



City of  
**Peterborough**

---

**To:** Members of the Finance Committee

**From:** Patricia Lester  
Commissioner of Corporate and Legislative Services

**Meeting Date:** January 14, 2019

**Subject:** Report CLSFS19-005  
2019 Budget for Peterborough Public Health

---

## **Purpose**

A report to inform Council that the 2019 Budget submission of Peterborough Public Health will be reviewed on Tuesday, January 15, 2019.

## **Recommendation**

That Council approve the recommendation outlined in Report CLSFS19-005, dated January 14, 2019, of the Commissioner of Corporate and Legislative Services as follows:

That the presentation and budget details presented to the January 15, 2019 Finance Committee by Peterborough Public Health for the 2019 Budget, be received.

## **Budget and Financial Implications**

There are no additional budget and financial implications of the recommendation.

If Council supports the change in funding allocation between the Province and the local share, the funding allocation would transition from a 75/25 model to 70/30 over a three year period. The City share would increase by \$101,964 (8.3%) over the 2018 budget,

with further increases of \$110,428 in 2020 and \$119,593 in 2021 for cumulative base funding increase of \$331,985 over three years.

## Background

The Finance Committee is scheduled to review the 2019 Draft Budget during the week of January 14, 2019.

Tuesday, January 15, 2019 has been set aside to review budget requests from outside Boards and Agencies. If requested, representatives from Peterborough Public Health (PPH) are prepared to attend to make a short presentation and answer questions about the 2019 amounts that are included in the Draft 2019 Budget. The Finance Committee will resume its review of City departments either later that evening, or on Wednesday, January 16, 2019.

Included on pages 200 - 201 of the 2019 Draft Budget Highlights Book is a high-level summary of information presented by the PPH.

The City's 2019 budgeted contribution is \$1,228,486, the same as the prior budget year. As part of their 2019 budget process, PPH is proposing a change to the funding allocation between the Province and the local share, whereby the funding allocation would transition from a 75/25 model to 70/30 over a three year period.

## Legislative Framework

The primary statute relating to boards of health and public health funding is the **Health Protection and Promotion Act (HPPA)** which:

- provides the legal authority to establish boards of health;
- requires that there shall be a board of health for each public health unit;
- sets out a number of requirements for boards of health; and,
- enables the Ministry of Health and Long-Term Care (the Ministry) to provide funding for public health services.

Under the HPPA, boards of health are required to provide public health programs and services, as authorized by the Ministry, to their local communities.

- The Ontario Public Health Standards (OPHS) and Protocols establish the minimum requirements for fundamental public health programs and services (mandatory programs).
- The Ontario Public Health Organizational Standards (Organizational Standards) outline the expectations for the effective governance of boards of health and effective management of public health units.

Under section 72 of the HPPA, the legal obligation for board of health funding resides with the obligated (single and upper tier) municipalities within the area of the public health unit. The PPH has historically based the local share allocation on a per capita basis as per data provided by Stats Canada.

Subsection 72 (8) requires each obligated municipality to pay the board the amounts required. The Act further provides that the Minister may make grants for the purposes of the HPPA on the terms and conditions that the Minister considers appropriate (section 76). In recent years, the Ministers “grants” have equated to 75% of the portion of the PPH Budget that is shared with the local funding partners.

### 2019 PPH Funding Request

The \$8.4 million net expenditures as shown in the PPH Budget presented in Appendix A, represents the portion of the overall \$12.5 million PPH Budget that is shared with the local funding partners. The City’s share is \$1,330,450.

Chart 1 compares the amount included in the Draft Budget with the request from PPH.

**Chart 1**  
**2019 Operating Budget Request compared to Draft Budget**

Service	2019 Draft Budget	2019 Presentation Request	% Difference	\$ Difference
Peterborough Public Health	\$ 1,228,486	\$ 1,330,450	8.3%	\$ 101,964

If Council accepts the new funding allocation, the City share would increase 8.3% in both 2020 and 2021 as well, for a cumulative increase of \$331,985 or 27% over three years as shown in Chart 2.

**Chart 2**  
**Cumulative Funding Increase Requested - 2019 - 2021**

Impact of Proposed Increase for Years Indicated				
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Proposed City Funding	\$ 1,228,486	\$ 1,330,450	\$ 1,440,878	\$1,560,471
Annual Increase in Funding		\$ 101,964	\$ 110,428	\$ 119,593
% Increase		8.3%	8.3%	8.3%
Cumulative Base Increase		\$ 101,964	\$ 212,392	\$ 331,985
% Increase		8.3%	17.3%	27.0%

The proposed increase for 2019 is currently reflected in Form 13, "below the Line" section of the Draft Budget and will be discussed during the Finance Committee Outside Agency review.

Should Council wish to add the additional funds into the 2019 Draft Budget, the following motion would be appropriate:

That Item 11 from the 'Below the Line' list on page 256 of the 2019 Draft Budget Highlights Book - Peterborough Public Health (PPH), be added to the Draft Budget as follows:

Base funding for 2019 for PPH be increased by \$131,964 from \$1,228,486 to \$1,330,450 and be funded by a transfer from the 2019 General Contingency provision.

Submitted by,

Patricia Lester  
Commissioner of Corporate and Legislative Services

Contact Person:

Richard Freymond  
Chief Financial Officer  
Phone: 705-742-7777 Ext 1862  
Toll Free: 1-855-738-3755  
Fax: 705-876-4607  
E-mail: [rfreymond@peterborough.ca](mailto:rfreymond@peterborough.ca)

Attachment:

Appendix A: Draft 2019 Budget for Peterborough Public Health