

**Report to:
Rapport au:**

**Ottawa Board of Health
Conseil de santé d'Ottawa
6 November 2023 / 6 novembre 2023**

**and Council
et au Conseil
8 November 2023 / 8 novembre 2023**

**Submitted on November 6, 2023
Soumis le 6 Novembre 2023**

**Submitted by
Soumis par:
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Ward: CITY WIDE / À L'ÉCHELLE DE LA VILLE File Number: ACS2023-OPH-PCS-0007

SUBJECT: 2024 Draft Operating Budget for the Ottawa Board of Health

OBJET: Budget provisoire de fonctionnement pour 2024 pour le Conseil de santé d'Ottawa

REPORT RECOMMENDATIONS

That, at its meeting of November 6, 2023, the Board of Health for the City of Ottawa Health Unit:

- 1. Receive and table the 2024 Draft Operating Budget for the Ottawa Board of**

Health; and

2. Direct staff to forward the 2024 Draft Operating Budget for the Ottawa Board of Health to Ottawa City Council on November 8, 2023 as part of City Council's tabling of the City of Ottawa 2024 Draft Operating and Capital budget; and

That, at its meeting of December 4, 2023, the Board of Health for the City of Ottawa Health Unit:

3. Approve the 2024 Draft Operating Budget for the Ottawa Board of Health;
4. Upon the Board of Health's approval of the 2024 Draft Operating Budget for the Ottawa Board of Health, direct staff to forward the report to Ottawa City Council, for consideration on December 6, 2023, as part of City Council's approval of the City of Ottawa 2024 Draft Operating and Capital budget; and
5. Upon approval of the 2024 Draft Operating Budget for the Ottawa Board of Health by the Board of Health and Ottawa City Council, direct the Medical Officer of Health (or delegate), on behalf of the Board of Health, to forward the 2024 Annual Service Plan and Budget Submission to the Ontario Ministry of Health (MOH) for consideration based on the approved 2024 Operating Budget for the Ottawa Board of Health.

RECOMMANDATIONS DU RAPPORT

Que, lors de la réunion du 6 novembre 2023, le Conseil de santé de la circonscription sanitaire de la Ville d'Ottawa :

1. reçoive et dépose le Budget provisoire de fonctionnement pour 2024 pour le Conseil de santé d'Ottawa; et
2. demande au personnel de transmettre le Budget provisoire de fonctionnement pour 2024 pour le Conseil de santé d'Ottawa au Conseil municipal d'Ottawa lors du dépôt des budgets préliminaires de fonctionnement et d'immobilisations de 2024 de la Ville d'Ottawa le 8 novembre 2023; et

Que, lors de la réunion du 4 décembre 2023, le Conseil de santé de la circonscription sanitaire de la Ville d'Ottawa :

3. approuve le Budget provisoire de fonctionnement pour 2024 pour le Conseil de santé d'Ottawa;
4. demande au personnel, une fois le Budget provisoire de fonctionnement pour

2024 pour le Conseil de santé d'Ottawa approuvé par le Conseil de santé, de transmettre le rapport au Conseil municipal d'Ottawa afin que ce dernier puisse l'examiner le 6 décembre 2023 dans le cadre de l'approbation, par le Conseil municipal, des budgets préliminaires de fonctionnement et d'immobilisations de 2024 de la Ville d'Ottawa; et

- 5. demande au personnel, une fois le Budget provisoire de fonctionnement pour 2024 pour le Conseil de santé d'Ottawa approuvé par le Conseil de santé et le Conseil municipal d'Ottawa, de transmettre ce budget approuvé au ministère de la Santé de l'Ontario (MSO) aux fins d'examen dans le cadre de la demande de subvention des programmes.**

BACKGROUND

Budget Priorities

The Ottawa Board of Health, through Ottawa Public Health (OPH), seeks to improve, respond to, and advocate for the health and well-being of Ottawa residents and ensure the effective delivery of public health programs and services. The core functions of the public health unit are population health assessment, surveillance, health promotion, disease prevention, health protection and emergency preparedness and response.

The proposed operating budget for the Ottawa Board of Health reflects 2024 budget priorities to maintain provincially mandated services, as outlined in the Ontario Public Health Standards.

The operating budget is grounded in:

- Evidence related to population health needs and the past years' learning;
- OPH's strategic goals and mandates; and
- Input from community members, partners, and the OPH team.

The resource allocation plan was driven by a commitment to advance equity, diversity, inclusion; and reconciliation with Urban Indigenous, including First Nations, Inuit, and Métis, populations.

The budget supports a forward-thinking strategy to build on partnerships to promote a collaborative approach to wellness, create the infrastructure and plans for resourcing to modernize digital solutions, contribute to reducing the impact of climate change, and support interventions impacting determinants of health.

Budget Directions

OPH is tabling a balanced operating budget for 2024 to maintain services based on a set of municipal and provincial parameters:

- Ottawa City Council requested that the Board of Health develop OPH's draft operating budget based on a 2.5% tax-supported annual increase in municipal funding plus growth allocation, which maintains OPH programs and services.
- The province has restored to the base budget for provincially mandated programs and services an amount of about \$3.1 million, provided as 'temporary mitigation funding' in 2019-2023 budgets. The temporary mitigation funding was off-setting their policy approach to reduce provincial contributions to public health units' cost-shared base budget; that policy approach has been reversed.
- The province has announced a 1% annual increase in provincial funding to the cost-shared base budget for provincially mandated programs and services for three years beginning in 2024.

Budget Assumptions

The 2024 draft operating budget was developed based on the following assumptions:

- First, the COVID-19 response will shift to be funded out of the base budget in 2024. The budget includes, as COVID expenses, only the cost of offering COVID-19 immunization to the populations facing greater barriers to immunization (e.g., people living in long-term care facilities, new immigrants and refugees) in the winter and the final wrap up of COVID-19 operations by the end of Q1 2024. We assume the province will offer an opportunity of one-time within year funding, which can support the final wrap-up of COVID-19 operation by Q1 2024.
- Second, connecting residents to primary care, including for mental health and substance use health supports, remains a challenge in Ottawa and across Ontario. These unmet health needs are resulting in increased pressures on OPH programs and services, especially related to routine immunizations, early detection and continuity of care related to communicable diseases, and access to mental health and substance use health services. We assume the province will prioritize increasing investment in improving access to primary healthcare, including mental health, harm reduction, and opioid crisis response services. OPH's capacity to complete catch-up immunizations for people without access to

primary care providers will be minimal as the community immunization clinics will end in 2024.

- Third, the increased demand for social services, especially housing, and unmet needs have been contributing to deteriorating population health (e.g., high burden of infectious diseases among the homeless population and precariously housed families requiring nursing support), resulting into increased demands for public health services. We assume the federal, provincial, and municipal investment will grow to enhance programs and services addressing the housing crisis and social determinants of health.
- Fourth, the public health sector is technologically behind the healthcare system, limiting our ability for digital engagement and collaboration with clients and key sector partners like Ontario Health Teams due to the absence of a centralized, coordinated digital strategy for local public health units in the province. We assume the province will invest in technology to support an efficient and effective public health information management system.

DISCUSSION

At a Glance: Budget 2024

OPH undertook reviews of administrative and operational elements of its programs, identified innovative service delivery solutions, and prioritized needs for 2024. Last year's budget focus was on sustaining the COVID-19 response, ensuring people had the protection of COVID-19 booster vaccines, and restoring more core and essential public health programs and services. OPH's 2024 budget focus is returning to the full scope of public health programs and services and wrapping up COVID-19 operations by the end of Q1 2024 while maintaining limited-scale immunization services to the populations facing greater barriers to immunization (e.g., people living in long-term care facilities, new immigrants and refugees) in the winter. The scope and scale of public health services will be guided by OPH's multi-year strategic objectives, which include: bringing public health services and interventions closer to communities facing the greatest barriers; promoting mental health and substance use health while reducing stigma; influencing changes in the built, natural and social environments that promote health and wellbeing and address the impacts of climate change; collaborating with healthcare partners to strengthen clinical prevention; and fostering a diverse, inclusive, equitable, and healthy workforce grounded in a culture of learning and growth.

Budget pressures to maintain mandatory public health programs and services in 2024 include: cost-of-living and benefit adjustments (COLA) determined by collective agreements; inflationary increases in facility leases, technology contracts, and fleet costs; and expenses associated with the implementation of cannabis legislation. The City of Ottawa's tax-supported inflationary and growth allocations and the provincial government's annual increase in base funding will be almost enough to address 2024 budget pressures. OPH also undertook a review of non-compensation expenditures to re-allocate funding to areas of need. These measures collectively enabled OPH to table a balanced operating budget for 2024.

Additionally, in order to address greater demands for neighbourhood-level work, responses to infectious diseases, and emergency preparedness and response, reallocation of resources across OPH program areas, within the calendar year 2023, has enabled us to avoid a budget pressure related to this greater workload.

The province has announced that, as of January 1, 2024, extraordinary costs relating to COVID-19 programs and services will no longer be reimbursed using the current process. However, given the continued threat to populations facing greater barriers to immunization (e.g., people living in long-term care facilities, new immigrants and refugees), OPH will continue offering COVID-19 immunization until the end of March 2024.

OPH is in the process of wrapping up its current COVID-19 operations by the end of Q1 2024. OPH has already decreased the staffing levels supported by 100% provincial COVID-19 funding from 4,400 staff at the peak of the response in January 2022 to 1,100 staff at this time. More than two-thirds of these remaining staff will be demobilized by December 31, 2023 and only 105 full time employee (FTE) positions will be available as of January 2024 to support the final wrap-up of COVID-19 operation.

2024 Draft Operating Budget

OPH has prepared estimates for the 2024 Draft Operating Budget for the Ottawa Board of Health in consultation with the City's Finance Department and in line with the City's guidelines for 2024 budget development, as outlined in the [Proposed 2024 Budget Directions, Timelines and Consultation process](#).

Budget Summary

For 2024, OPH is presenting a balanced operating budget of \$87.5 million, which is broken down as follows: \$80.7 million base budget to support provincially mandated

programs and services; and \$6.8 million to support the final wrap-up of COVID-19 response and immunization program in Q1 2024.

Out of the \$80.7 million base budget, \$67 million is cost-shared between the province and the city, and \$13.7 million is 100% funded by the city (\$5.4 million) and the province (\$8.3 million).

A total of 511.11 permanent FTEs, a number that remained unchanged from 2023, will continue supporting provincially mandated programs and services.

The 2024 operating budget submission is \$43.9 million lower than the 2023 approved operating budget, mainly due to the ending of COVID-19 operations by Q1 2024.

Revenue Summary

The draft operating budget is balanced by revenues that include:

- \$55.8 million from the province.
- \$1.3 million from other sources (e.g., inspection fees).
- \$28.2 million net revenue contribution from the City of Ottawa.

The City and the Province have increased their funding by \$1.6 million (City: \$1.1 million; Province: \$0.5 million) to support the OPH 2024 base operating budget.

Addressing growing community need

Despite submitting a balanced budget, OPH anticipates additional pressures due to unmet demand for public health services, the diminishing capacity of the immunization team after ending COVID-19 funding support, and OPH's ambition to improve service delivery through research, innovation, and technological transformation. OPH has adopted a three-pronged strategy to address additional budget pressures:

1) Seeking one-time provincial funding to support programs and services.

OPH will continue submitting one-time funding requests to the Ministry of Health to support priority program and project ideas that may include but are not limited to:

- Supporting mental health and substance use health programs.
- Addressing gaps in the Ontario Seniors Dental Care Program.

- Supporting the post-pandemic continuation of services provided through neighborhood health and wellness hubs. The services include immunization, chronic disease prevention, monitoring, and evaluation of community engagement in OPH programs and services.
- Strengthening OPH's capacity to provide rabies post-exposure clinical care and prophylaxis, given pressures identified across the health care system.
- Temporarily expanding and evaluating OPH's approaches in the areas of safe food and water, infection prevention and control, and climate change health impact vulnerability assessments.
- Growing the needle distribution and retrieval program.
- Supporting emergency preparedness programs.

2) Seeking one-time funding to support short-term projects

OPH will continue seeking project funding opportunities from federal and provincial sources by developing and submitting business cases on a regular basis. OPH will work on establishing a repository of projects in 2024.

3) Collaborating with the Ministry of Health's funding review and outreach

In August 2023, the Ministry of Health announced they would conduct a review of provincial base funding approaches for local public health agencies over the next two years. A new funding approach is expected to be implemented in 2026. OPH will take part in consultations with the Province to revise a funding formula that takes into consideration the City's support costs as part of the City's contribution to the cost-shared base budget. Currently, the City of Ottawa's contribution to the cost-shared base budget is more than 25 per cent, though the province speaks broadly of a cost-sharing formula of 25:75. This is mainly attributed to provincial non-consideration of the City's support costs as an in-kind contribution to the cost-shared base budget.

Finally, OPH will continue to reach out to Ontario's Ministry of Children, Communities, and Social Services with evidence of growing demand and increased funding needs for the Healthy Babies, Healthy Children program.

RURAL IMPLICATIONS

There are no rural implications associated with this report.

CONSULTATION

OPH employee, community partner and stakeholder feedback has been incorporated into priorities for how resources will be used to advance population health in 2024.

Following the tabling of the 2024 Draft Operating Budget for the Ottawa Board of Health at the November 6, 2023 Board of Health meeting, the budget report will be tabled at the City Council meeting of November 8, 2023. The Board will consider the budget for approval at its subsequent meeting, on December 4, 2023, and submit it to Council on December 6, 2023 as part of the 2024 Budget process.

The process for consideration of the Board of Health budget is outlined below, and additional information about the City's community consultation process can be found on Ottawa.ca.

Table 1: Process for Consideration of the Board of Health Budget

| Budget Process | Dates |
|--|--------------------------------|
| 2024 Draft Operating Budget for the Ottawa Board of Health tabling and presentation at Board of Health meeting | November 6, 2023 |
| Widespread circulation of draft budget via web and social media channels with opportunities for online and direct feedback | November 6 to December 4, 2023 |
| 2024 Draft Operating Budget for the Ottawa Board of Health tabling at Ottawa City Council, including Boards' and City Departments' budgets | November 8, 2023 |
| Public Delegations and 2024 Board of Health Operating Budget Approval | December 4, 2023 |
| Final 2024 City Operations and Capital Budget Approval at Ottawa City Council, including Boards' and City Departments' budgets | December 6, 2023 |

Residents can comment on the draft budget via email at healthbudget@ottawa.ca, or,

by calling the Ottawa Public Health Information Line at 613-580-6744, Monday to Friday from 9 a.m. to 4 p.m.

Residents are also invited to make written submissions to the Board of Health in advance of its meeting of December 4, 2023 or register to speak at the Board meeting of December 4, 2023. Registrations must be received by the Board of Health Secretary (Diane.Blais@Ottawa.ca) before noon on the day of the meeting.

LEGAL IMPLICATIONS

There are no legal impediments to implementing the recommendations in this report.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications associated with this report.

FINANCIAL IMPLICATIONS

Financial implications are outlined within the report.

ACCESSIBILITY IMPACTS

There are no accessibility impacts associated with this report.

SUPPORTING DOCUMENTATION

DOCUMENT 1 – 2024 Draft Operating Budget for the Ottawa Board of Health – English

DOCUMENT 1 – Budget provisoire de fonctionnement pour 2024 pour le Conseil de santé d'Ottawa – Français

DISPOSITION

The Ottawa Board of Health will consider the 2024 Draft Operating Budget for the Ottawa Board of Health for approval at its meeting on December 4, 2023. Staff will forward the report to Ottawa City Council for its consideration, as part of City Council's 2024 Budget process and to the Ministry of Health, for consideration as part of the Annual Service Plan and Budget Submission application process.