

**Report to
Rapport au:**

**Ottawa Board of Health
Conseil de santé d'Ottawa
19 September 2022 / 19 septembre 2022**

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**Submitted by
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Ward: CITY WIDE / À L'ÉCHELLE DE LA VILLE File Number: ACS2022-OPH-PCS-0006

SUBJECT: 2022 Operating and Capital Budget Q2 – Board of Health for the City of
Ottawa Health Unit Status Report

OBJET: Rapport d'étape sur le Budget de fonctionnement et d'immobilisations
2022 du t2 du Conseil de santé pour la circonscription sanitaire de la ville
d'Ottawa

REPORT RECOMMENDATION

**That the Board of Health for the City of Ottawa Health Unit receive the 2022 Q2
operating and capital budget status report for information.**

RECOMMANDATION DU RAPPORT

**Que le Conseil de santé de la circonscription sanitaire de la Ville d'Ottawa prenne
connaissance du rapport d'étape sur le budget de fonctionnement et
d'immobilisations du T2 2022.**

BACKGROUND

The purpose of this report is to present to the Ottawa Board of Health the second quarter operating and capital budget results for Public Health Programs. Ottawa Public Health (OPH) management actively reviews quarterly results to ensure that their respective spending and revenue are not indicative of any underlying issues needing to be highlighted or addressed.

The 2022 operating budget second quarter results present actual year-to-date revenues and expenditures against the amounts budgeted for the corresponding period. The capital report provides a listing of the capital projects, the authorized expenditure budgets, along with the actual expenditures and commitments incurred to date.

DISCUSSION

Document 1 provides operating budget details on second quarter results for the various Ontario Public Health Standards. Financial information is presented by program.

Document 2 provides compensation information showing the actual salary, benefits and overtime costs incurred by OPH during the corresponding period.

Document 3 provides budget adjustment and transfer information made in the second quarter of 2022 through delegated authority given to the Medical Officer of Health (MOH).

Document 4 provides a listing of the capital projects in progress and their status as of June 30, 2022.

Q2 Operating Results

As reported to the Board in June 2022, the Omicron wave in the winter required the maximum response capacity to date for outbreak management, case management and delivery of booster doses, not foreseen when the 2022 budget was set in 2021. OPH has been reducing the resources spent on the COVID-19 response over the first half of the year and 2022 forecasts indicate that COVID-19 related expenditures will be lower in 2022 compared to 2021. Based on the results to June 30, 2022, OPH is projecting \$77M of additional spending will occur in 2022 due to the response so far this year and continuing efforts to mitigate the spread of COVID-19. The Ministry of Health has provided all health units with an assurance that there will be a process to request reimbursement of 2022 COVID-19 Extraordinary Costs, thus it is anticipated that Provincial funding will fully offset all pandemic related costs, balancing the budget.

Further, at the Association of Municipalities of Ontario conference on August 17, and in a related press release, the Ministry of Health has confirmed that they are continuing the increased investments to support the public health sector's response to COVID-19.

Over Q1 and Q2 of 2022, OPH began reducing operations in areas such as Case Management, Outbreak Management, and other back office/shared services such as IT, Logistics, and other support functions including those that support the COVID-19 Vaccine Clinics. In July, OPH further reduced operations to bring them in line with the decrease of severe COVID-19 in the community and changes to provincial guidelines. A decrease in temporary full-time staff to shift to an increased reliance on casual staff, as needed, will decrease costs in Q3 and Q4 but allow for surge capacity for future waves.

OPH is predicting a continued effort to deliver third and fourth doses and ongoing vaccination for children ages six months to five years (for which public health is the main provider). OPH is also predicting the release of the bivalent vaccine in Q3 with anticipated good uptake, requiring continued staffing resources and expenditures through to the end of 2022. OPH's revised projected total expenditures are \$38M for the COVID-19 General Program and \$40M for the COVID-19 Vaccine Program. While not as low as anticipated before Omicron, this level of spending still falls below 2021 levels.

Table 1 outlines expenditures and revenues by funding source and the year-to-date budget status.

Table 1 - Summary of Q2 2022 Results

	Net Expenditures (\$000)	Revenue (\$000)	YTD Net Surplus / (Deficit) (\$000)
MOH - Public Health Standards and Programs	72,900	(72,900)	0
MCCSS - Healthy Babies Healthy Children	2,487	(2,487)	0
City and Miscellaneous Programs	2,570	(2,410)	(160)
Ottawa Public Health	77,957	(77,797)	(160)

Q2 Compensation Results

Document 2 shows the operating status for OPH compensation expenditures up to June 30, 2022. The current financial information shows OPH has spent 63% of its compensation budget during the second quarter of 2022 operations and overspent its overtime budget by \$0.3M. The increased compensation costs are directly related to the

COVID-19 pandemic response and the need to scale up the operations in response to the Omicron surge and on-going vaccination campaigns.

Budget Adjustment and Transfers

A summary of the budget adjustments and transfers made in the first half of 2022, through the delegated authority given to the MOH, is provided in Document 3. The Board of Health's Delegation of Authority By-law requires the reporting of these transactions for information purposes.

Q2 Capital Projects

Document 4 provides a list of provincially funded capital projects. The list identifies the total approved budget authority, expenditures as of June 30, 2022, and contractual obligations as of June 30, 2022. The total capital works in progress is \$5.5 million, of which all is uncommitted to date.

Provincial Funding Update

On May 2, the provincial government confirmed one-time funding of \$22.2M for the on-going COVID-19 response, including \$13.8M for the vaccine campaign. Although this amount does not off-set OPH's projected expenditures to year-end, the Ministry provided all health units with an assurance that there will be a process to request additional reimbursement of 2022 COVID-19 Extraordinary Costs. OPH has provided the province with the above data on forecasted spending for the remainder of 2022 and discussed the changed budget assumptions with Ministry finance leads. As mentioned above, recognition by the Minister of Health that the COVID-19 response is on-going, with ongoing investment in public health units required, will support us to plan into 2023.

The Minister of Health has also committed to continuing the "mitigation funding" through 2023, which off-sets the decrease in provincial funding otherwise anticipated with implementation of a 70% provincial contribution to cost-shared programs compared to a 75% contribution. This is welcome news and is a \$3.1 million dollar contribution from the province for OPH. OPH continues to show that the City of Ottawa's contribution is already greater than 30% to the cost-shared programs in our quarterly reporting to the Ministry of Health. Updates will continue to be provided to the Board of Health as more information becomes available from the province.

RURAL IMPLICATIONS

There are no rural implications associated with this report

CONSULTATION

The purpose of this report is administrative in nature and therefore no public consultation is required.

LEGAL IMPLICATIONS

There are no legal impediments to receiving the information in this report.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications associated with this information report.

FINANCIAL IMPLICATIONS

As outlined in the report.

ACCESSIBILITY IMPACTS

There are no accessibility implications associated with this report.

TERM OF COUNCIL PRIORITIES

There are no term of council priorities associated with this report.

SUPPORTING DOCUMENTATION

Document 1: Ottawa Public Health 2022 2nd Quarter Operating Status Report

Document 2: Ottawa Public Health 2022 2nd Quarter Compensation Status Report

Document 3: Ottawa Public Health 2022 2nd Quarter Budget Adjustments & Transfers

Document 4: Ottawa Public Health 2022 2nd Quarter Capital Status Report

DISPOSITION

This report is provided for information.