted 2011 TPH Operating Budget is \$233,992.9 thousand gross and \$44,777.2 thousand net.

### 2011 Experience

As submitted in the June 30, 2010 Operating Variance Report, at year-end, TPH expects to be under-spent in gross expenditures by \$7,800.0 thousand or 3.3 percent and under achieved in revenue by \$6,758.0 thousand or 3.6 percent resulting in a \$1,042 thousand net favorable variance or 2.3 percent below budget.

For the period ending June 30, 2011 the overall, year-to-date net expenditure variance was under budget by \$794.2 thousand or 3.6 percent. TPH gross expenditure was below budget by \$5,790.1 thousand or 5.5 percent. The savings in payroll and non-payroll expenditures can be attributed to the continuation of the 2010 City's hiring slowdown and cost savings strategies for non-payroll purchases as well as delays in implementation of Healthy Smiles Programs. Revenue was under-achieved by \$5,175.9 thousand due to under spending in provincial cost shared and fully funded programs and under-spending in capital projects.