

Toronto Public Health 2019 Operating Budget Request

Date: November 8, 2018

To: Board of Health Budget Committee and Board of Health

From: Medical Officer of Health

Wards: All

REASON FOR CONFIDENTIAL INFORMATION

This report deals with personal matters about identifiable persons and labour relations or employee negotiations.

SUMMARY

This report outlines Toronto Public Health's 2019 Requested Operating Budget Submission for consideration by the Board of Health. Toronto Public Health's 2019 Requested Operating Budget Submission totals \$256,696.8 thousand gross, \$65,114.3 thousand net, and 1,881.35 positions.

To meet the City's zero percent budget target, Toronto Public Health identified two efficiencies and a minor service change totaling \$267.4 thousand net to offset base budget increases for the salaries and benefits and the non-payroll economic factors. The Board of Health Budget Committee has recommended the two efficiencies totaling \$38.1 thousand net. The minor service change for \$229.3 thousand net is submitted for Board of Health consideration.

Toronto Public Health has also submitted new and enhanced proposals of \$2,585.5 thousand gross and \$1,317.6 thousand net which would increase the 2019 Budget by 2.1 percent over the 2018 Operating Budget. The net increase of \$1,317.6 thousand is comprised of \$377.6 thousand net Council directed new and enhanced services and \$940.0 thousand net new and enhanced services.

RECOMMENDATIONS

The Medical Officer of Health recommends that:

1. The Board of Health request City Council approve the Toronto Public Health 2019 Operating Budget Request of \$256,696.8 thousand gross and \$65,114.3 thousand net as summarized in Table 3 "Overview of the TPH 2019 Operating Budget Submission".
2. The Board of Health request City Council approve the list of base budget adjustments as summarized in Table 3 "Overview of the TPH 2019 Operating Budget Submission" totaling a decrease of \$370.8 thousand gross, an increase of \$267.4 thousand net, and a decrease of six positions.
3. The Board of Health request City Council approve the 2019 Recommended Efficiencies of \$152.5 thousand gross and \$38.1 thousand net as summarized in "Confidential Attachment 2 - Proposals Recommended by Board of Health Budget Committee" to meet the City's zero percent target.
4. The Board of Health consider the 2019 Minor Service Reductions of \$230.2 thousand gross and \$229.3 thousand net, as summarized in "Confidential Attachment 3 - Proposals to be Considered by the Board of Health" to meet the City's zero percent target.
5. The Board of Health request City Council approve the 2019 Council Directed New and Enhanced Requests of \$1,510.5 thousand gross, \$377.6 thousand net, and increase of 14 positions as outlined in Table 3 "Overview of the TPH 2019 Operating Budget Submission".
6. The Board of Health request City Council approve the 2019 increase of new and enhanced request of \$150.0 thousand gross, \$37.5 thousand net and 0 net positions for Toronto Urban Health Fund Enhancement - Year 5 as outlined in Table 3 "Overview of the TPH 2019 Operating Budget Submission".
7. The Board of Health request City Council approve the 2019 increase of new and enhanced request of \$300.0 thousand gross, \$300.0 thousand net, and 0 net positions for Student Nutrition Program to Maintain Municipal Contribution at 20% of Total Program Costs.
8. The Board of Health request City Council approve the 2019 increase of new and enhanced request of \$625.0 thousand gross, \$602.5 thousand net, and 0 net positions for Student Nutrition Program Expansion to Independent Schools.
9. The Board of Health direct that Confidential Attachments 2 and 3 to this report (October 30, 2018) from the Medical Officer of Health remain confidential in its entirety, as it relates to personal matters about identifiable persons and labour relations or employee negotiations, and

10. The Board of Health forward this report to the City's Budget Committee for its consideration during the 2019 budget process.

FINANCIAL IMPACT

Toronto Public Health's 2019 Requested Operating Budget Submission totals \$256,696.8 thousand gross, \$65,114.3 thousand net, and 1,881.35 positions.

To meet the City's zero percent budget target, Toronto Public Health identified two efficiencies and a minor service change totaling \$267.4 thousand net to offset base budget increases for the salaries and benefits and the non-payroll economic factors. The Board of Health Budget Committee has recommended the two efficiencies totaling \$38.1 thousand net. The minor service change for \$229.3 thousand net is submitted for Board of Health consideration.

Toronto Public Health has also submitted new and enhanced proposals of \$2,585.5 thousand gross and \$1,317.6 thousand net which increases the 2019 Requested Operating Budget by 2.1 percent over the 2018 Operating Budget. The net increase of \$1,317.6 thousand is comprised of \$377.6 thousand net Council directed new and enhanced services and \$940.0 thousand net new and enhanced services.

The Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

At its meeting of July 18, 2018, the Board of Health Budget Committee directed the Medical Officer of Health to submit to the City's budget process a 2019 Toronto Public Health Operating Budget request that includes new and enhanced services for cost-shared programs of \$1,660.5 thousand gross and \$415.1 thousand net. The committee also recommended reduction options as noted in the confidential attachments.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.HU15.1>

At its meeting of June 26, 2018, City Council directed the Medical Officer of Health to incorporate the additional 2018 provincial funding of \$1,112.5 thousand for cost-shared mandatory programs and services into the 2018 Toronto Public Health operating base budget.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.HL27.4>

At its meeting on June 18, 2018, the Board of Health directed the Medical Officer of Health to incorporate the additional 2018 provincial funding of \$1,112.5 thousand for cost-shared mandatory programs and services into the 2018 Toronto Public Health operating base budget.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.HL27.4#>

At its meeting of February 12, 2018, City Council approved a Toronto Public Health 2018 Operating Budget of \$251,292.4 thousand gross and \$63,185.3 thousand net. <http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2018.EX31.2>

COMMENTS

Operating Budget Request

The Toronto Public Health (TPH) 2018 Operating Budget including in-year budget adjustments is \$254,864.8 thousand gross and \$63,796.7 thousand net.

Toronto Public Health's 2019 Requested Operating Budget Submission totals \$256,696.8 thousand gross and \$65,114.3 thousand net. This submission is \$1,832.0 thousand gross and \$1,317.6 thousand net above the 2018 Operating Budget.

Table 1 below provides an overview of the TPH 2019 operating budget submission and Table 2 below provides an overview of the TPH operating budget submission by service area.

TABLE 1 -Overview of the TPH 2019 Requested Operating Budget Submission

	2018 Budget	2019 Base Adjustment	2019 Efficiency Savings / Minor Service Changes	2019 Council Directed New and Enhanced Services	2019 Staff Initiated New and Enhanced Services	2019 Requested Operating Budget Submission	Change from 2018 Budget	
(\$000s)	\$	\$	\$	\$	\$	\$	\$	%
Gross Exp.	254,864.8	(370.8)	(382.7)	1,510.5	1,075.0	256,696.8	1,832.0	0.7
Revenue	191,068.1	(638.2)	(115.3)	1,132.9	135.0	191,582.5	514.4	0.3
Net Exp.	63,796.7	267.4	(267.4)	377.6	940.0	65,114.3	1,317.6	2.1
Positions	1,877.35	(6.00)	(4.00)	14.00	0.00	1,881.35	4.00	0.2

TABLE 2 - Overview of the TPH 2019 Requested Operating Budget by Service Area

	2018 Operating Budget		2019 Requested Operating Budget Submission		Year over Year Increase / (Decrease)			
	Gross	Net	Gross	Net	Gross	% change	Net	% change
Service Area:								
Foundational Standard	19,604.0	7,896.7	19,558.8	8,284.7	(45.2)	(0.2%)	388.0	4.9%
Chronic Diseases & Injuries	44,611.1	13,556.5	44,652.3	13,898.4	41.2	0.1%	341.9	2.5%
Family Health	97,288.5	21,831.8	97,499.7	21,976.1	211.2	0.2%	144.3	0.7%
Infectious Diseases	65,989.4	14,289.1	67,525.1	14,674.5	1,535.7	2.3%	385.4	2.7%
Environmental Health	24,983.5	5,641.9	24,989.0	5,672.4	5.5	0.0%	30.5	0.5%
Public Health Emergency Preparedness	2,388.3	580.7	2,471.9	608.3	83.6	3.5%	27.6	4.8%
TOTAL	254,864.8	63,796.7	256,696.8	65,114.4	1,832.0	0.7%	1,317.7	2.1%

Funding Sources for Public Health

Public health services, as outlined in the Ontario Public Health Standards, include 100 percent provincially funded programs and cost shared mandated programs where the province contributes 75 percent and the city contributes 25 percent. For cost shared programs every \$1 of city funds invested is matched by \$3 of provincial funding; cost shared programs make up approximately 72 percent of TPH's budget. While this funding arrangement allows TPH to convert \$1 of city investments into \$4 of public health service, this also means any \$1 reduction in city funding results in a \$4 financial and related service reduction due to the loss of \$3 in provincial funding. When cost-shared programs are the source of achieving the City net savings targets, the result is significantly higher service reductions than when the source of the reduction is fully funded City programs.

Toronto Public Health manages two fully City funded programs: the Student Nutrition Program and the City's dental program for low-income children, youth and seniors who are not eligible for dental care from any other government funded program. Neither of these 100 percent City funded programs falls within the provincial standards for service delivery through a public health unit.

Toronto Public Health Service Accomplishments and Deliverables

As part of the City's 2019 budget process, TPH has achieved a number of key accomplishments in addressing its 2015-19 Strategic Plan as well as identifying service deliverables and performance measures for 2019. These are outlined in Attachment 1.

Budget Target

On June 4, 2018, the Interim City Manager directed all City Programs, Agencies, Toronto Community Housing Corporation, and Accountability Offices to submit a 2019 net operating budget equal to the 2018 net operating budget: a zero percent target.

To achieve the City's target and as directed by the BOH Budget Committee, TPH explored opportunities for program efficiencies, cost containment and savings which do not erode the quality of public health services and programs.

In July 2018, TPH submitted efficiencies and a minor service change totaling \$267.4 thousand net (0.42 percent) to offset a base budget increase for negotiated salaries and benefits and the non-payroll economic factors to the BOH Budget Committee for consideration. The BOH Budget Committee has recommended two efficiencies totaling \$152.5 thousand gross and \$38.1 thousand net. One minor service change totaling \$230.2 thousand gross and \$229.3 thousand is being submitted for consideration by the BOH. Toronto Public Health's proposed efficiencies and minor service change are summarized in "Attachment 2 - Confidential Proposals Recommended by Board of Health Budget Committee" and "Attachment 3 - Confidential Proposals to be considered by the Board of Health".

New and Enhanced Programs and Services

The net increase of \$1,317.6 thousand from the 2018 Operating Budget is comprised of BOH Budget Committee recommended new and enhanced services of \$940.0 thousand net and Council directed new and enhanced services of \$377.6 thousand net.

The 2019 budget submission includes six new and enhanced cost shared services and two 100 percent city funded services. Five of the proposals are Council directed and one of the other three other proposals was recommended by the BOH Budget Committee in July 2018.

Council Directed New and Enhanced Programs and Services

In early May 2018, the Ministry of Health and Long-Term Care confirmed a two percent increase for cost-shared mandatory programs and services for TPH for the 2018 budget period. At the June 18, 2018 BOH meeting, the Medical Officer of Health (MOH) presented a report with recommendations for how the two percent increase could be used to address emerging public health issues related to the City's shelter system. The report noted that "opportunities presented in this report will start as soon possible and conclude on December 31, 2018. The homeless and under-housed populations would benefit from the continuation of a number of these opportunities beyond 2018. The Medical Officer of Health will present these opportunities through the City's 2019 budget process." The BOH directed the MOH to incorporate the additional 2018 provincial funding of \$1,112.5 thousand for cost-shared mandatory programs and services into the 2018 TPH operating base budget ([HL27.4](#)), for the following five new and enhanced programs and services.

1. Community Outreach for Toronto Public Health Harm Reduction Clients (\$0.710M gross, \$0.178M net, 7 positions)

An expansion of harm reduction outreach program to support public health activities related to the City's shelter system and respite site as well as address key issues in the Downtown East Area as per [CD29.5 Closing the Service Gap in the Downtown East Revitalization Area](#). The approved expansion involved hiring an additional six dedicated outreach workers and one additional supervisor. The expansion is initially focusing on the issues of homelessness and under housed populations who use drugs in the vicinity of TPH's Supervised Injection Service operating at 277 Victoria Street and the Downtown East, and will then expand further to shelters and respite centres throughout the City. Clients of this service (reached by the outreach workers) receive harm reduction education including safer drug use education, overdose prevention training including naloxone dispensing and education, referrals to health, housing, mental health and other services. This enhancement is designed to address urgent concerns related to homelessness, community safety, substance use, and mental health.

If continued, these new resources will result in an increase in referrals and connections to other health and social services for individuals who are homeless or under-housed; and an increase in the number of individuals using the supervised injection services and

overdose prevention sites. It is further anticipated that this enhancement would reduce the number of instances where people who use drugs inject in public spaces and alone, resulting in a reduction in overdose deaths, and incidents of inappropriately discarded needles and other drug use supplies.

2. Inflection Prevention & Control - Shelter & Respite (\$0.238M gross, \$0.060M net, 2 positions)

This enhancement is strengthening capacity to prevent the spread of infections in the City's shelter, respite and Out of the Cold settings. In collaboration with the City's Shelter, Support and Housing Administration division, this enhancement will improve customer service by preventing and controlling infections in clients being served in the City's shelter system. Improving infection prevention and control practices in the shelter system will reduce health inequalities and improve the quality of life of clients using the system.

If continued these new resources will increase awareness and compliance with infection prevention and control best practices in the shelter, respite and Out of the Cold settings therefore reducing the risk of infections and outbreaks. In addition, staff and volunteers with organizations that support homeless and under-housed individuals will have access to experts who are able to respond effectively to unique circumstances that may arise at their location. The two positions are a health promotion specialist and an infection control specialist.

3. Collection of Health Data in Homeless Population (\$0.260M gross, \$0.065M net, 2 positions)

The City of Toronto has identified the importance of individuals having access to an adequate standard of living including income, health, nutritious food, housing and clothing and to ensuring that resources and opportunities are available to respond to the unique needs of different communities. To meet these goals, the collection of health data for people experiencing homelessness will provide important information regarding the unique health needs of this community. Additionally, it will inform current housing and shelter programming and planning initiatives, as well as, the development of new strategies, including the 10-year Housing Opportunities Toronto Action Plan. This enhancement will be carried out by a policy development officer and an epidemiologist.

4. Communications Strategy (\$0.100M gross, \$0.025 net, 1 position)

Toronto Public Health, in consultation with Shelter, Support and Housing Administration, has identified a need for a comprehensive communications strategy. The new media relations advisor position has been hired to work with Shelter, Support and Housing Administration and communications staff to execute a communication strategy to ensure clear and consistent messaging is provided to the public on how the City is managing the situation of homelessness in Toronto, how it is addressing current and emerging issues related to increasing numbers of respite centres, and the impact and benefits of harm reduction programs.

5. Program Modernization Initiatives (\$0.203M gross, \$0.051M net, 2 positions)

Toronto Public Health is in the process of completing an organization review. This review will be completed in December 2018. Toronto Public Health is requesting two new program consultant positions to be part of a transition team to implement the recommendations from the organization review while enabling current service levels to continue. This will include modernizing program delivery, identifying program efficiencies and supporting the change management process.

Other New and Enhanced Programs and Services

The following three new and enhanced services build on the City's previous commitment to the Toronto Urban Health Fund and the Student Nutrition Program.

1. Toronto Urban Health Fund (TUHF) Enhancement - Year 5 – (\$0.150M gross and \$0.038M net)

This cost shared budget enhancement request is part of a five year plan to enhance the TUHF's capacity to meet the increasing demand for funding to address HIV and drug prevention.

For 2019, TUHF is aiming to specifically target youth agencies delivering services in a Neighbourhood Improvement Area and Indigenous organizations. The initiative will enable TUHF to fund 15 projects with the following projected target of training 200 Peer Leaders to reach 1,400 peers to deliver resiliency building activities to 6,500 children and youth. This enhancement was recommended by the BOH Budget Committee in July 2018.

2. Student Nutrition Program (SNP) to Maintain Municipal Contribution at 20% of Total Program Costs (\$0.300M gross and \$0.300M net)

City Council at its meeting of July 11-13, 2012 requested the MOH to report to the BOH, as part of the 2013 budget process, on a plan to increase the City's investment in a SNP funding partnership model with a view to fully phase-in the municipal share of the program within a three to five year horizon. This request builds upon the municipal funding plan approved by the BOH to gradually increase the municipal investment rate each year, to a target of 20%.

The municipal investment is an important source of funds for community-based student nutrition programs, providing stability. In 2018, the municipal investment contributed 19% of each program's total operating costs, falling below the projected target of 20% due to increases in student participation levels and programs operating more days each week.

This service will be directed to currently-funded student nutrition programs in order to increase the number of breakfasts served. Student nutrition programs contribute to positive health, learning and behavioural benefits for nutritionally at-risk children and

youth. This service enhancement will achieve the 20% target municipal contribution rate for SNP and support the sustainability of the program.

3. Student Nutrition Program (SNP) Expansion to Independent Schools (\$0.625M gross, \$0.603M net)

Toronto Public Health is requesting funding to gradually expand the SNP program into independent schools serving higher need communities in Toronto, which meet program eligibility criteria. In order to establish needs-based eligibility for grants, interested independent schools will require additional assessment as part of an adapted application process. Student postal codes will be compared to neighbourhood household income, using tax-filer data contracted from Statistics Canada and registration data provided by interested independent schools, as part of an objective, transparent assessment method comparable to that used to assess need among publically funded schools. The requested enhancement will be directed in three ways:

- \$0.555 million in program grants to be directed toward the purchase of healthy food in eligible programs;
- \$0.040 million in community capacity building support for new sites, to support program success and municipal oversight of grants; and
- \$0.030 million in contracted services to support assessment of eligibility for independent schools applying for grants.

The reports submitted to the November 13, 2018 BOH Budget Committee and November 19, 2018 BOH provides additional information on SNP in independent schools, including provincial direction for their funding and a legal opinion from the City Solicitor.

In summary, Table 3 categorizes the changes included in the Toronto Public Health 2019 Operating Budget Submission in accordance with the City's budget guidelines.

TABLE 3 - Overview of the TPH 2019 Operating Budget Submission

	Summary of 2019 Operating Budget Submission					
	Approved Positions	Gross Expenditures	Revenues	Net	Net	Cumulative Net
		\$	\$	\$	%	%
(\$000s)						
2018 Council Appr. Operating Budget as at February 12, 2018	1,868.85	251,292.4	188,107.1	63,185.3		
In-year approvals and technical adjustments	8.50	3,572.4	2,961.0	611.4		
2018 Operating Budget	1,877.35	254,864.8	191,068.1	63,796.7		
Step, Progression Pay, COLA, Benefits Gapping	0.00	4,070.5	3,412.6	657.9	1.03	1.03
Salaries & Benefits Related to Capital Projects	0.00	(511.0)	(511.0)	0.0	0.00	1.03
Economic Factors - Non Payroll	0.00	146.5	109.2	37.4	0.06	1.09
IDC / IDR	0.00	304.3	260.5	43.8	0.07	1.16
Annualization, Reversal of 1 Time Requests, Base Changes & 100% Funded Budget Adjustments	(6.00)	(4,297.8)	(3,877.3)	(420.5)	(0.66)	0.50
User Fees	0.00	24.4	48.6	(24.2)	(0.04)	0.46
Line by Line Reduction Option Recommended by BOH Budget Committee	0.00	(107.7)	(80.8)	(26.9)	(0.04)	0.42
PART 1: 2019 Base Budget Request	1,871.35	254,494.0	190,429.9	64,064.1	0.42	0.42
Over (Under) 2018 Operating Budget	(6.00)	(370.8)	(638.2)	267.4	0.42	0.42
% Over (Under) 2018 Operating Budget	(0.32)	(0.1)	(0.3)	0.42	0.42	0.42
BOH Budget Committee Recommended Efficiencies	(2.00)	(152.5)	(114.4)	(38.1)	(0.06)	0.36
BOH for Consideration - Minor Service Reductions	(2.00)	(230.2)	(0.9)	(229.3)	(0.36)	(0.00)
2019 Reduction Options	(4.00)	(382.7)	(115.3)	(267.4)	(0.42)	(0.00)
PART 2: 2019 Submission Including Reduction Options	1,867.35	254,111.3	190,314.6	63,796.7	(0.00)	(0.00)
Council Directed						
Community Outreach for TPH Harm Reduction Clients	7.00	710.0	532.5	177.5	0.28	0.28
Infection Prevention & Control-Shelter & Respite	2.00	238.0	178.5	59.5	0.09	0.37
Collection of Health Data in Homeless Population	2.00	260.0	195.0	65.0	0.10	0.47
Communications Strategy	1.00	100.0	75.0	25.0	0.04	0.51
Program Modernization Initiatives	2.00	202.5	151.9	50.6	0.08	0.59
Total Council Directed	14.00	1,510.5	1,132.9	377.6	0.59	0.59
Staff Initiated						
Toronto Urban Health Fund - Year 5	0.00	150.0	112.5	37.5	0.06	0.65
SNP Increase - Expand to Independent Schools	0.00	625.0	22.5	602.5	0.94	1.60
SNP Increase - Maintain Municipal Contribution at 20%	0.00	300.0	0.0	300.0	0.47	2.07
Total Staff Initiated	0.00	1,075.0	135.0	940.0	1.47	2.07
2019 New & Enhanced Total	14.00	2,585.5	1,267.9	1,317.6	2.07	2.07
PART 3: 2019 Submission Including New & Enhanced	1,881.35	256,696.8	191,582.5	65,114.3	2.07	2.07
Over (Under) 2018 Operating Budget	4.00	1,832.0	514.4	1,317.6	2.07	2.07
% Over (Under) 2018 Operating Budget	0.21	0.7	0.3	2.1	2.07	2.07

CONTACT

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SIGNATURE

Dr. Eileen de Villa
Medical Officer of Health

ATTACHMENTS

Attachment 1 - Toronto Public Health Service Accomplishments, Deliverables and Performance Measures

Confidential Attachment 2 - Proposals Recommended by Board of Health Budget Committee

Confidential Attachment 3 - Proposals to be considered by the Board of Health