

# 2020 OPERATING BUDGET

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# Student Nutrition Programs and Cost of Nutritious Food Survey

- Estimated year over year increase for the cost of food based on the Cost of Nutritious Food Survey is 7.5%
- Increase of \$1.1 million requested to address the increase for the cost of food for the Student Nutrition Program

# Ministry of Children Community and Social Services Funding Pressures

- Ministry of Children Community and Social Services budget has remained unchanged for the last 12 years
- TPH expects that the 2020 budget will remain at the same level as 2019
- 2020 projected inflationary and cost of living increases is \$480.5 thousand
- Historically funding pressures have been absorbed through service efficiencies, attrition and/or service reductions
- TPH recommends absorbing the \$480.5 thousand pressure in the program creating the pressure in 2020

# April 11, 2019 Provincial Budget Announcement

## Recap Ministry of Health Changes to Public Health

- Investment of **\$90 million** for new dental program for low-income Ontario seniors
- Adjusting provincial-municipal cost-sharing of public health funding
- Establishing 10 regional public health entities and 10 new regional boards of health with one common governance model by 2020-2021
- Projecting annual savings of **\$200 million** by 2021-2022 through regionalization and governance changes to public health units

# Ministry of Health Ontario Seniors Dental Care Program

- \$15.5 million of 100% provincial operating funding allocated to the City of Toronto for the OSDCP for 2020
- Awaiting information from the Ministry of Health on the basket of service to be offered in the provincial program
- The income eligibility for the OSDCP and the Municipal Dental Program overlap
- The overlap is estimated to result in \$2.2 million (annualized) in savings in the Municipal Dental program

# Ministry of Health 2020 Budget for Toronto Public Health

## Change in the Funding Ratio

- “... municipalities can use a planned funding change to bring [their] share to 30% ... as of January 1, 2020”

		Prior to January 1, 2020	Effective January 1, 2020
Cost-Shared Funded Programs	Provincial	75%	70%
	City	25%	30%
100% Provincial Funded Programs	Provincial	100%	70%
	City	0%	30%

# Ministry of Health 2020 Budget for Toronto Public Health

## Impact of Change to the Funding Ratio

- Province's contribution decreases by \$14.1 million while the City's contribution increases by the same amount

(\$ in thousands)		Prior to January 1, 2020	Effective January 1, 2020	Increase / (Decrease)
Cost-Shared Funded Programs	Provincial	129,724.7	121,076.4	(8,648.3)
	City	43,241.6	51,889.9	8,648.3
100% Provincial Funded Programs	Provincial	18,135.6	12,694.9	(5,440.7)
	City	0.0	5,440.7	5,440.7
<b>Funding Source</b>	<b>Provincial</b>	<b>147,860.3</b>	<b>133,771.3</b>	<b>(14,089.0)</b>
	<b>City</b>	<b>43,241.6</b>	<b>57,330.6</b>	<b>14,089.0</b>
	<b>Total</b>	<b>191,101.9</b>	<b>191,101.9</b>	<b>0.0</b>

# Ministry of Health 2020 Budget for Toronto Public Health

## One – Time Mitigation Funding

(\$ in thousands)	2019 Council Approved Budget	Increased Investment Required	2020 City Contribution
<b>City Contribution per Ministry Accountability Agreement</b>	<b>43,241.6</b>	<b>4,324.2</b>	<b>47,565.8</b>
% Increase in Investment			10.0%
(\$ in thousands)	Funding Contribution	One-Time Mitigation	Adjusted Funding Contribution for 2020
Provincial	133,771.3	9,764.8	143,536.1
City	57,330.6	(9,764.8)	47,565.8
<b>Total</b>	<b>191,101.9</b>	<b>0.0</b>	<b>191,101.9</b>

Calculations are based on information provided by the Ministry in the 2019 Accountability Agreement for 2020 Budget planning purposes



# Ministry of Health – Inflation and Cost of Living Pressure

- The Ministry did not provide for Inflationary or Cost of Living increases in 2019 and we do not expect to receive a budget increase for these items in 2020
- The total accumulative pressure of \$4.513 million

# 2020 Operating Budget Submission

(\$ in thousands)	Gross Expense \$	Revenue \$	Net Expense \$	Positions #
<b>2019 COUNCIL APPROVED BUDGET (March 7, 2019)</b>	<b>255,279.2</b>	<b>190,780.4</b>	<b>64,498.8</b>	<b>1,881.2</b>
<b>In-Year Approvals and Technical Adjustments:</b>	<b>1,450.1</b>	<b>2,072.2</b>	<b>(622.1)</b>	<b>51.0</b>
<b>2019 OPERATING BUDGET</b>	<b>256,729.3</b>	<b>192,852.6</b>	<b>63,876.7</b>	<b>1,932.2</b>
<b>2020 BUDGET CHANGES:</b>				
Student Nutrition Program - Cost of Food Increase	1,099.5	0.0	1,099.5	0.0
Student Nutrition Program - Independent Schools	303.0	0.0	303.0	0.0
2020 Administrative and Technical Adjustments	(657.2)	(841.6)	184.4	(22.0)
Annualization of the Ontario Senior Dental Care Program (OSDCP)	13,432.3	13,432.3	0.0	38.0
Incremental Increase for Public Health Inspector Practicum Program	10.0	10.0	0.0	0.0
Reversal of 2019 One-Time Ministry of Health Funded Programs	(270.8)	(270.8)	0.0	(1.0)
Financial Impact of the Change in the Ministry of Health's Funding Ratio (Table 5)	0.0	(4,324.2)	4,324.2	0.0
Ministry of Health Unfunded Inflationary and COLA Increase (Table 6):				
2019	0.0	(1,050.1)	1,050.1	0.0
2020	3,463.0	0.0	3,463.0	0.0
<b>TOTAL - 2020 BUDGET CHANGES (PRESSURES):</b>	<b>17,379.8</b>	<b>6,955.6</b>	<b>10,424.2</b>	<b>15.0</b>
<b>2020 BUDGET REDUCTION PROPOSALS :</b>				
Overlap between Municipal Dental Program and the OSDCP	(1,446.0)	0.0	(1,446.0)	0.0
Enhanced Safe Water Initiative	(87.1)	0.0	(87.1)	0.0
Enhanced Food Safety - Haines Initiative	(110.0)	0.0	(110.0)	0.0
Confidential Proposals	(2,836.5)	0.0	(2,836.5)	(28.0)
<b>TOTAL - 2020 BUDGET REDUCTION PROPOSALS:</b>	<b>(4,479.6)</b>	<b>0.0</b>	<b>(4,479.6)</b>	<b>(28.0)</b>
<b>2020 Board of Health Recommended Budget</b>	<b>269,629.5</b>	<b>199,808.2</b>	<b>69,821.3</b>	<b>1,919.2</b>
<b>Over (Under) 2019 Operating Budget</b>	<b>12,900.2</b>	<b>6,955.6</b>	<b>5,944.6</b>	<b>(13.0)</b>
<b>% Over (Under) 2019 Operating Budget</b>	<b>5.0</b>	<b>3.6</b>	<b>9.3</b>	<b>(0.7)</b>

# Ministry of Health – 2020 Budget Reduction Options

- Ontario Seniors Dental Care Program
- Service Efficiencies
  - Enhance Safe Water Initiative
  - Enhanced Food Safety – Haines Initiative
- Confidential Attachment

# Questions and Answers

