

Toronto Public Health Operating Budget for the Year Ending on December 31, 2023

Date: April 19, 2024

To: Board of Health

From: Medical Officer of Health

Wards: All

SUMMARY

This report provides an update to the Board of Health on the Toronto Public Health Operating Budget for the year ending on December 31, 2023.

RECOMMENDATIONS

The Medical Officer of Health recommends that:

1. The Board of Health receive this report for information

FINANCIAL IMPACT

As of December 31, 2023, Toronto Public Health's gross expenditures were underspent by \$75,206.2 thousand (20.2 per cent) and revenue was underachieved by \$47,844.8 thousand (22.6 per cent), resulting in a net variance of \$27,361.4 thousand (17.0 percent). The net variance of \$27,361.4 thousand, which is offset by a variance in a revenue account at the City corporate reporting level, was primarily driven by:

- underspending in programs that were paused or reduced to support the reallocation of resources to the COVID-19 response, and
- lower than planned COVID-19 expenditures as Toronto Public Health commenced right-sizing its COVID-19 operations earlier than anticipated when the 2023 Budget was developed; offset by
- underachieved revenue budgeted in a revenue account at the City corporate reporting level.

DECISION HISTORY

At its meeting on February 15, 2023, City Council approved a Toronto Public Health 2023 Operating Budget of \$368,966.8 thousand gross, \$209,893.8 thousand revenue and \$159,073.0 thousand net.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.MPB4.1>

COMMENTS

At December 31, 2023, Toronto Public Health's 2023 approved Operating Budget was \$372,456.4 thousand gross and \$161,004.8 thousand net. The 2023 Year End Budget reflects an increase of \$3,489.6 thousand gross and \$1,931.8 thousand net as outlined below:

- \$1,931.8 thousand gross and net for salaries and benefits.
- \$1,557.8 thousand gross, \$0 net for one-time funding from the Public Health Agency of Canada to support the Injectable Opioid Agonist Treatment program extension to March 2024.
- \$426.6 thousand gross, \$0 net from the Ministry of Health to support the cost increase for the dental clinic renovation at 160 Borough Drive as part of the Ontario Senior Dental Care Program.

At December 31, 2023, gross expenditure was underspent by \$75,206.2 thousand (20.2 per cent) and revenue was underachieved by \$47,844.8 thousand (22.6 per cent), resulting in a net expenditure variance of \$27,361.4 thousand (17.0 per cent) as outlined in the following table.

	AS OF DECEMBER 31, 2023			
	BUDGET	ACTUAL	VARIANCE OVER / (UNDER)	
	(\$000s)	(\$000s)	(\$000s)	%
Gross Expenditure	372,456.4	297,254.8	(75,206.2)	(20.2%)
Revenue	211,451.6	163,506.8	(47,844.8)	(22.6%)
Net Expenditure	161,004.8	133,648.1	(27,361.4)	(17.0%)

Explanations of the variances in gross expenditure and revenue are outlined below.

Year End Gross Expenditure and Revenue (December 31, 2023)

Gross Expenditure

At December 31, 2023, Toronto Public Health's gross expenditures were underspent by \$75,206.2 thousand. The under expenditures were attributed to underspent salaries and benefits (\$49,616.5 thousand) and non-payroll expenditures (\$25,585.1 thousand).

The under-spending of \$75,206.2 thousand is predominantly due to:

- \$22,792.1 thousand in underspending associated with COVID-19. Toronto Public Health commenced right-sizing its COVID-19 response earlier than anticipated when the 2023 Budget was developed. Actions to right-size COVID-19 operations commenced earlier in response to changes in the epidemiology of COVID-19, a decrease in the severity of COVID-19 outcomes at the population level, and increased access to vaccines in settings other than Toronto Public Health's mass immunization clinics.
- \$52,409.4 thousand of under-expenditures from the following:
 - \$42,827.8 thousand in underspending in programs that are paused or reduced to support the reallocation of resources to the COVID-19 response;
 - \$2,632.1 thousand in underspending from provincially funded programs (such as the Ontario Seniors Dental Care Program) which are 100% funded by the province, as projects are delayed due to supply chain issues and challenges in recruiting managers and general contractors;
 - \$2,142.3 thousand in savings related to Healthy Babies Healthy Children program, a fully funded program by the provincial government, as Toronto Public Health shifted to offering some services virtually during the pandemic;
 - \$1,423.2 thousand in under-spending related to capital projects which experienced delays due to challenges in attracting and retaining resources;
 - \$1,851.8 thousand in savings from a fully funded program by the federal government, the Injectable Opioid Agonist Treatment program as the actual costs for medications was lower than budgeted; and
 - \$1,532.2 thousand in savings for other programs such as the harm reduction program for Toronto Shelter Support Services and the food handler training program.

COVID-19 Extraordinary Expenses

Toronto Public Health incurred expenses in the amount of \$72,997.9 thousand related to the COVID-19 response. The breakdown of expenditures by program is:

- \$26,813.9 thousand - Mass Immunization Clinics;
- \$482.7 thousand - Voluntary Isolation Centre;
- \$3,939.9 thousand - School Focused Nursing program; and
- \$41,761.4 thousand - Case management and contact tracing and other COVID-19 activities, such as surveillance and reporting.

Revenue

Actual revenues were under achieved by \$47,844.8 thousand (22.6 percent) attributed to lower cost recoveries for non-COVID public health programs (\$42,747.0 thousand) as noted above and for COVID-19 response (\$5,097.9 thousand) in comparison to budgeted revenue.

CONTACT

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SIGNATURE

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