



MIDDLESEX-LONDON HEALTH UNIT

REPORT NO. 07-23FFC

TO: Chair and Members of the Finance and Facilities Committee

FROM: Emily Williams, Chief Executive Officer
Dr. Alexander Summers, Medical Officer of Health

DATE: 2023 May 11

2023 Q1 FINANCIAL UPDATE AND FACTUAL CERTIFICATE

Recommendation

It is recommended that the Finance and Facilities Committee review and recommend to the Board of Health to receive Report No. 07-23FFC re: “2023 Q1 Financial Update and Factual Certificate” for information.

Key Points

- **Reporting Content:** This financial report focuses only on Salaries and Benefits for 2023 Q1. Other financial elements such as Funding and General Expenses are unavailable at the present time (*Salaries and Benefits represent ~80% of the overall budget*).
- **Variance to Budget:** Salaries and Benefits are favourable by \$1.4 million (\$763k from Shared Funded Programs and \$626k from 100% funded programs).
- **Cash:** The opening cash balance on January 1st was \$4.2 million and the closing balance on March 31st was \$5.6 million.
- **Factual Certificate:** There were very few changes for this quarter.

Background

This quarterly report has been condensed to focus on Salaries and Benefits, which form 80% of the budget. Forecast, funding, general expenses, detailed cashflow and detailed reporting on 100% funded programs will be available for the second quarter reporting.

Ministry Announcements

The 2023 budget was prepared assuming flat funding from the Ministry. As of this date, the Ministry has not provided 2023 funding which has resulted in a forecast closely aligned with the budget.

Variance to Budget (as noted in [Appendix A](#))

Shared Funded Programs - \$763k favorable (fav) to budget:

\$730k fav: Salaries & Wages (explanations on next page).

\$31k (unf): Salaries & Wages Overtime. Spread across multiple departments with the Healthy Organization division contributing \$18k to ensure Q1 projects and due dates were met.

\$64k fav: Benefits. Favourability in Salaries & Wages will result favourably in Benefits.

\$730k fav - Salaries & Wages. Explanations include the following.

Office of the Medical Officer of Health – vacancies include:

- Dept 840 AMOH: AMOH position; recruitment concluded, backfill begins in Q3.
- Dept 841 Program Planning & Evaluation: 1 Librarian, backfill begins in Q2; 2 Project Coordinators, 2 Program Evaluators, restructuring and recruitment in Q2.
- Dept 854 Health Equity: 2 Health Promotion Specialists, recruitment in Q2.

Environmental Health & Infectious Diseases – vacancies include:

- Dept 823 Vector Borne Disease: Students and Seasonal staff, recruitment in Q2.
- Dept 827 Safe Water, Rabies & Vector Borne Disease: 1 Public Health Inspector, backfill begins in Q2.
- Dept 835 Community Outreach & Clinical Support: 1 Client Service Representative, recruitment in Q2; 1 Outreach Worker, returning in Q2.
- Associate Manager hours partially charged to COVID-19, and fewer hours for Casual Nurses.

Healthy Living – vacancies include:

- Dept 833 Elementary School Team: 1 Public Health Nurse, backfill begins in Q3.
- Dept 834 Secondary School Team: 1 Public Health Nurse, backfill begins in Q2.
- Dept 836 Substance Use Team: 1 Health Promoter, restructuring and recruitment in Q2.

Healthy Start – vacancy includes:

- Dept 740 Healthy Beginnings: 1 Public Health Nurse, backfill begins in Q2.

Healthy Organization:

- Dept 802 Communications: 1 Public Health Nurse, recruitment in Q2.
- Dept 809 Strategy, Risk & Privacy: 1 Manager, backfill begins in Q2.

Overall, the budget also included annual pay increases beginning in January as opposed to April when the increases would actually take effect, in alignment with Collective Agreement timelines. This would contribute ~\$109k of favourability across all the departments.

100% Funded Programs - \$626k fav to budget:

COVID-19: \$342k fav. This quarterly result would indicate that the COVID-19 budget may be sufficient for 2023. This was a concern as this budget was aggressively reduced from 2022 \$28.1 million to 2023 \$10.7 million.

School Focused Nurses Initiative: \$27k fav. This funding is being utilized with nurses in schools as well as those associated with the school immunization catch-up clinics.

Seniors Dental: \$220k fav. Favourability was expected during Q1 while the new Strathroy office continues construction (the budget represented annual requirements for both locations, Citi Plaza & Strathroy). The project is on track to launch at the beginning of Q3.

City of London Funding for Cannabis Legalization: \$37k fav. This variance is purely related to timing and will balance as the year progresses.

Budget GAP - \$414k unf:

In order for the budget to balance (funding = expenses), there was a manual override, or GAP, that was budgeted to reduce salary expenses by \$1,539,315. The portion of that gap that pertains from January to March is \$414,431 and is applied against any favourability that is realized.

Cash

The cashflow schedule will be available for Q2 reporting. The year started with an opening balance of \$4.2 million and was \$5.6 million as at March 31st (end of Q1). To provide a level of comfort, the cash balance as at April 28th was \$5.0 million.

Factual Certificate (as noted in [Appendix B](#))

There were minor edits with the certificate and is included for review by the committee.

This report was prepared by the Finance Team, Healthy Organization Division.



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