



TO: Chair and Members of the Board of Health

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

DATE: 2023 December 14

2024 MIDDLESEX-LONDON HEALTH UNIT BUDGET

Recommendations

It is recommended that the Board of Health:

- 1) *Receive Report No. 81-23 re: “2024 Middlesex-London Health Unit Budget” for information; and*
- 2) *Approve the 2024 Budget as outlined in [Appendix A](#).*

Key Points

- The MLHU was facing a significant budget shortfall in 2024 and organizational restructuring was required.
- The changes to staff positions are outlined in this report, and employee layoffs were mitigated by offering incentivized retirements, reduction of vacant positions, and extending employment by transferring staff to contract/temporary roles.
- Given current understanding of funding levels in 2025 (1% provincial funding), a shortfall is anticipated again in that year. Several temporary roles were included in the 2024 budget that will be removed in 2025 to mitigate further disruption to staff.

Background

As noted in [Report No. 54-23](#), the Middlesex-London Health Unit is facing significant budget pressures in 2024 and will no longer be able to sustain its current or historic levels of service. Pressures include the need to absorb inflationary pressures (negotiated salary increases and corporate inflation, \$698,900); the need to incorporate staffing costs associated with the ongoing work of COVID-19 (Infectious Disease Control and Vaccine work, \$1,054,570); and the need to reduce the organizational gapping budget to an attainable level (\$548,764).

Funding increases include an overall 1% increase in provincial cost-shared base funding, a 3% increase from both municipalities (City of London and County of Middlesex), and an increase in Infection Prevention and Control Hub funding (\$172K), for an overall increase of \$978K in cost-shared base funding compared to 2023.

Other programs that receive 100% discreet funding from other sources (e.g. Public Health Ontario, Public Health Agency of Canada, Ministry of Children, Community, and Social Services, City of London Cannabis Legalization Implementation Funding and the Ontario Seniors Dental Care Program) are not included in this report because these programs are fully balanced, with no surplus and no deficit, and any surplus generated is returned to the funder.

2024 Cost-shared Base Budget

[Report No. 80-23](#) outlines the organizational restructuring that has been undertaken as a result of the budget shortfall.

Disinvestments include the following positions, represented by Full Time Equivalents (FTE):

- 17.5 FTE Registered Nurses (RN);
- 2.0 FTE Registered Dietitians (RD);
- 1.5 FTE Health Promoters;
- 0.5 FTE Program Assistant (PA);
- 1.0 Director; and
- 3.0 Managers.

Some investments were made to support the restructuring, to ensure that newly formed and existing teams had the right combination of skill sets to do the prioritized interventions.

Investments include the following positions by FTE:

- 4.5 FTE RNs;
- 0.75 FTE Registered Practical Nurses (RPN);
- 1.0 FTE Administrative Assistant;
- 1.0 Data Analyst;
- 3.0 Health Promotion Specialists;
- 3.0 Associate Managers; and
- 5.0 Program Assistants.

Temporary positions were also included in the budget for 2024, in recognition of a further funding shortfall anticipated in 2025, and to minimize disruption at that time.

Temporary investments in the cost-shared base budget for 2024 include the following positions:

- 1.0 FTE Payroll & Benefits Administrator;
- 1.0 FTE Logistics Coordinator;
- 1.0 FTE Outreach Worker; and
- 0.6 FTE Marketing Coordinator.

Summary: Net reductions (after accounting for investments) in the workforce at the MLHU include a loss of 13.0 FTE of RN positions, 2.0 RD positions, 1.5 Health Promoter positions, and 1 Director position. Other disinvestments were offset by investments of positions with lower salary bands, for example 3 Manager role reductions were offset by 3 Associate Manager investments. These changes represent an overall savings of approximately \$2.16M. This amount, combined with the increased funding of \$978K has ensured a balanced 2024 cost-shared base budget.

Several strategies were taken to minimize the people-level impacts of the restructuring, including Voluntary Retirement Incentives, reducing already vacant positions, and extending employment by transferring staff to contract/temporary roles. This will result in less than 7 total lay offs of front-line staff after all displacement ('bumping') rounds have been completed.


Next Steps

The Board of Health is required to approve the 2024 Budget, presented as [Appendix A](#).

This report was prepared by the Chief Executive Officer and Medical Officer of Health.

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

Handwritten signature of Alexander T. Summers in cursive script.

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