



TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health/CEO

DATE: 2020 February 06

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## 2020 PROPOSED BUDGET

### **Recommendation**

*It is recommended that the Finance & Facilities Committee recommend that the Board of Health:*

- 1) Approve the 2020 Proposed Budget in the gross amount of \$35,309,015, as appended to Report No. 002-20FFC re: “2020 Proposed Budget”;*
- 2) Forward Report No. 002-20FFC to the City of London and the County of Middlesex for information; and*
- 3) Direct staff to submit the 2020 Proposed Budget to the Health Unit’s funding agencies in the formats they require.*

### **Key Points**

- The 2020 Proposed Budget was developed with a 0% increase in mandatory program funding, with a view toward achieving a 70:30 funding split between the Ministry of Health and Long-Term Care (MOHLTC), on the one hand, and the City of London and the County of Middlesex, on the other.
- The provincial government has directed that municipal increases will be capped at 10% in 2020, with one-time mitigating funding from MOHLTC.
- The budget also includes other known or potential funding sources, including the Public Health Agency of Canada (PHAC), the Ministry of Children, Community and Social Services (MCCSS), and other sources of revenue.
- The 2020 Proposed Budget, as presented in [Appendix A](#), represents an increase over the previous year of \$707,034, or 2.04%, primarily due to the new Seniors Dental program.

### **Background**

The 2020 Proposed Budget provides a detailed overview of the Health Unit’s work, and the programs and services it delivers to the community. The Proposed Budget is designed to enhance the Board’s understanding of programs and interventions being delivered to meet the Ontario Public Health Standards Requirements for Programs, Services and Accountability, 2018.

### **2020 Proposed Board of Health Budget**

A shift in the public health funding model raised the municipal share of funding to 30%, effective January 1, 2020, for all mandatory public health programs previously funded either 100% by MOHLTC or jointly with municipalities. To help achieve this shift, the provincial government will protect municipalities from cost increases in excess of 10% of their current contribution by providing one-time mitigation funding to offset funding shortfalls. Despite this shift in funding by source, overall funding for mandatory programs remains unchanged in 2020 from the prior year.

To accommodate inflationary pressures on salaries, wages, and lease costs, the 2020 Proposed Budget includes PBMA proposed disinvestments approved by the Finance & Facilities Committee at its [October 31, 2019 meeting \(Report No. 033-19FFC\)](#). A summary of the proposed 2020 Board of Health Budget, including the PBMA disinvestment proposals, is contained in [Appendix A](#).

The overall 2020 Proposed Budget, as presented in [Appendix A](#), represents an increase over the previous year of \$707,034, or 2.04%. This includes some capital funding. Components of this increase are as follows:

Source of Funding	Amount of Increase or (Decrease)
Ontario Seniors Dental Care Program – 100% funding	\$2,561,400
Tobacco and cannabis enforcement – City of London funding	166,846
Decrease in MCCSS funding for children’s screening programs	(2,096,759)
Public Health Agency of Canada	15,453
Other offset revenue	60,094
<b>Net Change to Funding</b>	<b>\$707,034</b>

The Ontario Seniors Dental Care Program was introduced in 2019 with rollout targeted for early 2020. This includes provincial funding for program administration of \$1,861,400, and additional one-time funds of \$700,000 to offset capital costs to acquire a mobile treatment bus.

The City of London is providing temporary funding in the amount of \$166,846, to support local cannabis enforcement and education, from the Cannabis Legalization Implementation Fund.

As of September 1, 2019, administration of Screening Assessment and Intervention, a children’s program funded entirely by the MCCSS, was transferred to Thames Valley Children’s Centre.

## 2020 Annual Service Plan

The 2020 Annual Service Plan (ASP) provides planning and budgeting information for the 55 programs delivered by MLHU. The ASP allows the Board to make informed resource allocation decisions and ensure that programs address local public health issues, the Ontario Public Health Standards, and other relevant program mandates.

Planning and budget information is organized by program, each of which comprises a grouping of public health interventions related to disease, topic, population/age, or other relevant characteristics. The associated interventions are intended to achieve desired short-, intermediate-, and long-term program outcomes.

To develop the 2020 ASP, all MLHU staff (FTE salary, wages, and benefits) were allocated from the relevant teams to the programs that they deliver. All other program expenses were allocated from team budgets to the relevant program budgets based on FTE.

The ASP, with associated program descriptions and budgets, may also be found in [Appendix A](#).

## Next Steps

The 2020 proposed budget is \$35,309,015, which represents an increase of \$707,034, or 2.04%, from the prior year. Once approved, staff will forward this report to the City of London and the County of Middlesex for information, and will submit the budget to the different funding agencies in the required formats.

This report was prepared by the Healthy Organization Division.



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