



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 September 14

2023 FINANCIAL UPDATE
Ending August 31, 2023

Recommendation

It is recommended that the Finance & Facilities Committee receive Report No. 15-23FFC re “2023 Financial Update” for information.

Key Points – MLHU: 8 Months Ending August 31st:

- Total Expenses are \$937 unfavourable to budget.
- Salaries (*salaries, overtime, benefits, GAP*) are nearly balanced at \$17k unfavourable to budget.
- General Expenses are ~\$16k fav to budget (*this has been calculated assuming invoices and payments have a one-month delay compared to budget*).

Background

Monthly reporting that does not coincide with quarter end dates will focus on MLHU expense reporting only. Funding is shown but may be affected by timing, accruals and/or deferrals.

Shared Funded Programs

<i>(revenue)/expenses</i>	Jan-Aug (8 mths)		
	Actual	Budget	fav/(unf)
Grants, User Fees & Other Income	(20,320,006)	(20,583,377)	(263,370)
Salaries & Wages	12,421,308	13,477,563	1,056,255
Salaries & Wages Overtime	48,668	13,265	(35,403)
Benefits	3,490,346	3,459,030	(31,316)
General Expenses	4,306,516	4,322,519	16,002
Gap	0	(1,006,475)	(1,006,475)
Total Expenses	20,266,838	20,265,901	(937)
Transfer to/(from) Reserves	(86,868)	(86,868)	0
Shared Funded Programs: (Surplus) / Deficit	(140,037)	(404,344)	(264,307)

Focus on Expenses

Salaries, overtime, benefits and GAP nearly balance at only \$16,939 unfavourable to budget.

The actual General Expenses are estimated assuming invoices and payments are one-month delay to the budget.

August posted expenses were \$3,768,202 which closely represent only 7 months. This was then calculated to represent an estimated spend for 8 months at \$4,306,516.

Forecasted to December 31st

<i>(revenue)/expenses</i>	Annual - January to December		
	Actual	Budget	fav/(unf)
Grants, User Fees & Other Income	(31,064,140)	(30,875,065)	189,075
Salaries & Wages	19,556,488	20,612,743	1,056,255
Salaries & Wages Overtime	55,691	20,288	(35,403)
Benefits	5,315,755	5,284,439	(31,316)
General Expenses	6,483,778	6,483,778	0
Gap	0	(1,539,315)	(1,539,315)
Total Expenses	31,411,712	30,861,933	(549,779)
Transfer to/(from) Reserves	(86,868)	13,132	100,000
Shared Funded Programs: (Surplus) / Deficit	260,704	(0)	(260,704)

Based on the 2023 approved funding, Shared Funded Programs will see an extra \$189,075 more than what was budgeted.

Based on current spending, General Expenses should balance to budget with no favourability. Transfers to Reserves will be \$100k fav as the contribution to the Stabilization Reserve will not be made.

Salaries, Overtime & Benefits: Assuming that the variances related to salaries, overtime and benefits remain constant (that is, staffing is at budget for the balance of the year), the Health Unit will be in deficit \$261k on Shared Funded Programs. This amounts to an estimated 6.5 vacancies (from budget) for the remainder of the year to balance to zero.

MLHU 100% Funded Programs

COVID-19: Jan-Aug spending \$4,496k against a budget of \$7,001k. Annual forecast has a conservative estimate of \$8,372k vs a budget of \$10,655k. The Health Unit has not received any COVID-19 funding to date.

School Focused Nurses Initiative: Spending was \$781k against a budget of \$708k. Funding was approved at only \$550k leaving a shortfall of \$231k.

Seniors Dental: Jan-Aug spending \$1,521k against a budget of \$2,439k with increased spending expected over the next four months. Approved annual funding for this program is \$3,167k for 2023.

CLIF – London Cannabis Legalization Implementation Funding: Jan-Aug spending \$67k against a budget of \$124k. The Health Unit will seek approval to carry over this funding if not used in the current year.

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 Alexander T. Summers in cursive script.

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