



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 August 10

2023 Q2 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. 10-23FFC re: “2023 Q2 Financial Update and Factual Certificate” for information.

Key Points

- This comprehensive report covers key financial elements to assist with strategic decision making.
- It includes an Executive Summary and commentary on key segments of the Health Unit including:
 - Shared Funded Programs
 - 100% Funded Programs
 - Cashflow, which also includes a Financial Borrowing update
- The following schedules are also provided:
 - Financial Overview, plus
 - MLHU 100% Funded Programs
 - MLHU2 100% Funded Programs
 - Department Expenses
 - Department Funding
 - Cashflow Schedule
 - Factual Certificate

Background

The quarterly report has been slightly revised to focus on key segments of the Health Unit, such as the high-level overview of Shared Funded and 100% Funded Programs, and current state of cashflow, including borrowing. This information is provided quarterly to assist with strategic decision making, such as progress on achieving the ‘gapping’ budget and associated staffing decisions for the next quarter.

Financial Highlights

Please refer to [Appendix A](#) for full financial details of Q2 2023.

Several highlights for consideration include:

- Shared Funded Programs - The expenses from January to June generated \$570k favourability which resulted from staff vacancies and reduced general expense spending, offset with unfavourable budgeted gap. As in previous years, any end-of-year surplus will be applied to reduce COVID-19 expenditures (thereby reducing COVID-19 funding).
- MLHU 100% Funded Programs - Reduced COVID-19 spending to budget is favorable as no funding has been received to date, and the Ontario Seniors Dental Care Program is forecasting higher spending from July to December as the new Strathroy office becomes fully operational. Additional operating dollars for the Strathroy clinic have been requested as part of the 2023 budget.

- MLHU2 100% Funded Programs – These programs are on track to balance at year end.
- Cashflow – Remains positive due to 2022 COVID-19 funding received in Q1.

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

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Emily Williams, BScN, RN, MBA, CHE
Chief Executive Officer

Handwritten signature of Dr. Alexander Summers in cursive script.

Dr. Alexander Summers, MD, MPH, CCFP, FRCPC
Medical Officer of Health