

**Report to
Rapport au:**

**Ottawa Board of Health
Conseil de santé d'Ottawa
16 September 2024 / 16 septembre 2024**

**Submitted on August 22, 2024
Soumis le 22 août 2024**

**Submitted by
Soumis par:**

Dr./ D^{re} Vera Etches, Medical Officer of Health/Médecin chef en santé publique

**Contact Person
Personne ressource:**

**Mohammad Kibria, Manager, MOH Business and Development Support Services /
Gestionnaire, Direction du médecin chef en santé publique et soutien aux affaires
et au développement**

Tel: 613 806 7569, mohammad.kibria@ottawa.ca

Ward: CITY WIDE / À L'ÉCHELLE DE LA VILLE File Number: ACS2024-OPH-BDS-0004

SUBJECT: 2024 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
2024 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 2024 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 2024.**

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 on-track as planned, and not indicative of any underlying issues needing to be highlighted or addressed.

The 2024 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 information on budget adjustments and transfers made in the second quarter of 2024 through delegated authority given to the Medical Officer of Health.

Document 4 provides a listing of the capital projects in progress and their status as of June 30, 2024.

Q2 2024 Operating Results

Document 1 outlines the operating status of OPH budget as of June 30, 2024. The year-to-date budget figures are prepared on a calendarized basis. Service Areas have allocated their 2024 budgets on a monthly and quarterly basis, established primarily according to historical trends.

Table 1 outlines Q2 2024 expenditures and revenues by funding types and the year-to-date budget status.

The year-to-date (YTD) spending is 6% above the YTD budget due to several factors, including employee backpay for Cost-of-Living Adjustment (COLA) and performance

pay, and increased expenditures for the COVID-19 vaccine program. The annual expenditure and revenue forecast predicts no year-end deficit as the net annual budget represents approved commitment from the City of Ottawa.

Table 1 - Summary of 2024 Q2 Operating Results

	Expenditures				Revenue				Forecast		
	Annual Expenditure	YTD Budget	YTD Actual	Spent	Annual Revenue	YTD Budget	YTD Actual	Spent %	Annual Expenditure	Annual Revenue	Net Annual Budget
Base Funded Programs	70,223	35,739	36,250	101%	(45,045)	(22,209)	(22,733)	102%	70,105	(45,161)	24,944
One-Time Funded Programs	2,459	2,459	3,797	154%	(2,459)	(2,459)	(3,813)	155%	4,004	(4,020)	(16)
Supplementary Funded Programs	7,982	3,395	4,216	124%	(5,028)	(2,490)	(3,035)	122%	8,232	(5,028)	3,205
All Programs	80,665	41,593	44,263	106%	(52,532)	(27,158)	(29,581)	109%	82,342	(54,209)	28,133

2024 Q2 Compensation Results

Document 2 outlines the operating status of OPH compensation expenditures as of June 30, 2024. The financial data shows that OPH has spent 55% of its annual budget for compensation and benefits and 39% of its overtime budget during the first two quarters of 2024. Nearly 84% of OPH's compensation budget is allocated to base-funded, mandatory cost-shared programs, with a spending rate of 52% for this budget. The increased spending is primarily due to compensation backpay resulting from COLA and performance pay. OPH expects lower spending in Q3, combined with additional provincial funding for the HBHC program, to help offset the higher expenditures in Q1 and Q2.

2024 Q2 Budget Adjustments and Transfers

Document 3 provides a summary of the budget adjustments and transfers made in the first quarter of 2024 under the delegated authority granted to the Medical Officer of Health.

2024 Q2 Capital Projects

Document 4 provides a list of provincially funded capital projects, detailing the total approved budget authority, expenditures up to June 30, 2024, and contractual obligations as of the same date. The total value of ongoing capital projects is \$5.5 million, with \$2.2 million spent as of June 30, 2024. The following points summarize the status of the three projects supported by capital funding:

- Renovation of 1580 Merivale Dental Clinic is complete. There are a few remaining dental equipment items ordered but not yet received that are required for the surgical suite.
- The renovation of the 40 Cobourg St clinic, located in Downtown Ottawa, is now in progress. This clinic is expected to reopen in early October 2024.
- A purchase order was issued in July 2024 for the construction of the new dental clinic located at 255 Centrum Blvd, Orleans (East Ottawa). The tender for the dental equipment is now in progress. This clinic is projected to be operational in Q2, 2025.

2024 Q2 Provincial Funding Update

- On June 7, the office of the Chief Medical Officer of Health announced that one-time funding will be available for public health units from April 1, 2024, to March 31, 2025, to support activities related to administering the COVID-19 Vaccine Program and RSV Prevention Program for the 2024-25 period. Details on the allocation methodology for this funding will be provided soon. Following the provincial announcement, OPH expects to receive additional one-time funding to help cover overspending in the COVID-19 vaccination program and to support vaccinations during the Fall 2024 campaign.
- On July 3, the Ministry of Children, Community, and Social Services confirmed revised base funding of \$5,464,096, reflecting an annualized increase of \$902,259 for Healthy Babies Health Children (HBHC) programs, effective April 1, 2024. The Board of Health had expressed the need for greater support to this program. This funding boost will allow OPH to fill previously unbudgeted vacant positions, enhancing support for healthy growth and development activities that will reach more families in innovative ways.

2024 Q2 Year-end Financial Outlook

- In our Q1 report, we projected a budget pressure of \$1 million for 2024. To address this, we implemented strategies such as gapping in Q1 to keep

compensation spending within reasonable limits, reallocated resources within non-compensation cost elements through monthly monitoring of underspending. These measures, along with the additional HBHC funding, will enable OPH to absorb the \$1 million budget pressure by year-end. We expect to balance spending with revenues by year-end.

- However, budgetary pressures will continue into 2025 as OPH strives to enhance service delivery to meet the rising demand for public health services, ensuring full compliance with Ontario Public Health Standards amidst rising service delivery costs.

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

Financial implications are as outlined in the report.

ACCESSIBILITY IMPACTS

There are no accessibility implications associated with this report.

SUPPORTING DOCUMENTATION

Document 1: Ottawa Public Health 2024 2nd Quarter Operating Status Report

Document 2: Ottawa Public Health 2024 2nd Quarter Compensation Status Report

Document 3: Ottawa Public Health 2024 2nd Quarter Budget Adjustments & Transfers

Document 4: Ottawa Public Health 2024 2nd Quarter Capital Status Report

DISPOSITION

This report is provided for information.